

## Ho'okuleana LLC

... to take responsibility ...

**Peter T. Young**  
1539 Kanapu'u Drive  
Kailua, Hawai'i 96734  
(808) 226-3567 (Cell Phone)  
PeterYoung@Hookuleana.com  
www.Hookuleana.com



Office of Planning, State of Hawaii  
235 South Beretania Street, 6<sup>th</sup> Floor  
Honolulu, HI 96813

April 19, 2019

Sent only via e-mail to [Johua.K.Hekekieia@dbedt.hawaii.gov](mailto:Johua.K.Hekekieia@dbedt.hawaii.gov)

Re: Miki Basin Industrial Park, Lāna'i - Draft Environmental Assessment

Gentlemen:

Thank you for your response to our Pre-Assessment Consultation and Scoping request for the above referenced project (SSFM initially sent the pre-assessment request, I will be preparing the EA).

We acknowledge your comments concerning Land Use District Boundary Amendments, Land Use Approvals, Environmental Assessment requirement, CZM and Drainage related to the project. These will be incorporated into the EA.

A draft Environmental Assessment is being prepared and we will be sending you a copy for your review.

Thanks,  
HO'OKULEANA LLC

Peter T Young  
President

Do well by doing good.

DAVID Y. IGE  
GOVERNOR OF HAWAII



STATE OF HAWAII  
DEPARTMENT OF LAND AND NATURAL RESOURCES  
LAND DIVISION

POST OFFICE BOX 621  
HONOLULU, HAWAII 96809

December 7, 2018

SUZANNE D. CASE  
CHAIRPERSON  
BOARD OF LAND AND NATURAL RESOURCES  
COMMISSION ON WATER RESOURCE  
MANAGEMENT

DAVID Y. IGE  
GOVERNOR OF HAWAII



STATE OF HAWAII  
DEPARTMENT OF LAND AND NATURAL RESOURCES  
DIVISION OF FORESTRY AND WILDLIFE  
1151 PUNCHBOWL STREET, ROOM 325  
HONOLULU, HAWAII 96813  
DEC - 5 2018

SUZANNE D. CASE  
CHAIRPERSON  
BOARD OF LAND AND NATURAL RESOURCES  
COMMISSION ON WATER RESOURCE  
MANAGEMENT

ROBERT K. MASUDA  
FWS - DEPUTY

JEFFREY T. PEARSON, P.E.  
DEPUTY DIRECTOR - WATER

AQUATIC RESOURCES  
BOATING AND OCEAN RECREATION  
BUREAU OF CONVEYANCES  
COMMISSION ON WATER RESOURCE MANAGEMENT  
CONSERVATION AND COASTAL LANDS  
CONSERVATION AND RESOURCES ENFORCEMENT  
ENGINEERING  
FORESTRY AND WILDLIFE  
HISTORIC PRESERVATION  
KAIKOLAWE ISLAND RESERVE COMMISSION  
LAND  
STATE PARKS

SSFM International, Inc.  
Attn: Ms. Jennifer M. Scheffel  
Sr. Environmental Planner  
99 Aupuni Street, Suite 202  
Hilo, Hawaii 96720

via email: [jscheffel@ssfm.com](mailto:jscheffel@ssfm.com)

Dear Ms. Scheffel:

SUBJECT: Pre-Assessment Consultation for Draft Environmental Assessment for the Proposed **Pulama Lanai Miki Basin 200-Acre Industrial Area** located on the Island of Lanai; (2) 4-9-002:por. 061

Thank you for the opportunity to review and comment on the subject matter. The Land Division of the Department of Land and Natural Resources (DLNR) distributed or made available a copy of your request pertaining to the subject matter to DLNR's Divisions for their review and comments.

At this time, enclosed are comments from the (a) Division of Forestry & Wildlife, and (b) Commission on Water Resource Management on the subject matter. Should you have any questions, please feel free to call Darlene Nakamura at (808) 587-0417. Thank you.

Sincerely,

Russell Y. Tsuji  
Land Administrator

Enclosures  
cc: Central Files

MEMORANDUM

TO: RUSSELL Y. TSUJI, Administrator  
Land Division

FROM: DAVID G. SMITH, Administrator *DGS*

SUBJECT: **Division of Forestry and Wildlife Comments on the Pre-Assessment Consultation for the Proposed Pulama Lānaʻi Miki Basin 200-acre Industrial Area Draft Environmental Assessment**

The Department of Land and Natural Resources Division of Forestry and Wildlife (DOFAW) has received your inquiry regarding the preparation of a draft Environmental Assessment to support the proposed reclassification of 200 acres of land adjacent to Lānaʻi Airport from Agriculture to Urban in the Miki Basin, Lānaʻi, TMK: (2) 4-9-002:061 por., to align with the zoning in the Lānaʻi Community Plan. The applicant, Pulama Lānaʻi, states the subject parcel consists of undeveloped agricultural land. We provide the following comments for potential development of the property that may occur as a result of the reclassification.

The State and Federal listed Hawaiian Hoary Bat (*Lasiurus cinereus semotus*) has the potential to occur in the vicinity of the project area and may roost in trees. To avoid the potential for impacts to this tree-roosting species, site clearing should be timed to avoid disturbance during the bat birthing and pup rearing season (June 1 through September 15). If this cannot be avoided woody plants greater than 15 feet (4.6 meters) tall should not be disturbed, removed, or trimmed without consulting DOFAW. Barbed wire should be avoided for any construction because bat mortalities have been documented as a result of becoming ensnared by barbed wire during flight.

We note that artificial lighting can adversely impact seabirds that may pass through the area at night causing disorientation that could result in collision with manmade artifacts or grounding of birds. For nighttime lighting that might be required, DOFAW recommends that any lights be fully shielded to minimize impacts. Nighttime work that requires outdoor lighting should be avoided during the seabird fledging season from September 15 through December 15. This is the period when young seabirds take their maiden voyage to the open sea.

The State and Federal listed Blackburn's Sphinx Moth (BSM; *Manduca blackburni*) has a historic range that encompasses the project area. Larvae of BSM feed on many nonnative hostplants that include tree tobacco (*Nicotiana glauca*) which grows in disturbed soil. We recommend contacting our Maui DOFAW office at (808) 984-8100 for further information about where BSM may be present and whether a vegetation survey should be conducted to determine the presence of plants preferred by BSM.



DOFAW recommends surveying for rare and endangered plants that historically occur in the area. If any of these species are found, please notify our Maui DOFAW office at (808) 984-8100.

We recommend using native plant species for landscaping that are appropriate for the area (i.e. climate conditions are suitable for the plants to thrive, historically occurred there, etc.). Please do not plant invasive species. DOFAW recommends consulting the Hawai'i-Pacific Weed Risk Assessment website to determine the potential invasiveness of plants proposed for use in the project (<https://sites.google.com/site/weedriskassessment/home>).

You should avoid moving soil or other plant material within and between the islands due to the potential presence of pathogens. We recommend consulting the Hawai'i Interagency Biosecurity Plan at <http://dlnr.hawaii.gov/hisc/plans/hibp/> in planning, design, and construction of the project.

Finally, DOFAW is concerned about attracting vulnerable birds to areas that may host non-native predators such as cats, rodents, and mongoose. We recommend taking action to minimize predator presence; remove cats, place bait stations for rodents and mongoose, and provide covered trash receptacles.

We appreciate your efforts to work with our office for the conservation of our native species. Should the scope of the project change significantly, or should it become apparent that threatened or endangered species may be impacted, please contact our staff as soon as possible. If you have any questions, please contact Jim Cogswell, Wildlife Program Manager at (808) 587-4187 or [James.M.Cogswell@hawaii.gov](mailto:James.M.Cogswell@hawaii.gov).

DAVID Y. IGE  
GOVERNOR OF HAWAII



SUZANNE D. CASE  
CHAIRPERSON  
BOARD OF LAND AND NATURAL RESOURCES  
COMMISSION ON WATER RESOURCE  
MANAGEMENT

STATE OF HAWAII  
DEPARTMENT OF LAND AND NATURAL RESOURCES  
LAND DIVISION

POST OFFICE BOX 621  
HONOLULU, HAWAII 96809

November 21, 2018

MEMORANDUM

TO:

DLNR Agencies:

- ☐ Div. of Aquatic Resources
- ☐ Div. of Boating & Ocean Recreation
- ☒ Engineering Division
- ☒ Div. of Forestry & Wildlife
- ☐ Div. of State Parks
- ☒ Commission on Water Resource Management
- ☒ Office of Conservation & Coastal Lands
- ☒ Land Division – Maui District
- ☒ Historic Preservation

FR:

TD:

FROM:  
SUBJECT:

Russell Y. Tsuji, Land Administrator  
Pre-Assessment Consultation for Draft Environmental Assessment for the  
Proposed **Pulama Lanai Miki Basin 200-Acre Industrial Area**  
Island of Lanai; TMK: (2) 4-9-002:por. 061  
SSFM International on behalf of Lanai Resorts, LLC dba Pulama Lanai

LOCATION:  
APPLICANT:

Transmitted for your review and comment is information on the above-referenced subject matter. We would appreciate your comments by **December 6, 2018**.

If no response is received by this date, we will assume your agency has no comments. If you have any questions about this request, please contact Darlene Nakamura at 587-0417. Thank you.

Attachments

- ( ) We have no objections.
- ( ) We have no comments.
- ( x ) Comments are attached.

Signed: /s/ Jeffrey T. Pearson, P.E.

Print Name: Deputy Director

Date: December 3, 2018

cc: Central Files

FILE ID: REF. 4984.5  
DOC ID: 206311



STATE OF HAWAII  
DEPARTMENT OF LAND AND NATURAL RESOURCES  
**COMMISSION ON WATER RESOURCE MANAGEMENT**  
P.O. BOX 621  
HONOLULU, HAWAII 96809

December 3, 2018

SUZANNE D. CASE  
CHAIRPERSON  
BRUCE S. ANDERSON, PH.D.  
WILLIAM D. BALFOUR, JR.  
KAMANA BEAMER, PH.D.  
MICHAEL G. BUCK  
NEIL J. HANNAHS  
PAUL J. MEYER  
JEFFREY T. PEARSON, P.E.  
DEPUTY DIRECTOR

REF: RFD.4984.5

TO: Mr. Russell Tsuji, Administrator  
Land Division

FROM: Jeffrey T. Pearson, P.E., Deputy Director  
Commission on Water Resource Management

SUBJECT: Pre-Assessment Consultation for Draft Environmental Assessment for the Proposed Pulama Lanai  
Miki Basin 200-Acre Industrial Area

FILE NO.: RFD.4984.5  
TMK NO.: (2) 4-9-002:por. 061

Thank you for the opportunity to review the subject document. The Commission on Water Resource Management (CWRM) is the agency responsible for administering the State Water Code (Code). Under the Code, all waters of the State are held in trust for the benefit of the citizens of the State, therefore all water use is subject to legally protected water rights. CWRM strongly promotes the efficient use of Hawaii's water resources through conservation measures and appropriate resource management. For more information, please refer to the State Water Code, Chapter 174C, Hawaii Revised Statutes, and Hawaii Administrative Rules, Chapters 13-167 to 13-171. These documents are available via the Internet at <http://dlnr.hawaii.gov/cwrm>.

Our comments related to water resources are checked off below.

- ☐ 1. We recommend coordination with the county to incorporate this project into the county's Water Use and Development Plan. Please contact the respective Planning Department and/or Department of Water Supply for further information.
- ☐ 2. We recommend coordination with the Engineering Division of the State Department of Land and Natural Resources to incorporate this project into the State Water Projects Plan.
- ☐ 3. We recommend coordination with the Hawaii Department of Agriculture (HDOA) to incorporate the reclassification of agricultural zoned land and the redistribution of agricultural resources into the State's Agricultural Water Use and Development Plan (AWUDP). Please contact the HDOA for more information.
- ☐ 4. We recommend that water efficient fixtures be installed and water efficient practices implemented throughout the development to reduce the increased demand on the area's freshwater resources. Reducing the water usage of a home or building may earn credit towards Leadership in Energy and Environmental Design (LEED) certification. More information on LEED certification is available at <http://www.usgbc.org/leed>. A listing of fixtures certified by the EAP as having high water efficiency can be found at <http://www.epa.gov/watersense>.
- ☐ 5. We recommend the use of best management practices (BMP) for stormwater management to minimize the impact of the project to the existing area's hydrology while maintaining on-site infiltration and preventing polluted runoff from storm events. Stormwater management BMPs may earn credit toward LEED certification. More information on stormwater BMPs can be found at <http://planning.hawaii.gov/czm/initiatives/low-impact-development/>
- ☐ 6. We recommend the use of alternative water sources, wherever practicable.
- ☐ 7. We recommend participating in the Hawaii Green Business Program, that assists and recognizes businesses that strive to operate in an environmentally and socially responsible manner. The program description can be found online at <http://energy.hawaii.gov/green-business-program>.
- ☐ 8. We recommend adopting landscape irrigation conservation best management practices endorsed by the Landscape Industry Council of Hawaii. These practices can be found online at

Mr. Russell Tsuji  
Page 2  
December 3, 2018

- [http://www.hawaiiscape.com/wp-content/uploads/2013/04/LICH\\_Irrigation\\_Conservation\\_BMPs.pdf](http://www.hawaiiscape.com/wp-content/uploads/2013/04/LICH_Irrigation_Conservation_BMPs.pdf).
- ☐ 9. There may be the potential for ground or surface water degradation/contamination and recommend that approvals for this project be conditioned upon a review by the State Department of Health and the developer's acceptance of any resulting requirements related to water quality.
  - ☐ 10. The proposed water supply source for the project is located in a designated water management area, and a Water Use Permit is required prior to use of water. The Water Use Permit may be conditioned on the requirement to use dual line water supply systems for new industrial and commercial developments.
  - ☐ 11. A Well Construction Permit(s) is (are) are required before the commencement of any well construction work.
  - ☐ 12. A Pump Installation Permit(s) is (are) required before ground water is developed as a source of supply for the project.
  - ☐ 13. There is (are) well(s) located on or adjacent to this project. If wells are not planned to be used and will be affected by any new construction, they must be properly abandoned and sealed. A permit for well abandonment must be obtained.
  - ☐ 14. Ground-water withdrawals from this project may affect streamflows, which may require an instream flow standard amendment.
  - ☐ 15. A Stream Channel Alteration Permit(s) is (are) required before any alteration can be made to the bed and/or banks of a stream channel.
  - ☐ 16. A Stream Diversion Works Permit(s) is (are) required before any stream diversion works is constructed or altered.
  - ☐ 17. A Petition to Amend the Interim Instream Flow Standard is required for any new or expanded diversion(s) of surface water.
  - ☐ 18. The planned source of water for this project has not been identified in this report. Therefore, we cannot determine what permits or petitions are required from our office, or whether there are potential impacts to water resources.
  - ☒ OTHER: The Draft Environmental Assessment should discuss the projected water demands for the project, both potable and non-potable, and provide the calculations used to estimate demands. The Draft Environmental Assessment should identify the proposed water source(s) to support the project, and include a discussion of the potential impacts on water resources and other public trust uses of water, and describe any proposed mitigation measures. Water conservation and efficiency measures to be implemented should be discussed. The consistency of this project with the Lanai Water Use and Development Plan (2011) should also be discussed.

If you have any questions, please contact Lenore Ohye of the Commission staff at 587-0216.

## Ho'okuleana LLC

... to take responsibility ...

Peter T. Young  
1539 Kanapu'u Drive  
Kailua, Hawai'i 96734  
(808) 226-3567 (Cell Phone)  
PeterYoung@Hookuleana.com  
www.Hookuleana.com



Department of Land and Natural Resources  
Division of Forestry and Wildlife  
1151 Punchbowl Street, Room 325  
Honolulu, Hawaii 96813

April 19, 2019

Sent only via e-mail to [James.M.Cogswell@hawaii.gov](mailto:James.M.Cogswell@hawaii.gov)

Re: Miki Basin Industrial Park, Lāna'i - Draft Environmental Assessment


Gentlemen:

Thank you for your response to our Pre-Assessment Consultation and Scoping request for the above referenced project (SSFM initially sent the pre-assessment request, I will be preparing the EA).

We acknowledge your comments that the Hawaiian Hoary Bat has the potential to occur in the vicinity of the project area and may roost in trees, your concern for artificial lighting, Blackburn's Sphinx Moth range and your recommendation to survey for rare and endangered plants that historically occur in the area.

A draft Environmental Assessment is being prepared and we will be sending you a copy for your review.

Thanks,  
HO'OKULEANA LLC



Peter T Young  
President

Do well by doing good.

## Ho'okuleana LLC

... to take responsibility ...

Peter T. Young  
1539 Kanapu'u Drive  
Kailua, Hawai'i 96734  
(808) 226-3567 (Cell Phone)  
PeterYoung@Hookuleana.com  
www.Hookuleana.com



Hawaii Department of Land and Natural Resources  
Commission on Water Resource Management  
P. O. BOX 621  
Honolulu, HI 96809

April 19, 2019

Sent only via e-mail to [Lenore.N.Ohye@hawaii.gov](mailto:Lenore.N.Ohye@hawaii.gov)

Re: Miki Basin Industrial Park, Lāna'i - Draft Environmental Assessment

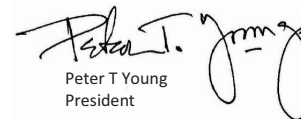
Gentlemen:

Thank you for your response to our Pre-Assessment Consultation and Scoping request for the above referenced project.

We acknowledge your comments concerning the projected water demands for the project. These will be incorporated into the EA.

A draft Environmental Assessment is being prepared and we will be sending you a copy for your review.

Thanks,  
HO'OKULEANA LLC



Peter T Young  
President

Do well by doing good.

DAVID Y. IGE  
GOVERNOR



STATE OF HAWAII  
DEPARTMENT OF TRANSPORTATION  
869 PUNCHBOWL STREET  
HONOLULU, HAWAII 96813-5097

JADE T. BUTAY  
DIRECTOR

Deputy Directors  
ROSS M. HIGASHI  
EDWIN H. SNIFFEN  
DARRELL T. YOUNG

IN REPLY REFER TO:  
DIR 1297  
STP 8.2566

December 13, 2018

Ms. Jennifer M. Scheffel  
Senior Environmental Planner  
SSFM International, Inc.  
99 Aupuni Street, Suite 202  
Hilo, Hawaii 96720

Dear Ms. Scheffel:

Subject: Pulama Lanai Miki Basin  
Pre-Assessment Consultation for Draft Environmental Assessment (DEA)  
Lanai, Maui, Hawaii  
TMK: (2) 4-9-002:061 (por.)

The Department of Transportation (DOT) understands the applicant is proposing to reclassify 200 acres of land from agriculture into urban. They will then rezone the land to 100 acres of Light Industrial and 100 acres of heavy industrial. The site is adjacent to the Lanai Airport and the Palawai Basin near the State-owned Kaunalapau Highway and Manele Road (Route 440).

DOT comments on the subject project are as follows:

#### Airports Division

1. The proposed Pulama Lanai project is approximately 300 feet from the centerline of the future Runway 21 extension at Lanai Airport (LNY). Developers of all projects within five miles from a Hawaii State airport are advised to read the Technical Assistance Memorandum (TAM) for guidance with development and activities that may require further review and permits. The TAM can be viewed at this link: [http://files.hawaii.gov/dbedt/op/docs/TAM-FAA-DOT-Airports\\_08-01-2016.pdf](http://files.hawaii.gov/dbedt/op/docs/TAM-FAA-DOT-Airports_08-01-2016.pdf).
2. Federal Aviation Administration (FAA) regulation requires the submittal of FAA Form 7460-1 Notice of Proposed Construction or alteration pursuant to the Code of Federal Regulations, Title 14, Part 77.9, if the construction or alteration is within 20,000 feet of a public use or military airport which exceeds a 100:1 surface from any point on the runway of each airport with its longest runway more than 3,200 feet. The form and criteria for submittal can be found at the following website: <https://oeaaa.faa.gov/oeaaa/external/portal.jsp>.

Ms. Jennifer M. Scheffel  
December 13, 2018  
Page 2

DIR 1297  
STP 8.2566

3. Large-scale photovoltaic (PV) panel installations have the potential to create glint and glare hazard condition for aircraft pilots. If the proposed project includes PV installation, it is recommended that the project proponent conduct a glint and glare analysis to ensure that the solar energy installation will not create hazardous conditions to Lanai Airport flight operations. Please see the following website for more information: [www.sandia.gov/glare](http://www.sandia.gov/glare). Large-scale solar energy installations also have the potential to emit radio frequency interference (RFI).

Glint, glare, radio frequency interference (RFI), photovoltaic (PV) panels and tall equipment (such as cranes that may be used during construction) can create hazardous conditions to pilots. Any such PV system, construction equipment, and/or other structure that creates such a hazardous condition for pilots, must be immediately mitigated by the owner upon notification by Hawaii Department of Transportation, Airports Division (HDOTA) and/or by FAA.

4. Wildlife attractants near airports create the potential for bird-strike hazards to aircraft operation. All activities that can potentially attract wildlife within five (5) miles of HDOTA airports are discouraged. HDOTA recommends that Pulama Lanai ensures that landscaping and project features will not create a wildlife attractant. FAA Advisory Circular 150/5200-33B Hazardous Wildlife Attractants on or Near Airports, provides guidance for developments and wildlife management around airports.
5. Due to the development proximity to Lanai Airport, there is a potential for fumes, smoke, vibrations, odors, etc., from aircraft flight operations over the proposed development. The project may also be subject to single event noise from aircraft operations.

HDOTA requests that Pulama Lanai grant an avigation easement to HDOTA for assurances of flight safety over the proposed site.

6. Lanai Resorts has committed to future relocation of Miki Road and utilities outside of airport property in the attached letter from Mr. Kurt Matsumoto, dated March 18, 2013. Currently, we request further discussion between HDOTA and Pulama Lanai on the possibility to include the Miki Road relocation with development of the proposed project.

#### Highways Division

A traffic study should be prepared by a traffic engineer licensed in the State of Hawaii and should be included in the DEA.

- a. The traffic study should evaluate any local impacts to the State Highway (Route 440) and nearby State facilities attributed by the project.



Ms. Jennifer M. Scheffel  
December 13, 2018  
Page 3

DIR 1297  
STP 8.2566

- b. An evaluation should be included for regional traffic impacts by the proposed project and any potential fair share contribution to traffic improvements.
- c. Include any phasing plan and the transportation improvements of each phase.

If there are any questions, please contact Mr. Blayne Nikaido of the DOT Statewide Transportation Planning Office at (808) 831-7979 or by email at [blayne.h.nikaido@hawaii.gov](mailto:blayne.h.nikaido@hawaii.gov).

Sincerely,



JADE T. BUTAY  
Director of Transportation

Attachment

**Lānaʻi** 733 Bishop Street, Suite 2000  
RESORTS, LLC Honolulu, HI 96813

March 18, 2013

Honorable Glenn M. Okimoto, Ph.D.  
Director of Transportation  
State of Hawaii, Department of Transportation  
869 Punchbowl Street  
Honolulu, Hawaii 96813-5097

Dear Dr. Okimoto:

Subject: Miki Basin Heavy Industrial Area  
District Boundary Amendment (DBA) and Change In Zoning (CIZ)

Per the recent video conference with Garrett Smith and Elton Teshima, DOT-STP Office; Mike Auerbach and Lynn Becones, DOT-Airports; Gary Ashikawa and Russell Iwasa, DOT-HWY Oahu; Fred Cajigal, DOT-HWY Maui; Ralph Masuda, Lanai Resorts, LLC; Keith Niiya and Adrienne Wong, Austin Tsutsumi and Associates, Inc.; and Michael Munekiyo, Munekiyo & Hiraga, Inc.; held on February 26, 2013, the subject of the encroachment of Miki Road (a private road) onto DOT airports property was discussed. A past commitment by Castle & Cooke Resorts, LLC, to relocate Miki Road and utilities at the time that Lanai Airport expansion plans are made known, then CCR at that time would be willing to meet and discuss the specifics of relocating Miki Road. This commitment still stands for the new owner, Lanai Resorts, LLC.

Lanai Resorts, LLC is prepared to discuss the scope of Miki Basin Road relocation, a new Kaunalapau Highway intersection improvement, and a new traffic assessment with DOT Highways and Airports personnel when the need arises, at your convenience, so that we can accommodate your needs. In fact we are amenable to your requesting that a condition of approval be placed on the DBA and CIZ request to the Maui County Council that the Miki Road relocation shall be done upon request by DOT after meeting with Lanai Resorts, LLC on the proposed Lanai Airport expansion plan.

Thank you for your cooperation and consideration on this matter.

Sincerely,



Kurt Matsumoto  
Chief Operating Officer

cc: Garrett Smith and Elton Teshima, Department of Transportation (DOT) STP Office  
Mike Auerbach and Lynn Becones, DOT-Airports  
Gary Ashikawa and Russell Iwasa, DOT-HWY Oahu  
Fred Cajigal, DOT-HWY Maui  
Leith Niiya and Adrienne Wong, Austin Tsutsumi & Associates  
Michael Munekiyo, Munekiyo and Hiraga, Inc.  
Ralph Masuda, Lanai Resorts, Maui Office



April 18, 2019

Mr. Jade T. Butay  
Director of Transportation  
Department of Transportation  
869 Punchbowl Street  
Honolulu, HI 96813-5097

Re: Pulama Lanai Miki Basin  
Pre-Assessment Consultation for Draft Environmental Assessment (DEA)  
Lanai, Maui, Hawaii  
TMK: (2) 4-9-002:061 (por.)

Dear Mr. Butay:

This letter is in response to your December 13, 2018 letter regarding the above DEA. Your letter is also attached. Our responses follow in the same order as your letter:

Airports Division

1. Thank you for the information on reviewing the TAM for guidance with development and activities that may require further review and permit. There are none.
2. Thank you for the information on the FAA requirement within 20K feet of a public airport. We shall provide this information when there are prospective users of the 200 acres.
3. Thank you for the information on large-scale photovoltaic panel installations. We are aware of this having completed this for our Tesla installation at the Hydroponic facility.
4. Thank you for the information on discouraging the attraction of bird hazards near the airport within 5 miles of the airport. We have placed the restriction on drainage for all projects within the 5 mile radius, which basically covers all of the populated areas of Lanai.
5. Thank you for the notice of possible issue of aircraft noise for the area. We have just completed a DRAFT NEPA EA for a 500 foot runway extension for Lanai Airport and the noise study showed that the noise would not leave the runway exterior, much less the airport land.  
We would certainly work with HDOTA on an aviation easement for flight safety assurances over the proposed site. Please let me know how we would proceed with this.
6. Yes, there is such a letter, but it is based on the Lanai Airport Master Plan which has a 2000 foot runway extension. A 2000 foot runway extension results in a need for additional land to be transferred to DOT-Airports, and Miki Basin road being moved further mauka. The 500 foot runway extension at Lanai Airport did not change the existing boundaries of the current airport property. At this time there is no need to change the Miki Basin road alignment.

Letter to Jade T. Butay  
DEA Miki Basin 200 Acres Industrial Pre-Assessment Consultation  
April 18, 2019  
Page Two

Highways Division

- a. A traffic study has been prepared for the EA, and does evaluate any local impacts to the State Highway (Route 440) and nearby State facilities attributed to the project.
- b. An evaluation of regional traffic impacts are in the traffic study, and there is no potential fair share contribution from HDOT for traffic improvements.
- c. There are no phasing plans for the improvements.

We are moving forward on completing the DEA. Should you have any further questions, please do not hesitate to contact me. Mahalo!

Me ke aloha pumehana  
With warm aloha,

Lyon P. McCrory  
Senior Vice President of Government Affairs

C: Blayne Nikaido, DOT Statewide Transportation Planning Office, by e-mail  
[blayne.h.nakaido@hawaii.gov](mailto:blayne.h.nakaido@hawaii.gov)

Enclosure (1)

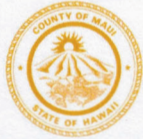


**NOVEMBER 23, 2019  
DRAFT EA COMMENTS  
AND RESPONSES**

MICHAEL P. VICTORINO  
Mayor

LORI TSUHAKE  
Director

LINDA R. MUNSELL  
Deputy Director



DEPARTMENT OF HOUSING  
& HUMAN CONCERNS  
COUNTY OF MAUI  
2200 MAIN STREET, SUITE 546  
WAILUKU, MAUI, HAWAII 96793  
PHONE: (808) 270-7805

November 26, 2019

Mr. Peter T. Young  
President  
Ho'okuleana LLC  
1539 Kanapu'u Drive  
Kailua, Hawaii 96734

Dear Mr. Young:

**Subject: Miki Basin Industrial Park – Adjoining Lanai Airport, Lanai  
Draft Environmental Assessment (DEA)  
TMK: (2) 4-9-002:061**

The Department has reviewed the Draft Environmental Assessment for the above subject project. Based on our review, we have determined that the subject project is not subject to Chapter 2.96, Maui County Code. The owner will not be required to comply.

Please call Mr. Buddy Almeida of our Housing Division at 270-7355 if you have any questions.

Sincerely,

C. BUDDY ALMEIDA  
Housing Administrator

cc: Director of Housing and Human Concerns

## Ho'okuleana LLC

... to take responsibility ...

Peter T. Young  
1539 Kanapu'u Drive  
Kailua, Hawai'i 96734  
(808) 226-3567 (Cell Phone)  
PeterYoung@Hookuleana.com  
www.Hookuleana.com



Buddy Almeida, Housing Administrator  
County of Maui  
Department of Housing and Human Concerns  
2200 Main Street, Suite 546  
Wailuku, HI 96793

Re: Miki Basin Industrial Park – Comments on Draft Environmental Assessment

Dear Mr. Almeida:

Thank you for your comments on the Draft Environmental Assessment on the Miki Basin Industrial Park.

You note that the Department has made a determination that the project is not subject to Chapter 2.96, Maui County Code.

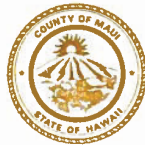
Thank you for your comments.

Sincerely,  
HO'OKULEANA LLC

Peter T. Young  
President

Do well by doing good.

MICHAEL P. VICTORINO  
Mayor  
MICHELE CHOUTEAU MCLEAN, AICP  
Director  
JORDAN E. HART  
Deputy Director



DEPARTMENT OF PLANNING  
COUNTY OF MAUI  
ONE MAIN PLAZA  
2200 MAIN STREET, SUITE 315  
WAILUKU, MAUI, HAWAII 96793

December 16, 2019

Mr. Peter T. Young  
Hookuleana LLC  
1539 Kanapuu Drive  
Kailua, Hawaii 96734

Dear Mr. Young:

**SUBJECT: COMMENTS ON DRAFT ENVIRONMENTAL  
ASSESSMENT (DEA) FOR THE MIKI BASIN INDUSTRIAL  
PARK, ON 200 ACRES OF LAND ADJACENT TO THE  
LANAI AIRPORT, LANAI, HAWAII; TMK: (2) 4-9-002:061  
(POR.) (EAC 2019/0011)**

The Department of Planning (Department) is in receipt of the Draft Environmental Assessment (DEA) for the Miki Basin Industrial Park (Park) located on approximately 200 acres adjacent to the Lanai Airport on the Island of Lanai at TMK: (2) 4-9-002:061 (POR.). The applicant is Pulama Lanai.

On September 25, 2019, the State of Hawaii Land Use Commission (LUC) made a determination that the proposed project on Lanai triggered HRS Chapter 343 review and that the LUC would be the accepting authority for the environmental assessment. Also, the LUC made a determination that the applicant's DEA at that time warranted an anticipated Finding of No Significant Impact (FONSI). The Department concurred with the LUC decision at its September meeting.

The Park will provide 100 acres for light industrial uses and 100 acres for heavy industrial uses as defined in the Maui County Code (MCC) and as to be further defined through the Change in Zoning review by the Lanai Planning Commission and Maui County Council (Council). Full buildout of the proposed 200-acre Park will be done incrementally over a period of about 30 years. Having industrial entitled land ready for development should assist in providing diversified employment opportunities on Lanai through the growth of small businesses that could quickly ramp up if such land were available. Additionally, relocating some "industrial" uses currently operating in Lanai City to the Miki Basin Industrial Park likely will enhance safety by moving certain "industrial" uses further away from the residential core of Lanai City. Although 200 acres may seem like a lot of land to be moved into the industrial zone, the Department recognizes that this is a 30 year build-out plan and that it is consistent with the goals of the Lanai Community Plan in providing sufficient space for placement of industrial operations.

MAIN LINE (808) 270-7735 / FACSIMILE (808) 270-7634  
CURRENT DIVISION (808) 270-8205 / LONG RANGE DIVISION (808) 270-7214 / ZONING DIVISION (808) 270-7253

Mr. Peter T. Young  
December 16, 2019  
Page 2

This project implements the vision for logical placement of industrial land uses on Lanai and expands the industrial zoned land area called for in the 2016 Lanai Community Plan. Consequently, a District Boundary Amendment (DBA) from Agricultural to Urban and a Change in Zoning from Agricultural to M-1 Light Industrial, M-2 Heavy Industrial, and M-3 Restricted Industrial will provide for consistent land designations with the Lanai Community Plan.

The Department is pleased to see in the DEA the comment that, "*Pulama Lanai will work with Maui County in establishing the allowable uses in the Miki Basin Industrial Park from the overall permitted uses allowed by zoning. Of note, while apartments and many other business-related use are permitted under zoning, no form of residential use will be permitted in the Miki Basin Industrial Park. The Park will focus on Light and Heavy Industrial uses, as well as relocation of their cement/asphalt facility to this site.*" Page 19, DEA. The Department notes that many industrial uses are regulated by layers of state and federal laws which regulate and monitor potential environmental impacts.

The Department is aware that Pulama Lanai in its hearings before the Lanai Planning Commission and Maui County Council will further define which particular industrial uses are likely to be located in the Park at least in the near term and that the Lanai Planning Commission and the Council will review conditional zoning in detail. The Department welcomes additional detail on which uses currently operating on Lanai may be relocated to the Park and what effect this relocation may have on service provisions to the community.

Thank you for the opportunity to comment on this project. Should you have any questions about the comments in this letter, please contact the Department by email at [planning@mauicounty.gov](mailto:planning@mauicounty.gov) or by phone at (808) 270-8205.

Sincerely,

A handwritten signature in black ink, appearing to read "michele".

MICHELE MCLEAN, AICP  
Planning Director

xc: Clayton I. Yoshida, AICP, Planning Program Administrator (PDF)  
John S. Rapacz, Planning Program Administrator (PDF)  
Pam Eaton, Planning Program Administrator (PDF)  
Kathleen Aoki, Administrative Planning Officer (PDF)  
Peter Young, Hookuleana LLC (PDF)  
Lynn McCrory, Pulama Lanai (PDF)  
State Land Use Commission (PDF)  
State Office of Planning  
Project File  
MCM:CIY:KFW:lak  
K:\WP\_DOCS\Planning\EAC\2019\0011\_MikiBasinIndustrialPark\FOR AX\AgencyResponse.doc

## Ho'okuleana LLC

... to take responsibility ...

Peter T. Young

1539 Kanapu'u Drive

Kailua, Hawaii 96734

(808) 226-3567 (Cell Phone)

PeterYoung@Hookuleana.com

www.Hookuleana.com



Michele McLean, Planning Director  
County of Maui  
Department of Planning  
2200 Main Street, Suite 315  
Wailuku, HI 96793

Re: Miki Basin Industrial Park – Comments on Draft Environmental Assessment

Dear Ms. McLean:

Thank you for your comments on the Draft Environmental Assessment on the Miki Basin Industrial Park.

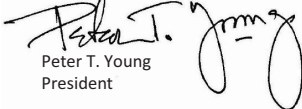
You note that the proposed project on Lanai triggered HRS Chapter 343 review and that the SLUC would be the accepting authority for the environmental assessment. Also, the SLUC made a determination that the applicant's DEA, at that time, warranted an anticipated finding of no significant impact (AFONSI). The Department concurred with this decision of the SLUC at its September meeting.

You also noted that having industrial entitled land ready for development should assist in providing diversified employment opportunities on Lanai through the growth of small businesses that could quickly ramp up if such land were available. Additionally, relocating some "industrial" uses currently operating in Lanai City to the Miki Basin Industrial Park likely will enhance safety by moving certain "industrial" uses further away from the residential core of Lanai City. Although 200 acres may seem like a lot of land to be moved into the industrial zone, the Department recognizes that this is a 30 year building out plan and that it matches the goals of the Lanai Community Plan in providing sufficient space for placement of industrial operations.

You also noted that this project implements the vision for logical placement of industrial land uses on Lanai and expands the industrially-zoned land area called for in the recently adopted Lanai Community Plan. Consequently, a District Boundary Amendment (DBA) from Agricultural to Urban and a Change in Zoning from Agricultural to M-1 Light Industrial, M-2 Heavy Industrial, and M-3 Restricted Industrial will provide for consistent land designations with the Lanai Community Plan.

Thank you for your comments.

Sincerely,  
HO'OKULEANA LLC

  
Peter T. Young  
President

Do well by doing good.



MICHAEL P. VICTORINO  
MAYOR

OUR REFERENCE

YOUR REFERENCE

## POLICE DEPARTMENT

COUNTY OF MAUI

55 MAHALANI STREET  
WAILUKU, HAWAII 96793  
(808) 244-6400  
FAX (808) 244-6411



TIVOLI S. FAAUMU  
CHIEF OF POLICE

DEAN M. RICKARD  
DEPUTY CHIEF OF POLICE

December 9, 2019

Mr. Peter T. Young, President  
Ho'okuleana LLC  
1539 Kanapuu Drive  
Kailua, Hawaii 96734

**Re: Draft Environmental Assessment on Miki Basin Industrial Park**


Dear Mr. Young:

This is in response to your letter dated November 23, 2019 requesting comments on the Draft Environmental Assessment on Miki Basin Industrial Park.

In review of the submitted documents, we have no comments or recommendations at this time.

Thank you for giving us the opportunity to comment on this project.

Sincerely,

  
Assistant Chief John Jakubczak  
for: TIVOLI S. FAAUMU  
Chief of Police



## Ho'okuleana LLC

... to take responsibility ...

Peter T. Young

1539 Kanapu'u Drive

Kailua, Hawai'i 96734

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PeterYoung@Hookuleana.com

www.Hookuleana.com



Tivoli Faaumu, Chief of Police  
County of Maui  
Police Department  
55 Mahalani Street  
Wailuku, HI 96793

Re: Miki Basin Industrial Park – Comments on Draft Environmental Assessment

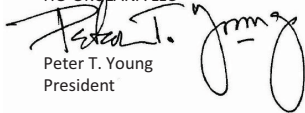
Dear Chief Faaumu:

Thank you for your comments on the Draft Environmental Assessment on the Miki Basin Industrial Park.

You note the Police Department has no comments or recommendations at this time.

Thank you for your comments.

Sincerely,  
HO'OKULEANA LLC

  
Peter T. Young  
President

Do well by doing good.



## United States Department of the Interior

### FISH AND WILDLIFE SERVICE

Pacific Islands Fish and Wildlife Office  
300 Ala Moana Boulevard, Room 3-122  
Honolulu, Hawaii 96850



In Reply Refer To:  
01EPIF00-2020-TA-0092

December 9, 2019

Mr. Peter T Young  
Ho'okuleana LLC  
1539 Kanapuu Drive  
Kailua, Hawaii 96734

Subject: Technical Assistance for the Development of the Miki Basin Industrial Park,  
Lanai

Aloha Mr. Young,

The U.S. Fish and Wildlife Service (Service) received your correspondence on November 23, 2019 regarding the presence of federally endangered or threatened species and designated critical habitat near the proposed development of the Miki Basin Industrial Park on the island of Lanai (TMK 2-4-9-002:061). This project, which is slated to be developed incrementally over a 30-year timespan, would provide 100 acres of light industrial and 100 acres of heavy industrial development. The initial phase will be the development of the needed infrastructure, including roads and power lines, in order to facilitate additional site-specific development within the complex.

Based on information you provided and pertinent information in our files, including data compiled by the Hawaii Biodiversity and Mapping Project, there is one listed species in the vicinity of the project area or that may pass through the project area: endangered Hawaiian petrel (*Pterodroma sandwichensis*). There is no proposed or designated critical habitat within the vicinity of the project area. We offer the following recommendations to avoid and minimize project impacts to listed species pursuant to the Endangered Species Act of 1973 (ESA), as amended (16 U.S.C. 1531 *et seq.*).

#### Hawaiian Petrel:

Lanaihale, the mountain just above Lanai City, is home to one of the largest and densest Hawaiian petrel colonies known to exist. The Hawaiian petrel may traverse the project area at night during the breeding, nesting and fledging seasons (March 1 to December 15). Outdoor lighting could result in seabird disorientation, fallout, and injury or mortality. Seabirds are attracted to lights and after circling the lights they may become exhausted and collide with nearby wires, buildings, or other structures or they may land on the ground. Downed seabirds are subject to increased mortality due to collision with automobiles, starvation, and predation by dogs, cats, and other predators. Young birds (fledglings) traversing the project area between

Mr. Peter Young

2

September 15 and December 15, in their first flights from their mountain nests to the sea, are particularly vulnerable.

The Service acknowledges the following avoidance and minimization measures included in the Environmental Assessment and recommends full implementation in the development of the final project:

- The proposed project will use appropriate lighting so as not to unnecessarily attract seabirds.
- The project will not have nighttime construction occurring during the fledging season (September 15 through December 15).
- Use of lower-power (180 Watt) monochromatic and low-pressure sodium lighting (as opposed to the more common full-spectrum and high-pressure sodium lighting), which provides high contrast with sharply reduced brightness and glare, yet the yellow light does not attract insects and is not believed to be used for avian navigation.
- Use of light fixtures with “top-visor” shielding to minimize the potential for stray light up-scatter and side-scatter, so that the bulb is not visible at lamp height from the side.
- Installation of automatic motion sensor switches and controls on all outdoor lights or turn off lights when human activity is not occurring in the lighted area.
- Limiting light levels and hours of use to the minimum levels allowable under Occupational Safety and Health Administration (OSHA) worker safety and security.

Even with the incorporation of these avoidance and minimization measures, it is possible that the project may not be able to fully avoid adverse effects to Hawaiian petrels. If this potential project should receive federal funding, federal permits, or any federal authorization, it will require a Section 7 consultation with the Service. The Service only conducts Section 7 consultations with the federal action agency or their designated representative.

Thank you for your efforts to conserve listed species and native habitats. Please contact Fish and Wildlife Biologist John Vetter (808-792-9406, email: john\_vetter@fws.gov) if you have any questions or for further guidance. When referring to this project, please include this reference number: **01EPIF00-2020-TA-0092**.

Sincerely,

Michelle Bogardus  
Island Team Leader  
Maui Nui and Hawaii Island

## Ho’okuleana LLC

... to take responsibility ...

Peter T. Young

1539 Kanapu’u Drive

Kailua, Hawai’i 96734

(808) 226-3567 (Cell Phone)

PeterYoung@Hookuleana.com

www.Hookuleana.com



Michelle Bogardus, Island Team Leader, Maui Nui and Hawaii Island  
United States Department of the Interior  
Fish And Wildlife Service  
Pacific Islands Fish and Wildlife Office  
300 Ala Moana Boulevard, Room 3-122  
Honolulu, Hawaii 96850

Re: Miki Basin Industrial Park – Comments on Draft Environmental Assessment  
01EPIF00-2020-TA-0092

Dear Ms. Bogardus:

Thank you for your comments on the Draft Environmental Assessment on the Miki Basin Industrial Park and Technical Assistance for the Development of the Miki Basin Industrial Park.

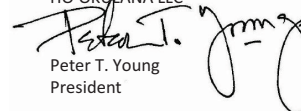
You noted that based on information in the DEA and pertinent information in your files, including data compiled by the Hawaii Biodiversity and Mapping Project, there is one listed species in the vicinity of the project area or that may pass through the project area: endangered Hawaiian petrel (*Pterodroma sandwichensis*). There is no proposed or designated critical habitat within the vicinity of the project area.

You noted that the Service acknowledges that several avoidance and minimization measures were included in the Environmental Assessment and you recommended full implementation in the development of the final project. We intend to do so, and understand, as you note, that even with the incorporation of these avoidance and minimization measures, it is possible that the project may not be able to fully avoid adverse effects to Hawaiian petrels.

At this time, there is no intent to receive federal funding, federal permits or any federal authorization for the project.

Thank you for your comments.

Sincerely,  
HO’OKULEANA LLC

  
Peter T. Young  
President

Do well by doing good.

**Peter T Young**

**From:** Debra Greene <[debra@DebraGreene.com](mailto:debra@DebraGreene.com)>  
**Sent:** Monday, December 23, 2019 5:34 PM  
**To:** [daniel.e.orođenker@hawaii.gov](mailto:daniel.e.orođenker@hawaii.gov)  
**Cc:** [lmccrory@pulamalanai.com](mailto:lmccrory@pulamalanai.com); [PeterYoung@Hookuleana.com](mailto:PeterYoung@Hookuleana.com)  
**Subject:** Re: Opposing proposed Lana'i land use change

Aloha Director Orodēnker,

I just wanted to clarify that my comments below are on the draft environmental assessment (the 469 page document) and I understand will receive a response. Thank you.

Sincerely,

Debra

---

Debra Greene, PhD  
Founder  
[KeepYourPower.org](http://KeepYourPower.org)

PHONE: 808-874-6441  
WEBSITE: [www.KeepYourPower.org](http://www.KeepYourPower.org)

Sent from my faster, safer, more secure HARDWIRED computer

On Dec 23, 2019, at 1:59 PM, Debra Greene <[debra@debragreene.com](mailto:debra@debragreene.com)> wrote:

Aloha Executive Director Daniel Orodēnker,

I am writing on behalf of Keep Your Power, a coalition of concerned citizens, residents of Hawaii, who oppose the application submitted by Pulama Lana'i to change the land use designation for the area by Lana'i airport from agricultural to urban.

In June of this year the Research Corporation of the University of Hawaii (RCUH), on behalf of Alphabet (Google), tech giant SoftBank and defense contractor AeroVironment, submitted an application to the Lana'i Planning Commission to approve use of agricultural land to [build a second airport and turn Lana'i into a giant drone manufacturing plant and launchpad](#).

In fact, RCUH went ahead and built an airstrip and a 16,500 square foot drone hangar on agricultural land without permits or approvals. Clearly they were not acting in good faith.

The "after-the-fact" RCUH application was resoundingly opposed by Hawaii residents, to the extent that the application was quickly modified due to opposition and eventually withdrawn. Their application was also opposed by Hawaiian cultural practitioners in a lawsuit. Despite this opposition, the current proposed upzoning from agricultural to urban would accomplish what RCUH was trying to do. That is not right.

We oppose this zoning change. Lana'i does not need a second airport, nor the loss of agricultural land. Food production is more important than industrial development. And the rest of the state, and our

ocean inhabitants, should not have to suffer the onslaught of highly experimental football field sized drones beaming down toxic radiation in our airspace, because of the desire of a few.

Sincerely,

Debra

---

Debra Greene, PhD  
Founder  
[KeepYourPower.org](http://KeepYourPower.org)

PHONE: 808-874-6441  
WEBSITE: [www.KeepYourPower.org](http://www.KeepYourPower.org)

Sent from my faster, safer, more secure HARDWIRED computer

## Ho'okuleana LLC

... to take responsibility ...

Peter T. Young

1539 Kanapu'u Drive

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PeterYoung@Hookuleana.com

www.Hookuleana.com



Debra Greene, PhD

Founder

KeepYourPower.org

PHONE: 808-874-6441

WEBSITE: [www.KeepYourPower.org](http://www.KeepYourPower.org)

debra@DebraGreene.com

Re: Miki Basin Industrial Park – Comments on Draft Environmental Assessment

Dear Ms. Greene:

Thank you for your comments on the Draft Environmental Assessment on the Miki Basin Industrial Park.

You note several issues related to a suggested second airport on Lanai, a drone manufacturing plant and launchpad. The link in your email notes:

- Flying football field sized drones beaming toxic wireless radiation into the ocean and parts of Maui county
- new airborne overhead 5G communication, which would provide strong wireless service over a large area, including deep valleys, remote lands, and over the ocean
- land on Lānaʻi for high tech drone experiment blanketing the Earth with wireless radiation

You are apparently suggesting something different from the proposed use, as called for in the draft EA. I will call your attention to the mapping and explanations in the Lānaʻi Community Plan.

The Pūlama Lānaʻi proposal mirrors the mapping and land use types for light and heavy industrial uses. That plan notes that "The island's primary industrial areas are located southwest of Lānaʻi City, near the Lānaʻi Airport, and at Kaumālapaʻu Harbor." The proposed uses are consistent with the intent to consolidate industrial uses and the Community Plan notes that "Light industrial uses in Lānaʻi City will also be moved and consolidated in this area. The area will also serve as a staging area for shipments from the harbor to be distributed closer to town."

Related to "loss of agricultural land", I call your attention to the analysis related to agricultural lands that notes,

The development of the Project will result in a loss of 200 acres of fallow agricultural lands on Lānaʻi. However, there are approximately 18,000 acres of former plantation lands on Lānaʻi which remain available for agricultural use, and over 200,000 acres statewide.

The lack of significant growth of diversified crops reflects increased competition from overseas resulting from technology and other advances that have improved the delivery of fresh produce (faster, less spoilage, better coordination of supply to demand), along with trade agreements which increased food exports to the U.S. from low-cost producers in Mexico, Central America, South America, and elsewhere.

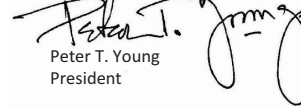
Do well by doing good.

The loss of 200 acres of agriculture land on Lānaʻi, plus the loss of agricultural land due to other projects (i.e., the cumulative impact), is too small to affect the growth of diversified agriculture on Lānaʻi or Statewide.

With respect to your comment that "Lana'i does not need a second airport", please note that the proposed action in the draft EA does not suggest a second airport for the Island. The only association to airports is that the project is adjacent to the Lanai Airport, as well as other industrial types of uses. As noted in the draft EA, "The site is well-suited for industrial development. It is adjacent to the most significant industrial uses on Lānaʻi, the Lānaʻi Airport, the Miki Basin Industrial Condominium, and Maui Electric Company's (MECO) generating facility."

Thank you for your comments.

Sincerely,  
HO'OKULANA LLC



Peter T. Young  
President



December 22, 2019

Daniel Orodenker, Executive Director  
State of Hawai'i Land Use Commission  
235 S. Beretania Street, Room 406  
Honolulu, Hawai'i 96813 [daniel.e.orozenker@hawaii.gov](mailto:daniel.e.orozenker@hawaii.gov)

Lynn McCrory, Senior Vice President of Government Affairs  
733 Bishop Street, Suite 2000  
Honolulu, Hawai'i 96813 [lmccrory@pulumalanai.com](mailto:lmccrory@pulumalanai.com)

Peter T Young, President Ho'okuleana LLC  
1539 Kanapuu Drive  
Kailua, Hawai'i 96734 [PeterYoung@Hookuleana.com](mailto:PeterYoung@Hookuleana.com)

**RE:**

Docket No. A19-809 Pūlama Lana'i  
Draft Environmental Assessment (DEA) and AFONSI  
Proposed Miki Basin Industrial Park  
Lana'i Airport, Lana'i, State of Hawai'i  
Tax Map Key No. (2) 4-9-002:061 (por.)

Dear Mr. Orodenker:

Pūlama Lāna'i has requested the LUC act as the accepting authority for a petition requesting a Land Use District Boundary Amendment, Change in Zoning, and building and subdivision permits for a proposed 200-acre Miki Industrial Park, and submitted an Environmental Assessment in support of a FONSI designation. (EA-2).

I. THE PROPOSED MIKI INDUSTRIAL PARK MUST BE ASSESSED FOR ITS CUMULATIVE IMPACTS AND EFFECT ON THE ISLAND'S WATER RESOURCES.

On September 25, 2019, in response to LUC Commissioner Okuda's question, Pūlama Lāna'i's attorney insisted that the proposed Miki Basin Industrial Park was a "stand-alone" proposition.<sup>1</sup>

This contention should be heavily scrutinized.

<sup>1</sup> <http://files.hawaii.gov/luc/minutesofmtgs/2019/09252019kahului.pdf>

Pūlama Lāna'i estimates an additional 1,099,500 GPD will be required to support the Industrial Park at full build-out, which it estimates could take 30 years. There is not a single mention of incremental usage over that period, nor commitment to provide usage figures as it develops. Instead, the EA offers simply that "*there is time to monitor [water] as the incremental development moves forward.*" EA at 67.

The 2016 Lāna'i Community Plan starkly laid out the limitations on Lāna'i's existing water system:

*"The capacity of existing water resources may be insufficient to support new growth. Projects that already have entitlements could consume most of the remaining capacity of Lana'i's single aquifer. It may be necessary to increase the capacity of water resources for new development."* CP at 2-4.

As a result, Pūlama Lāna'i proposed developing a desalination plant in the Community Plan:

Pūlama Lāna'i told the community that it was "*exploring the option of developing desalination plants that would create potable water out of saltwater. Producing potable water through desalination would greatly decrease the potential of over pumping the aquifer*" and these desal plants would "*increase available daily fresh water from the current 4 MGD to 10 MGD.*" CP at 2-7 and 6-2.

Although the Lāna'i Community Plan Advisory Committee clearly relied on Pūlama's desal promises in stating it had: "*predicated their decisions on the availability of significant additional water sources for future development proposals.*" CP at 7-3, Pūlama Lāna'i has since abandoned any plans for desal; all exploratory wells have been capped; and the EA makes no mention of desalination.

Now, along with proposing additional long-term industrial build-out at Miki Basin, Pūlama Lāna'i simply kicks the can down a 30-year road with respect to how it might meet the additional water demands the Miki Industrial Park would require;<sup>2</sup> this is especially troubling in light of the fact that a mere 20-acre industrial condominium development at Miki has yet to be completed - after 20 years - its water use as a result is unknown, and there are a multitude of additional development plans on the books, only two of which were mentioned in the EA: a 201H housing development that will require

<sup>2</sup> Section 4.6.1 of the EA states that sometime in 2019 some unidentified entity at CWRM "*allowed for the possibility that there are seven additional aquifers that could provide water to Lāna'i with up to a SY of 36M GPD.*" EA at 49. Notably this assertion is made with no citation or attribution and is thoroughly useless as predictive of the island's sustainable yield, which remains 6M GPD.

121,700 GPD (EA-68) and a Koele Project District amendment that projects use of 246,392 GPD (EA-70).

Not mentioned or discussed are many additional development plans detailed in the Community Plan (which largely relied on the abandoned desal proposal), among which are:

- A 73-acre County affordable housing project (this is in addition to and separate from Pūlama’s housing plans);
- A 50-acre Tennis Academy Park, including housing;
- A 524-acre University and Research Institute;
- A Gateway Park of 16 acres;
- Rural Residential 50-acre area; and
- 105-acre Mixed Use Residential development, Manele-Mauka.

The following chart details proposed additional developments from the Community Plan:

9 | LAND USE

Table 9.2 Lānaʻi Community Plan Acreage by Growth Area and Land Use Designations									
Growth Area	Land Use Designations								Total Acres
	Mixed-Use Residential	Hotel	Airport	Light Industrial	Heavy Industrial	Public/Quasi-public	Park	Rural	
Lānaʻi City									1,483
Lānaʻi City Expansion*	546								
University Campus						524			
Tennis Academy							50		
Linear Park/Drainage							280		
Gateway Park							16		
Rural Residential								50	
Film Studios				22					
Airport									246
Enhancement of present airport facilities			46						
Miki Basin Industrial				100	100				
Manele									181
Manele Mauka	165								
Rural Residential								75	
Kaunālapāʻu									60
Ocean Resources									
Heavy Industrial					19				
Kaunālapāʻu Mixed-Use Residential	50								
TOTAL ACRES	701		46	122	110	524	346	126	1,975

\*Note: Includes proposal to incorporate County Affordable Housing Project into new land use designation.

II. PŪLAMA LĀNAʻI HAS FAILED TO SUPPORT SMALL SUSTAINABLE BUSINESS GROWTH IN THE PAST.

Pūlama Lānaʻi states in the EA that the Miki Industrial Park expansion is consistent with the Lānaʻi Community Plan and furthers Pūlama’s desire to “*foster the growth of small businesses by providing support in key areas such as marketing and human resources and*

*by expanding the amount of commercial and industrial space available for lease and for sale.”* CP at 6-2.

Unfortunately, Pūlama’s practices have not always supported this philosophy, to the detriment of Lānaʻi residents trying to contribute to Lānaʻi’s economy.

For several years, a native Hawaiian-owned business — The Lānaʻi Ohana Poke Shop — operated out of a small space controlled by Pūlama Lānaʻi in Lānaʻi City. This very successful family-operated shop served poke to residents, construction workers, and tourists alike. Its poke bowls were statewide favorites. And then Larry Ellison’s Richard’s Market began selling poke bowls, with larger portions and lower prices. When Pūlama Lānaʻi’s then-Vice President for Community Relations was asked why they would do that, her response was “we believe that competition is good.” Really? Competition between the deep pockets of Larry Ellison and a small, Lānaʻi native Hawaiian family?

A similar result of the proposed “sustainability” proclaimed by Pūlama Lānaʻi in this EA happened to a small fishing charter operation. Pūlama Lānaʻi simply brought in their own boats, hired their own operators, and put the local fishing charter business out of work.

Lānaʻi had a small car rental operation. Pūlama Lānaʻi put them out of business and now runs its own Lānaʻi Car Rental.

Pūlama states that it provides green waste recycling and makes compost available to residents. EA at 72. Although residents continue to supply green waste to Pūlama, compost has not been available to residents for close to six months.

Pūlama Lānaʻi says its 200-acre master-planned light and heavy industrial development will abut “the existing 20-acre Miki Basin Industrial Condominium,” EA-11, but this 20-acre project has languished uncompleted for close to 20 years; there was no discussion before the LUC in September, nor is there any in the EA, on the status of a mandate to sell 50% of it fee simple.

Not only has the Miki Basin 20-acre condominium project not materialized, Pūlama now apparently wants to reserve the right to maintain total control over the additional 200-acre industrial development. EA at 2.

So it’s with a hearty dose of salt that the LUC should digest Pūlama Lānaʻi’s “commitment” to making Lānaʻi’s economy diversified and sustainable.

### **Conclusions:**

- 1) No further approvals for additional industrial development should be granted until the conditions of Ordinance No. 2895 (Bill No. 79 of 2000) have been complied with. Specifically, PL is required to offer 50% of the 20 acres in fee and has not done so. \_
- 2) A FONSI is an inappropriate conclusion to reach, given the fragile water resource available to Lānaʻi and the many published development plans already on the books for Lānaʻi, without further exploration and firm and timely commitments from Pūlama Lānaʻi regarding funding of additional water resource; there is a reason why most of Lānaʻi's high-level wells have been drilled in the Leeward aquifer: the windward side is steep, mountainous, and inaccessible. To simply say that it's "available" for future wells is an empty promise.
- 3) No amendments, zoning changes or approvals should be granted until significant conditions and strenuous reporting requirements are put in place by the LUC.
- 4) Pūlama should be held to its representations regarding supporting sustainable growth for small businesses and required to explain and justify to the LUC any decision to withhold any portion of the 200-acre industrial park from sale.

Sincerely,

Robin Kaye  
511 Ilima Ave.  
Lānaʻi city, HI 96763  
808-559-6124 [rkayelny@gmail.com](mailto:rkayelny@gmail.com)

## **Hoʻokuleana LLC**

*... to take responsibility ...*

**Peter T. Young**  
1539 Kanapuʻu Drive  
Kailua, Hawaiʻi 96734  
(808) 226-3567 (Cell Phone)  
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Robin Kaye  
511 Ilima Ave.  
Lānaʻi City, HI 96763

[rkayelny@gmail.com](mailto:rkayelny@gmail.com)

Re: Miki Basin Industrial Park – Comments on Draft Environmental Assessment

Dear Mr. Kaye:

Thank you for your comments on the Draft Environmental Assessment on the Miki Basin Industrial Park.

You note several issues related to water availability for the project, desalination and noted several other projects are noted in the Lānaʻi Community Plan that are not noted in the draft EA.. You conclude with matters not directly related to the land use matter, but focus on claims against Pūlama Lānaʻi.

Based on your comments, additional information was added to the final EA. Of note, discussion on other projects that are noted in the Lānaʻi Community Plan was added to the final EA, including the Lānaʻi City Expansion, Tennis Academy, Gateway Park, University, Rural Residential and Mānele Mauka. Summary information is provided for each.

You suggested that a FONSI is inappropriate, especially in the context of water resource availability. The final EA includes further discussion on the recommendations and conclusions from the Lānaʻi Water Use and Development – especially as it relates to water sourcing for future developments.

Related to this, information from the final review and discussion on the 2011 WUDP by the Commission on Water Resource Management was added that notes the resource development strategy for additional development on Lānaʻi includes new ground water source development, water reuse expansion, and desalination, in addition to both supply-side and demand-side conservation.

The Lānaʻi Water Use and Development Plan includes a list of potential supply options sufficient to meet the forecast land uses. These sources include recommissioning old wells, drilling new wells, desalination and other source options. With this was a long list of new potential wells.

In discussing new wells, the WUDP notes that new wells "could be developed to provide additional water supply for Lānaʻi. Aside from additional supply, benefits provided by additional wells would include improved geographical distribution of well pumping, increased production redundancy for system reliability, and potentially increased flexibility of operations."

With respect to Leeward versus Windward well development strategies, the Lānaʻi WUDP (2011) notes the need to "Plan and ultimately develop operable groundwater sources in the Windward aquifer to distribute groundwater pumping and provide resources, as necessary, to provide for system growth beyond the capacity of the Leeward aquifer." (Lānaʻi WUDP; 31)

As noted in the draft EA, it has been anticipated that initially the water system growth would be to expand upon the Leeward system, but then look at new well development on the Windward system. This is consistent with the recommendations and findings in the Lānaʻi WUDP.

*Do well by doing good.*

The Lānaʻi Water Use and Development Plan notes that “Desalination of seawater offers essentially unlimited ultimate source capacity but is more expensive than other available options.” (Lānaʻi WUDP; 5-38) In 2013, Pūlama Lānaʻi submitted an application for “a reverse osmosis desalination water treatment facility located on property described as Tax Map Key (TMK) (2) 4-9-002:001 (por.)” The request was for a “proposed Reverse Osmosis (“RO”) Well No. 3 (source well), water transmission lines, and access roads.”

In 2015, the Lānaʻi Planning Commission found that “The proposed project could prove to be a dependable alternative water supply that reduces the island’s reliance on the High Level Aquifer, and could positively contribute to the availability of potable and non-potable water on the island and meeting the anticipated long-term water demand.” The Maui Planning Department recommended approval of the Project District Application and recommended approval of the Special Use Permit Application that included the desalination project.

However, after Pūlama Lānaʻi’s request/explanations and the Planning Department’s recommendation for approval as submitted, the Lānaʻi Planning Commission granted a permit for only a 15-year term (rather than the 30-years applied for, which was based on the significant financial cost and the anticipated useful life of the desalination plant) and also added a condition that “Once the desalination plant is operational no High Level Aquifer water will be pumped to or used in the Mānele Project District except in the event of an emergency as determined by the Lānaʻi Water Company and the Lānaʻi Water Advisory Committee, and then only for human consumption.”

As such, construction of the desalination plant was halted on September 12, 2014. Pūlama Lānaʻi has indicated it has not given up on development of a desalination plant. I will also repeat that the Lānaʻi WUDP notes a number of new wells in the Leeward and Windward systems, suggesting that groundwater wells are reasonable and reliable sources for water to Mānele and elsewhere on the Island.

You also note some situations that you suggest call into question Pūlama Lānaʻi’s commitment to support economic growth, economic diversity/sustainability and support for small business growth on the Island. I have passed those on to representatives at Pūlama Lānaʻi and they reaffirm their commitment to the people and businesses on the Islands.

As the proposed project relates to the proposed designation of the site for light and heavy industrial uses, I will call your attention to the mapping and explanations in the Lānaʻi Community Plan. The Pūlama Lānaʻi proposal mirrors the mapping and land use types for light and heavy industrial uses. That plan notes that “The island’s primary industrial areas are located southwest of Lānaʻi City, near the Lānaʻi Airport, and at Kaumālapaʻu Harbor.” The proposed uses are consistent with the intent to consolidate industrial uses and the Community Plan notes that “Light industrial uses in Lānaʻi City will also be moved and consolidated in this area. The area will also serve as a staging area for shipments from the harbor to be distributed closer to town.”

Thank you for your comments.

Sincerely,  
HO’OKULEANA LLC

Peter T. Young  
President

DAVID Y. IGE  
GOVERNOR OF HAWAII



SUZANNE D. CASE  
CHAIRPERSON  
BOARD OF LAND AND NATURAL RESOURCES  
COMMISSION ON WATER RESOURCE  
MANAGEMENT

STATE OF HAWAII  
DEPARTMENT OF LAND AND NATURAL RESOURCES  
LAND DIVISION

POST OFFICE BOX 621  
HONOLULU, HAWAII 96809

December 23, 2019

Ho’okuleana LLC  
Attention: Mr. Peter Young  
1539 Kanapu’u Drive  
Kailua, Hawaii 96734

via email: [PeterYoung@Hookuleana.com](mailto:PeterYoung@Hookuleana.com)

Dear Mr. Young:

SUBJECT: Draft Environmental Assessment for **Miki Basin Industrial Park** located at Lanai City, Island of Lanai; TMK: (2) 4-9-002:061 (por.) on behalf of Pūlama Lanai

Thank you for the opportunity to review and comment on the subject matter. In addition to our previous comments dated December 19, 2019, enclosed are comments from the Commission on Water Resource Management on the subject matter. Should you have any questions, please feel free to contact Darlene Nakamura at (808) 587-0417 or email: [darlene.k.nakamura@hawaii.gov](mailto:darlene.k.nakamura@hawaii.gov). Thank you.

Sincerely,

  
Russell Y. Tsuji  
Land Administrator

Enclosures  
cc: Central Files



DAVID Y. IGE  
GOVERNOR OF HAWAII



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STATE OF HAWAII  
DEPARTMENT OF LAND AND NATURAL RESOURCES  
LAND DIVISION

POST OFFICE BOX 621  
HONOLULU, HAWAII 96809

November 27, 2019

**MEMORANDUM**

TO: **DLNR Agencies:**  
\_\_\_\_ Div. of Aquatic Resources  
\_\_\_\_ Div. of Boating & Ocean Recreation  
☒ Engineering Division  
☒ Div. of Forestry & Wildlife  
\_\_\_\_ Div. of State Parks  
☒ Commission on Water Resource Management  
☒ Office of Conservation & Coastal Lands  
☒ Land Division – Maui District  
☒ Historic Preservation

FROM: Russell Y. Tsuji, Land Administrator

SUBJECT: Draft Environmental Assessment for **Miki Basin Industrial Park**

LOCATION: Lanai City, Island of Lanai; TMK: (2) 4-9-002:061 (por.)

APPLICANT: Ho'okuleana LLC on behalf of Pulama Lanai

Transmitted for your review and comment is information on the above-referenced subject matter. Please submit any comments by **December 18, 2019**.

The DEA can be found on-line at: <http://health.hawaii.gov/oegc/> (Click on *The Environmental Notice* in the middle of the page.)

If no response is received by this date, we will assume your agency has no comments. If you have any questions about this request, please contact Darlene Nakamura at 587-0417 or by email at [darlene.k.nakamura@hawaii.gov](mailto:darlene.k.nakamura@hawaii.gov). Thank you.

( ) We have no objections.  
( ) We have no comments.  
(x) Comments are attached.

Signed: /s/ M. Kaleo Manuel

Print Name: Deputy Director

Date: December 16, 2019

Attachments  
cc: Central Files

FILE ID: RFD.4984.5  
DOC ID: 22035

SUZANNE D. CASE  
CHAIRPERSON  
BOARD OF LAND AND NATURAL RESOURCES  
COMMISSION ON WATER RESOURCE  
MANAGEMENT

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DAVID Y. IGE  
GOVERNOR OF HAWAII



STATE OF HAWAII  
DEPARTMENT OF LAND AND NATURAL RESOURCES  
COMMISSION ON WATER RESOURCE MANAGEMENT  
P.O. BOX 621  
HONOLULU, HAWAII 96809

SUZANNE D. CASE  
CHAIRPERSON

BRUCE S. ANDERSON, PH.D.  
KANANA BEAMER, PH.D.  
MICHAEL G. BUCK  
NEIL J. HANNAHS  
WAYNE K. KATAYAMA  
PAUL J. MEYER  
M. KALEO MANUEL  
DEPUTY DIRECTOR

December 16, 2019

REF: RFD.4984.5

TO: Mr. Russell Tsuji, Administrator  
Land Division

FROM: M. Kaleo Manuel, Deputy Director *Kaleo*  
Commission on Water Resource Management

SUBJECT: Draft Environmental Assessment for Miki Basin Industrial Park

FILE NO.: RFD.4984.5  
TMK NO.: (2) 4-9-002:061 (por.)

Thank you for the opportunity to review the subject document. The Commission on Water Resource Management (CWRM) is the agency responsible for administering the State Water Code (Code). Under the Code, all waters of the State are held in trust for the benefit of the citizens of the State, therefore all water use is subject to legally protected water rights. CWRM strongly promotes the efficient use of Hawaii's water resources through conservation measures and appropriate resource management. For more information, please refer to the State Water Code, Chapter 174C, Hawaii Revised Statutes, and Hawaii Administrative Rules, Chapters 13-167 to 13-171. These documents are available via the Internet at <http://dlnr.hawaii.gov/cwrm>.

Our comments related to water resources are checked off below.

- ☒ 1. We recommend coordination with the county to incorporate this project into the county's Water Use and Development Plan. Please contact the respective Planning Department and/or Department of Water Supply for further information.
- ☐ 2. We recommend coordination with the Engineering Division of the State Department of Land and Natural Resources to incorporate this project into the State Water Projects Plan.
- ☐ 3. We recommend coordination with the Hawaii Department of Agriculture (HDOA) to incorporate the reclassification of agricultural zoned land and the redistribution of agricultural resources into the State's Agricultural Water Use and Development Plan (AWUDP). Please contact the HDOA for more information.
- ☒ 4. We recommend that water efficient fixtures be installed and water efficient practices implemented throughout the development to reduce the increased demand on the area's freshwater resources. Reducing the water usage of a home or building may earn credit towards Leadership in Energy and Environmental Design (LEED) certification. More information on LEED certification is available at <http://www.usgbc.org/leed>. A listing of fixtures certified by the EAP as having high water efficiency can be found at <http://www.epa.gov/watersense>.
- ☒ 5. We recommend the use of best management practices (BMP) for stormwater management to minimize the impact of the project to the existing area's hydrology while maintaining on-site infiltration and preventing polluted runoff from storm events. Stormwater management BMPs may earn credit toward LEED certification. More information on stormwater BMPs can be found at <http://planning.hawaii.gov/czm/initiatives/low-impact-development/>
- ☒ 6. We recommend the use of alternative water sources, wherever practicable.
- ☒ 7. We recommend participating in the Hawaii Green Business Program, that assists and recognizes businesses that strive to operate in an environmentally and socially responsible manner. The program description can be found online at <http://energy.hawaii.gov/green-business-program>.
- ☒ 8. We recommend adopting landscape irrigation conservation best management practices endorsed by the Landscape Industry Council of Hawaii. These practices can be found online at [http://www.hawaiiscape.com/wp-content/uploads/2013/04/LICH\\_Irrigation\\_Consevation\\_BMPs.pdf](http://www.hawaiiscape.com/wp-content/uploads/2013/04/LICH_Irrigation_Consevation_BMPs.pdf).

Mr. Russell Tsuji  
Page 2  
December 17, 2019

- ☒ 9. There may be the potential for ground or surface water degradation/contamination and recommend that approvals for this project be conditioned upon a review by the State Department of Health and the developer's acceptance of any resulting requirements related to water quality.
- ☐ 10. The proposed water supply source for the project is located in a designated water management area, and a Water Use Permit is required prior to use of water. The Water Use Permit may be conditioned on the requirement to use dual line water supply systems for new industrial and commercial developments.
- ☒ 11. A Well Construction Permit(s) is (are) are required before the commencement of any well construction work.
- ☐ 12. A Pump Installation Permit(s) is (are) required before ground water is developed as a source of supply for the project.
- ☐ 13. There is (are) well(s) located on or adjacent to this project. If wells are not planned to be used and will be affected by any new construction, they must be properly abandoned and sealed. A permit for well abandonment must be obtained.
- ☐ 14. Ground-water withdrawals from this project may affect streamflows, which may require an instream flow standard amendment.
- ☐ 15. A Stream Channel Alteration Permit(s) is (are) required before any alteration can be made to the bed and/or banks of a stream channel.
- ☐ 16. A Stream Diversion Works Permit(s) is (are) required before any stream diversion works is constructed or altered.
- ☐ 17. A Petition to Amend the Interim Instream Flow Standard is required for any new or expanded diversion(s) of surface water.
- ☐ 18. The planned source of water for this project has not been identified in this report. Therefore, we cannot determine what permits or petitions are required from our office, or whether there are potential impacts to water resources.
- ☒ OTHER: The DEA should provide a simple summary table in Section 4.6.2, showing the existing withdrawal amounts from the Leeward and Windward Aquifer System Areas, respectively, as well as the projected future demands for each aquifer system area associated with this project.

We also recommend a discussion of the consistency of this current proposal for the Miki Basin Industrial Park with the projected buildout described in the 2011 Lanai Water Use and Development Plan.

If you have any questions, please contact Lenore Ohye of the Commission staff at 587-0216.

## Ho'okuleana LLC

... to take responsibility ...

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PeterYoung@Hookuleana.com  
www.Hookuleana.com



Kaleo Manuel, Deputy Director  
Commission on Water Resource Management  
Department of Land and Natural Resources  
Post Office Box 621  
Honolulu Hawaii 96809

Re: Miki Basin Industrial Park – Comments on Draft Environmental Assessment

Dear Mr. Manuel:

Thank you for your comments on the Draft Environmental Assessment on the Miki Basin Industrial Park.

You recommend and Pūlama Lāna'i intends to implement coordination with the county; that efficient fixtures be installed and water efficient practices implemented throughout the development to reduce the increased demand on the area's freshwater resources; of best management practices (BMP) for stormwater management to minimize the impact of the project to the existing area's hydrology while maintaining on-site infiltration and preventing polluted runoff from storm events; use of alternative water sources, wherever practicable; adopting landscape irrigation conservation best management practices endorsed by the Landscape Industry Council of Hawaii.

The two versions of the EA (draft and final) include summaries of the existing water systems on Lāna'i, including the withdrawal amounts from the Leeward and Windward Aquifer System Areas. As noted in the draft and final EAs, the intent is to use available water capacity to handle the initial needs. As needs increase over time and the development of industrial park expands, then new wells will be drilled in the Leeward and Windward aquifers. It is not clear specifically when and where those new wells will be added; Pūlama Lāna'i and Lāna'i Water Company will be in regular communication with the Water Commission on any future well development.

This is a 30-year project and the water needed will depend on what types of industries come to the island. As we do not know what industries will want to start operations on Lāna'i, we don't have any way to be specific as to what will be needed, produced from where, and in what order. We do know that if we do not rezone the land, expanding the opportunities beyond tourism will not occur for the Lāna'i community. Limiting the island to tourism is not moving toward sustainability. Sustainability for Lāna'i will require multiple options and this is one of them.

Information from the final review and discussion on the 2011 WUDP by the Commission on Water Resource Management was added that notes the resource development strategy for additional development on Lāna'i includes new ground water source development, water reuse expansion, and desalination, in addition to both supply-side and demand-side conservation.

The Lāna'i Water Use and Development Plan includes a list of potential supply options sufficient to meet the forecast land uses. These sources include recommissioning old wells, drilling new wells, desalination and other source options. With this was a long list of new potential wells.

Do well by doing good.

In discussing new wells, the WUDP notes that new wells "could be developed to provide additional water supply for Lāna'i. Aside from additional supply, benefits provided by additional wells would include improved geographical distribution of well pumping, increased production redundancy for system reliability, and potentially increased flexibility of operations."

With respect to Leeward versus Windward well development strategies, the Lāna'i WUDP (2011) notes the need to "Plan and ultimately develop operable groundwater sources in the Windward aquifer to distribute groundwater pumping and provide resources, as necessary, to provide for system growth beyond the capacity of the Leeward aquifer." (Lāna'i WUDP; 31)

As noted in the EA (draft and final), it has been anticipated that initially the water system growth would be to expand upon the Leeward system, but then look at new well development on the Windward system. This is consistent with the recommendations and findings in the Lāna'i WUDP.

With respect to the demand estimates and overall water consumption estimates into the future that are reflected in the Water Use and Development Plan, please note that Pūlama Lāna'i has made significant progress in reduction of leaks, conservation efforts and changes to existing projects resulting in reduced water demands and usage.

In addition to the reduced scale, densities and number of units called for in the proposed Kō'ele Project District and Mānele Project District amendments, during the recent refresh at Mānele, there was also a reduced number of hotel units at Mānele Hotel. Likewise, at Mānele, Pūlama Lāna'i reduced the irrigation and pool water usage for the pool area changes. They changed types of plantings and left large areas to be in a natural state, rather than grass; so there is no irrigation needed. The pool area uses artificial turf rather than grass. And, Mānele went with two pools, rather than the prior three.

Lāna'i Water Company has completed a 100% replacement program for all water meters on Lāna'i with the installation of Smart Meters. These meters allow 15 minute increment readings for all meters, and have an App that consumers can use to see their usage. The system also provides notifications to LWC and the consumer if there appears to be a leak.

Because of this, we believe that the WUDP overestimates the water demand into the future.

Thank you for your comments.

Sincerely,  
HO'OKULEANA LLC

Peter T. Young  
President

DAVID Y. IGE  
GOVERNOR OF HAWAII



STATE OF HAWAII  
DEPARTMENT OF LAND AND NATURAL RESOURCES  
LAND DIVISION

POST OFFICE BOX 621  
HONOLULU, HAWAII 96809

December 19, 2019

Ho'okuleana LLC  
Attention: Mr. Peter Young  
1539 Kanapu'u Drive  
Kailua, Hawaii 96734

via email: [PeterYoung@Hookuleana.com](mailto:PeterYoung@Hookuleana.com)

Dear Mr. Young:

SUBJECT: Draft Environmental Assessment for **Miki Basin Industrial Park** located at Lanai City, Island of Lanai; TMK: (2) 4-9-002:061 (por.) on behalf of Pūlama Lanai

Thank you for the opportunity to review and comment on the subject matter. The Land Division of the Department of Land and Natural Resources (DLNR) distributed or made available a copy of your request pertaining to the subject matter to DLNR's Divisions for their review and comments.

At this time, enclosed are comments from the (a) Engineering Division and (b) Land Division – Maui District on the subject matter. Should you have any questions, please feel free to contact Darlene Nakamura at (808) 587-0417 or email: [darlene.k.nakamura@hawaii.gov](mailto:darlene.k.nakamura@hawaii.gov). Thank you.

Sincerely,

Russell Y. Tsuji  
Land Administrator

Enclosures  
cc: Central Files