

Meeting of the Planning Commission  
Minutes  
August 20, 2008

The Planning Commission held a meeting on Wednesday, August 20, 2008, at 1:34 p.m. at the City Council Committee Meeting Room, Second Floor, 530 South King Street, Honolulu, Hawaii. Vice Chair James Pacopac presided.

PRESENT: James Pacopac, Vice Chair  
Beadie K. Dawson  
Vicki Gaynor  
Andrew M. Jamila, Jr.  
John S. Kaopua III  
Rodney Kim  
Kerry Komatsubara



ABSENT: Karin Holma, Chair

COMMISSION STAFF: Patty Kalapa, Secretary-Reporter

CORPORATION COUNSEL: Lori Sunakoda

DPP REPRESENTATIVE: Raymond Young, Staff Planner

MINUTES: The minutes of August 6, 2008 were approved as circulated, on motion by Mr. Kim, seconded by Ms. Dawson and carried unanimously.

UNFINISHED BUSINESS: ELECTION OF OFFICERS

MOTION: It was moved to defer the Election of Officers to the next meeting, on motion by Ms. Dawson, seconded by Ms. Gaynor and carried unanimously.

PUBLIC HEARING  
EWA—STATE SPECIAL  
USE PERMIT  
GRACE PACIFIC CORP.  
EXTENSION OF THE LIFE  
OF THE MAKAKILO  
QUARRY BY 24 YEARS  
TO THE YEAR 2032  
2007/SUP-6(RY)

A public hearing was held to consider a State Special Use Permit by Grace Pacific Corporation to extend the life of the Makakilo Quarry resource extraction and aggregate processing operations by 24 years to the year 2032. The extension involves an expansion of the resource extraction and buffer areas further up Puu Makakilo.

Publication was made in the Honolulu Star Bulletin on July 18, 2008.

Mr. Raymond Young made the following staff presentation:

I'm Raymond Young, the staff planner presenting the department's position. Mr. Chairman, Members of the Planning Commission, the project involves the lands out in Ewa. On this map, if I could just give you an overview of what you see there. This is

an aerial photo taken in April of '08, so it's current. Here's the H-1, the construction of the North South Road, even the interchange under construction here. What we have here is the State Land Use boundaries outlined in red. You can see the letters representing U for urban and A for Ag. The permit in question is this white area, the cross hatched area, roughly about 540 plus acres. It involves a piece mauka of the freeway and another piece makai of the freeway. Apparently, the makai portion is used for manufacturing and processing, and the mauka portion is where the actual removal of rock is occurring.

This quarry was established by a Special Use Permit back in 1973. At that time, the approval granted a 72-acre piece for excavation which is outlined in yellow and roughly a 35-acre alignment below the freeway for processing use. At the time, it was represented that when the rock runs out in approximately 20 years, they're going to pack up and leave. Unfortunately, the property was owned...The applicant at that time was Pacific Rock and Company. Since then, Grace Pacific acquired it in 1985. They continued to quarry the property since then. Today, they are in for an extension of that since they ran out of the acreage which is primarily used for concrete and asphalt production. Grace Pacific uses this to supply approximately 70% of the islands grade A rock. They intend to produce about 1.1 million tons of rock every year for the next 24 years. They currently ran out of A grade, so much of that stuff is being supplied either from the other two quarries, Kapaa and Halawa, or from off island sources.

Because of the great demand for that rock at an economical price, it made sense to consider this for an extension providing the impacts associated with the quarry can be mitigated. I think we've arrived at a pretty good compromise. The applicant proposes to relocate all of those activities from the makai side into the quarry and also towards the Campbell Industrial Park. We have a host of conditions to address impacts and even the future needs of the site so that it doesn't stay as a large hole that's open and unused.

#### QUESTIONS FROM THE COMMISSION

DAWSON: I see that there are several proposed residential communities as well as the UH community college. Are those on paper or have they been permitted and how far along are those plans?

YOUNG: UH West Oahu is going through its final approval before the City Council. They submitted written testimony in support of the application. DHHL is already on the ground with their new mall. Hoopili is going through their EIS process. This area Kahiwelo has already been zoned, so they're in construction now for single-family homes. These homes and the existing homes of Kapolei Knolls and Villages of Kapolei are the ones that are closest to the quarry down wind of the prevailing trades.

JAMILA: Mr. Young, I guess the quarry people want to know about blasting permits, you know, how many times are they going to be scheduling blasting or are they just going to be drill coring to get the rock. The surrounding communities, they'd like to know about any mitigation for the blasting if it's going to occur at any given time.

YOUNG: My understanding is that they blast from eight in the morning to noon probably once a day or at the most, once a day Monday through Friday. On a couple of occasions, I've been out there. When I was doing my preliminary site visit from the North South Road, there was a blast. We have an exhibit of it where the plume rose up above the quarry pit and moved off to the north. That was a relatively large plume. On

another occasion when we were out there, I guess several weeks back, the plume was very small. The wind was stronger, so it just dissipated very quickly. When they do one of their blasts, they have a water canon there, so they wet down the ground. Even during the blast you can see that the water canon does help prevent some of that from escaping the property. On occasions, sometimes the winds change unpredictably. That plume of dust could escape from the boundaries.

JAMILA: Do they have any conditions for screens or natural fallout? Before the disease of the nawiliwili, do they have any natural barriers to catch any dust that escapes into that residential?

YOUNG: There is a large buffer area that helps to mitigate some of that impact. Further down at the processing site, there was a screen of...a combination of banyan trees and nawiliwili. That was required under the variance. That's still in place except much of the nawiliwili has kind of died off. We can take a look at that under the variance and the CUP. Once these facilities here move over to this side by 2012, this will all go into open space, landscaping, and a nursery to help support additional landscaping buffers on the mauka side. That should take care of the asphalt plant, the rock crushing, and the stockpiling. The cement plant is no longer a part of this proposal.

JAMILA: I was concerned if the surrounding community knew that they have this blasting schedule. Do they make it public to the community that they will be blasting at a certain time or this just done in the CUP?

YOUNG: I don't believe they announce it to the community, but I think the community generally knows that it occurs in the morning on week days.

JAMILA: Thank you.

DAWSON: How long has the asphalt facility been in operation -- the same length of time as the quarry?

YOUNG: I don't have the exact year, but the asphalt plant came in, I think, at about the time Grace Pacific took over.

DAWSON: About 1985?

YOUNG: I'm sure Mr. Creps can respond to that.

DAWSON: Could you help me, Raymond, with the history of this. In 1973, the first permitting was created to put this facility in for the quarry. And that was scheduled to last for 20 years?

YOUNG: What happened in 1973 was the then applicant, Pacific Rock and Concrete, in their application indicated that there was enough rock there for about 20 years of excavation. They said in about 20 years they would pick up and leave once that rock has been excavated.

DAWSON: But the permit was from 1973 for what period? Did it have an end date?

YOUNG: There was no end date as a condition of approval, but there was a condition that says essentially do what you had represented.

DAWSON: No end date on that?

YOUNG: No definitive end date as a condition of approval other than the condition that you stick by your representations.

KOMATSUBARA: I'm not sure if you're the person who should answer this, but I notice in the department's report it said that in your opinion, no EIS is required. Could kind of expand on that?

YOUNG: As of today, rock quarries are not triggers for an EIS. However, there is a use of State lands. They have this conveyor belt that takes rough sized rocks and brings it across under the freeway to the processing site to reduce it down to size. That is a use of State land, but that was established back at the time this permit was granted. In the 70's, I don't believe that was triggered for an EIS. In fact, I think the original EIS was not a required document under Chapter 343, but it was prepared anyway.

Today, there is no attempt to expand that conveyor. In fact, when the processing site is removed, there is no need to convey rock any more. I think the applicant is suggesting perhaps that it be removed or abandoned or closed.

KOMATSUBARA: If that is the case that it's going to be abandoned, then there would be no need for that State land. Is that correct?

YOUNG: Yes.

KOMATSUBARA: One other question. If the rights to use the tunnel, I presume it was an easement of some sort for the State?

YOUNG: Yes.

KOMATSUMARA: If that easement was for a term of years consistent with the SUP or I guess it was a CUP back then and expired in 1993...

YOUNG: It goes beyond that. We have a copy of it in the record; I can get the exact year.

KOMATSUBARA: Maybe the applicant can expand on that. That's something we just want to make sure that we're not running afoul of 343. Thank you.

GAYNOR: In a fairly recent meeting, we saw a presentation from Campbell Estate and we pushed forward the zoning application for the final lands that they wanted to urbanize. We heard about how 30 plus years have been spent planning the second urban center and what's been planned out there. My question is whether the expansion of the quarry and ongoing operations for another 24 years has been taken into consideration for the overall planning of the second city which is supposedly going to be highly urbanized. In your report, you guys talk about it's not an unreasonable or unusual use for Ag lands, but we're talking about the second city. I'm wondering, Raymond, if you could just spend a few minutes sharing the department's thinking on that.

YOUNG: As with any land use approval, we check to see if it's consistent with the Development Plan for the area, the development plan permits and the policies and guidelines. At this time, until the Development Plan is amended – and it is going through a review process – the permit is not inconsistent with it. It shows that this area is intended for Preservation and in the future, Low Density Residential use. It's not reflected as a quarry, though.

Under any Development Plan, it does permit the Land Use Ordinance to issue permits as long as it's consistent in the long run. I think what you're getting at is 25 years from now will this land be available for the policies that will be set forth under the DP? It's hard to say what those policies will be, but at this point if the landfill were to close today or if the permit was not granted, it can be returned back to the use that's consistent with the City's Development Plan which is open space and Preservation.

In certain respects, the use appears to be incompatible with the surrounding area because you have your urban development all around here. We considered that, and we also considered the need for the resource. At this point, because it takes perhaps 10 years to develop a new source, this seems to be the most reasonable solution. Removing these activities down makai of the freeway to address the impacts, I think we've come across a good compromise. I'm not sure if that answers your question.

GAYNOR: Can you show me where the golf course was supposed to be?

YOUNG: Which golf course? The Makakilo Golf Course?

GAYNOR: Yeah.

YOUNG: It came around this way up here. The original golf course club house was right in this area here. The driving range actually extended up into the two valleys surrounding the Puu. You can see when you look at this aerial photo some of the grading that occurred to make the holes and the driving range.

GAYNOR: So part of the expansion that's being proposed now includes what would have been the Makakilo Golf Course?

YOUNG: That's correct. The golf course permit has been rescinded at the request of the applicant.

GAYNOR: I'd just like to comment because we heard the same argument about the landfill in Kapolei – that we were out of time for finding a new location and therefore, it was in the best interest of the public to approve this permit. Now here we go again in a highly urbanized, what we've been told has plans to be a highly urbanized area of the island. We're now out of time to permit a badly needed quarry.

YOUNG: The circumstances surrounding this versus the landfill are slightly different. For example, the landfill, there is only one of such municipal landfills on the island. Whereas, this is one of three quarries. And also, you can import rock if need be but in any event, it would be more costly. There are options. It's a matter of whether you want to trade off the impacts associated with extending this with the cost of obtaining rocks from other sources besides this site.

DAWSON: Raymond, could you tell us a little bit about the other two quarries that are available – where they are located and what their capacity is?

YOUNG: I did some research on both of them. Kapaa carries about 40 years of reserves. I'm not sure, for the record, how much of that is A grade and how much of it is B grade. Halawa has rock there, but it's mostly of lower quality and will not meet the rock needed to produce concrete. Both of those are under the jurisdiction of the Department of Land and Natural Resources as they fall in the Conservation District.

There are other untapped areas. For example, there was one on the North Shore just mauka of Waialua in the area of Kaukonahua Road which Ameron had applied many years to have (inaudible) in the mid 90's. But that faced stiff opposition from the community and Ameron withdrew that. In my discussions with the Geology Department over at the University of Hawaii, one of the professors there indicated that there is rock in the Helemano area. He did an on-site visit and found that there are sufficient quantities there to last many years. Of course, you would still have to go through the permitting process. Concerning the circumstances of what is available, the amount of time you need to establish a new quarry, that this site has good rock, and the mitigating circumstances and the conditions that we have imposed, I think this would be the most reasonable solution to getting rock.

DAWSON: You said new quarries would have to be put in Kapaa and Halawa.

YOUNG: No, those are existing.

DAWSON: Those are existing and they have about a 40 year supply left?

YOUNG: Kappa does.

DAWSON: Kapaa does. What about Halawa?

YOUNG: Halawa, I don't have that. Perhaps the applicant does.

DAWSON: Could I back up a little bit on the history of this? What is that right next to the processing plant, Kapolei what? What is that called?

YOUNG: Kapolei Knolls.

DAWSON: When did that come in? When was that permitted or begun?

YOUNG: I think that was in the late 90's they got their boundary amendment. I think it was '89. And then construction started in the mid 90's.

DAWSON: My question is how is it that the Department of Planning permitted those residences to go up in that specific area knowing, in 1995, that the processing plant was there, knowing that the quarry was there, and surely in 1995 they must have already been talking about possible expansion. I'm at an absolute loss to see why we would have permitted...I mean they're there now. I think the department really needs to answer for that. Why would we approve such an almost suicidal thing? The processing is known to produce formaldehyde. Putting residents right next to this, aren't we not opening up the City to multi million dollar suits for health problems? Even if you moved the processing plant mauka. But for the years that have gone by, I'm just trying to figure out why we would have put that particular residential area right there and why we are permitting the other ones to come about, the ones that are in the proposed stage.

YOUNG: I don't have the history behind Kapolei Knolls. I wasn't involved with that. My guess is that the applicant responded to the concerns raised by the community by putting in a pretty wide buffer here that is all landscaping.

DAWSON: What is a wide buffer?

YOUNG: I think it's about 200 feet in depth here.

DAWSON: But its wiliwili trees which have now vanished entirely because they are under attack.

YOUNG: And Banyan trees.

DAWSON: What kind?

YOUNG: Banyan trees.

DAWSON: Banyan trees. So are the wiliwili going to be replaced?

YOUNG: I don't believe so. Perhaps the applicant can respond to that. The applicant is proposing to relocate all these uses off the site, so in the future it will be just be open space and landscaped open space. Kapolei Villages was established under the State's affordable housing act. It was done without any zoning. They just went in to have it reclassified to Urban. It's only recently that these properties have been rezoned. So that development occurred just kitty corner across the site.

GAYNOR: But Raymond, that wasn't accidental, right? There was a long range plan that Ewa would become the second city of Kapolei. It's not accidental that Kapolei Knolls got zoning from the City. You guys were planning to live, work and play in the second city.

YOUNG: As I said, I don't know the history behind that project.

DAWSON: Is there anybody from the department here that can help us with some of those questions?

YOUNG: Apparently not, but perhaps I can get back to you with some information.

DAWSON: You might ask Henry.

PACOPAC: We'll wait until we hear from the applicant. Are there any other questions for Raymond?

KIM: Mr. Young, do you know the number and nature of complaints that your department may have received for the surrounding area of the quarry operations?

YOUNG: We have a condition under the CUP and SUP that the applicant report to the department their efforts in the landscaping and cleaning the land and also a listing of complaints they receive every six months. For the last 10 or 15 years, the number of

complaints has been a small handful. It's only now that we're in the process of extending the permit that it's become so controversial.

DAWSON: I haven't seen today's testimony, but in the testimony that we received prior to today, there are about twice as many complaints as there were people who were in favor of it. They are very passionate complaints, so it's very hard to look at those and not realize that the residents are having a hard time with this.

KOMATSUBARA: Any other questions? We're going to take the testimonies first before we call the applicant up. First on the list is Mark Schnabel.

Public testimony:

1. MARK SCHNABEL, Kapolei resident, testified in opposition to the State Special Use Permit. (testimony attached)

Good afternoon. I'm Mark Schnabel. I'm one of the residents in Kapolei. I want to thank the members of the Planning Commission for the opportunity to talk to you and testify at this public hearing.

I wrote down most of my comments. I did send in a letter. I have just a few additional things and some comments to make that kind of follows along with my letter I sent in. I'm one of those who strongly oppose extending the life of the Makakilo quarry beyond its existing permit in four, five, or six years whenever they finish. I think it should be shut down and renaturalized.

Extending the permit by 24 years to the year 2032 makes absolutely no sense given the extensive urban development that's already taken place in the area. The fact that we're told, and this was brought up, that Kapolei is supposed to be the next second city. That's the vision and strategy for that area. I kind of wonder what would be allowed knowing that the West Oahu campus is coming and all of the residential areas in the future, and the development of schools and the community on the other side of the freeway and Farrington Highway, they're the ones that would be most impacted with the view in particular. They're going to have that frontal view of the quarry operation, and there's no one here to really speak for them.

I think at some point the quarry will have to shut down as the development continues, and I think we're at that pivotal point now very soon with the transition phase. To me, the quarry in my neighborhood is like having Big Foot in my house right there in the middle of the city. It's huge. It's a huge hole, a huge impact. I think it's totally incompatible, as I said. Again, the City and County is pushing the idea of a second city.

I'm a resident of Kapolei; I'm an owner of a resident at the Villages of Kapolei near the golf course on that 4th fairway there. My family has received negative effects from the quarry operation to include dust, a lot of dust, noise, pollution, smell and unsightly landscapes. The prevailing winds are from the northeast. That's placing the Villages of Kapolei down wind of the quarry. We've been subject to these negative impacts since 2001 and again, have accepted that but we did think that they would eventually end. We also are distressed to see the mountain being carved away as they move up the hillside from the 500 foot elevation to 700 feet. It's a rising barren wall, and the visual impacts are rising 200 feet higher.

As I said, I oppose the extension of the Makakilo quarry permit which extends the life of the quarry by 24 years. Although Grace Pacific has stated and presented plans that indicate they will mitigate the noise, dust, smell and scarring of the hillside, and I do believe that they have tried to do all that they can do given the fact that it is a quarry



operation. By relocating the processing operations from its current site into the existing quarry, moves the operation but doesn't end it. The negative effects will continue for nearby residents and community organizations and businesses for years to come.

I'm aware of the efforts by Grace Pacific to communicate with the community boards. They've done a good job in that. I've listened to quite a few presentations. And they also provide funding to local community organizations and schools as good neighbors but actually this has also dissipated the opposition. They've got a lot of people who won't say anything because they appreciate the community support provided by Grace Pacific. I found some inconsistencies in their presentations, and I have some concerns with trust. For example, they've often at these presentations denied any responsibility for the dust. I'm not saying they're the sole cause of the dust, but they've contributed. They definitely have to have contributed to the dust. They've stated that prevailing winds do not go to the Villages of Kapolei. The trade winds come from the northeast as far as I know. They stated there's no other Grade A basalt rock in the Waianae mountain range. That's a huge range from way up the coast line. I just can't believe that the only spot for basalt Grade A rock is at the very end of the mountain. It just doesn't make sense.

Responsibilities for re-naturalization: At one time I heard them say it wasn't theirs at the end, but now they've accepted that. They stated there are really not toxic chemicals going through the asphalt plant production, and we know there are toxic chemicals. And I don't know about the monitoring. They stated they would relocate the asphalt treatment operation out to Campbell Industrial Park. Now they say send it out there and then they'll split base operations later and bring part of it back into the quarry. It's an economic requirement. That was a surprise to the Board.

If the permit is approved, my question to the Board or to the committee is how will we insure that promises are kept and they make progress as stated? There will be a change of personnel at Grace Pacific and on the Planning Board and other government organizations to provide some oversight. As I mentioned, for those who aren't yet living out there or working or going to school, who is representing their interests in this process?

There might be another alternative besides the ones discussed to maybe extend the permit for a shorter period of time, like five years, giving them time to relocate. But again, maybe they'll lower the elevation to 550 feet temporarily instead of 700 – something less to allow them time to (inaudible). If you take a long range perspective, as discussed, in 1973 the site was remote at that time. There was no impact on most people living in the area. It was agricultural land and they've had 35 years of unimpeded quarry production. I think we're at the end.

Their purchase of that golf course really worked out well. The golf course owner wasn't able to get the water permit or water for some reason. When that failed, that enterprise, then Grace Pacific picked up that land giving them the opportunity to extend the quarry. My question is what would they have done if they didn't get that land? They would have had to relocate. That was an opportunity they seized, a smart business move, but the golf course would have actually been more compatible with the second city vision for Kapolei.

Today, the quarry is surrounded by booming development, growing housing areas, schools, thriving businesses, recreation, the West Oahu Campus, and much more to come. The existing 72-acre quarry is already an unsightly hole in the ground, although they've done well to try and hide it. It's still going to be more exposed as development continues. I just don't think they can fully mitigate the rock extraction process.

I support development in general. Personally, I work with the Corps of Engineers; I understand the importance of aggregate. That's part of my daily job, but in this case I just don't get it. I mean I get it, but I think we have to make some hard decisions here. Again, if we can get this turned around and figured out, I'll look at the options. I think we can work on it and improve the quality of life for the residents of Kapolei and Makakilo long term and avoid adversely affecting their health, adversely affecting the desirability of the area to live in, to work in, and the real estate values. Everything will be on the upswing. Again, I recommend they take time and relocate their operations as soon as reasonable and then reduce the walls, mitigate and re-naturalize the area over a reasonable period of time. The only other thing, I just would like to, if I could, pass out some pictures. I'm not the greatest photographer, but if you could pass them along.

#### QUESTIONS FROM THE COMMISSION

DAWSON: Mr. Schnabel, when most of the Kapolei people moved in, had any of the expansion programs of Grace Pacific been put into place or had it been started? Was there any knowledge in the community, as it was building, of the extension?

SCHNABEL: Absolutely not. I found out about it by accident. It was just a matter of looking up and seeing the mountain being carved away. I wondered what the heck's going on. That's why I made an office call and went in and saw Bob Creps at Grace Pacific to find out how far they're going up the hillside, how much of the hillside they're going to carve away. He was very cordial and admitted what was going on. That's the first time I heard it. I went to my community association and advised them, and then they got involved at that point. That was just prior to the last scheduled public hearing. Then after our Board got involved, they postponed the public hearing then from about six months to now giving parties' time to just talk and giving Grace Pacific time to make presentations and work back and forth mitigating. No, there was no...There was just a small announcement in the Star Bulletin, and that's how it was discovered.

DAWSON: These are current as of about six months ago?

SCHNABEL: Yes.

DAWSON: In this picture, are these residences here?

SCHNABEL: Yes.

DAWSON: Which residents are these? Is that Kapolei Knolls?

SCHNABEL: No, that's not Kapolei Knolls. That's more the Villages of Kapolei. The views from the golf course are very dramatic and the housing on that far side of the golf course. And that's...is it Hawaiian Homelands area? That's going to be right there. That's going to be their main view up the mountain.

2. JOHN RIGGINS, Kapolei resident, testified in opposition to the State Special Use Permit. (testimony attached)

Thank you for this opportunity to be here today. I appreciate the questions that have been asked so far. Those are some of the same questions we asked also.

Mr. Chairperson and members of the Planning Commission, I'm testifying to present the impact and the human side of the continued operation of the Makakilo quarry. I am a business person having operated my residential real estate business in the area daily since January, 1977. I am not some extremist who is attempting to stop a business. I am also familiar with quarry operations. I served as a U.S. Army officer and often worked side by side with U.S. Army engineers who operated quarries. My father-in-law in Texas is in the sand and gravel business and operates a quarry. He's done that for over 64 years. In addition, his nephew is in the excavation and road construction business. My father-in-law and his nephew share a heavy equipment yard together. Due to the nature of the quarry operation business, nearly all of the equipment used in quarry operations is designed to be moved relatively quickly, easily, and somewhat inexpensively.

Over the years, the 64 years my father-in-law has been in the business, he has often moved his quarry. It's not been something he expected. If a development group moved towards his quarries, he moved his quarries to another location. This was the expected thing to do.

All who have seen the construction site of the North South Road and the H-1 freeway interchange have seen how quickly and easily quarry mining equipment was moved by Kewitt, the contractor building the interchange.

More than 400 of my neighbors and I downwind of the Makakilo quarry strongly oppose the request by Grace Pacific to extend the life of the Makakilo quarry by 24 years to the year 2032 because of the dust, noise, odor, health issues and desecration of Puu Makakilo which is caused by the Grace Pacific Makakilo quarry operation.

I have lived and worked in the Makakilo/Kapolei area since July of 1974. I probably have more experience in the area than anyone in this room, and there are very few people who have lived in Makakilo and Kapolei longer than I have. I've seen it on a daily basis what's taking place in the area. I am a resident of the State of Hawaii, a taxpayer, and I'm also a registered voter. As previously stated, I am the owner of a residential real estate brokerage company. I have served as membership Chairman of the Makakilo Community Association when there were approximately 1,231 houses in Makakilo. I have also served on the Makakilo Lease to Fee Committee and most recently as an elected Director with the Villages of Kapolei Association since approximately 1996. As a director of the Villages of Kapolei Association, I have also served as secretary and president of the Villages of Kapolei Association. I interact with my neighbors and areas residents on a daily basis.

With the exception of a handful of people who are concerned about reprisals for opposing the quarry and some school officials who have received substantial funds from Grace Pacific, the greatest majority of people in the area who are directly affected by the dust, the noise, the odor, health issues and the desecration of Puu Makakilo are opposed to the Grace Pacific Makakilo quarry permit extension to 2032.

During the current life of the quarry, my children, my grandchildren and if the permit is extended to 2032, my great grandchildren will have been born during the nearly 59 years of the quarry operation.

The Makakilo quarry impacts negatively on area neighborhoods and can be easily seen from the Villages of Kapolei where eventually there will be 3800 homes, Kapolei Knolls adjacent to the quarry and west of the current quarry and south of it with 425 homes, the Department of Hawaiian Homes headquarters, the future site of the University of Hawaii West Oahu, the Salvation Army Center, the second largest shopping center on Oahu, and 4,200 homes to be built in east Kapolei.

Unlike when a liquor store requests a license to operate in an area and every homeowner impacted is invited to testify in favor or against the liquor store, no safe

guards exist regarding the quarry operation. Sometime in the 1990's the quarry permit was extended through 2013 without homeowner input.

Had it not been for one of my neighbors, Mark Schnabel, who was just here a few moments ago, whose mountain view is being destroyed, having checked and discovered that Grace Pacific had requested a permit extension for its quarry operation for another 25 years to 2032, the permit extension would have been granted without any input from surrounding homeowners.

Even now, many of my neighbors and area home owners are skeptical and have simply given up their fight against the noise, dust, odor, health effects and desecration of Puu Makakilo because they feel that elected officials, a neighborhood board which failed to solicit homeowner input and government agencies will simply rubber stamp the permit extension without any consideration of their lives and the impact of the quarry operation.

I am here today speaking on my behalf as a homeowner and for my neighbors who mostly are working today whom I have personally spoken with and who are directly affected by the Grace Pacific Makakilo quarry operation. While my home is located approximately 400 to 600 yards south southwest of the present quarry in the Village of Malanai, many of my neighbors, such as those in Malanai Iki, an affordable housing complex, are closer, less than 100 yards and just across the street from the Makakilo quarry. That's less than a football field. None of us who purchased our homes expected the quarry operation to continue forever. When I purchased my present home in 1993, I fully expected the quarry operation would end in 1998. To answer your question, Ms. Dawson, the original permit was granted from 1993 to 1998.

According to 40 plus years of data collected at a US government Makakilo wind monitoring station which is used to direct flight operations at Honolulu International Airport, winds blow from Makakilo, over the quarry, through the Villages of Kapolei and Kapolei Knolls out to sea. The winds blowing from Makakilo is one reason I purchased my home in the location in which it's oriented. My home is naturally cooled and rarely would I have to use air conditioning. However, due to the wind blowing across the quarry and the dust produced by the quarry, I have to keep nearly all of my windows closed to prevent my home from getting filthy. Even if we leave a couple of windows, such as bathroom windows open, it's an almost impossible task to keep the rooms clean.

The winds are so strong at times that I had to install screens much like those used in nurseries to protect the plants on the north side of my house. Even the screens do not protect my plants, and I had to remove many of my less hardy plants. The trees in my yard and on the Kapolei Golf Course grew leaning in the southerly direction because the winds blew from Makakilo through the Village of Kapolei and out to sea. At the same time, I will add that when we get kona winds, we get a nice sea breeze which is very unusual as well. So it's comfortable usually all year long.

My window frames and those of many of my neighbors have corroded on the north side of our houses. We suspect this is due to the corrosive nature of formaldehyde which is a by-product of asphalt. The existing Grace Pacific asphalt plant located in the quarry produces a vapor which is released into the air and blows through the Villages of Kapolei and out to sea.

Grace Pacific has proposed moving its existing asphalt plant to Campbell Industrial Park in December of 2008. However, in a new proposal presented to the Villages of Kapolei Association in July of 2008, it has also proposed moving a new more technically advanced asphalt plant into the quarry north of the H-1 freeway in 2011 three years from now.

While the U.S. Department of Health and Human Services has reported that formaldehyde is harmful to humans, we have no idea what health problems may have

been caused by the existing quarry asphalt plant and the winds blowing the vapors through our homes and yards, especially the residents of Malanai Iki and Kapolei Knolls residents who live directly across the street and adjacent to the quarry. It's impossible to know at this time what the long term health effects will be of placing a new asphalt plant on the north side of the H-1 freeway.

As mentioned, dust is another problem caused by the operation of the quarry and the winds blowing from Makakilo. Dust accumulates rapidly on the north side of our houses, on our cars, and on our homes.

As part of the requirements under the Villages of Kapolei Covenants and Declarations, the Villages of Kapolei Association last year sent notices to all Malanai homeowners reminding them of the requirement to re-paint their homes. My neighbors and I re-painted our homes in the May-July 2007 time frame. Within a short time, dirt had collected on the north side of our homes. One of my neighbors directly next door desired to keep the exterior of his home clean and has had to pressure wash the north side of his home about once a quarter in order to remove the dirt and to keep the exterior of the north side of his house clean. I have not pressure washed my house since re-painting it in May of 2007. The north side of my house is filthy while the other sides of my house appear clean and freshly painted.

As to the health impact, some of my neighbors have become seriously ill during operation of the asphalt plant. The odor from the asphalt plant is so strong that it almost takes your breath away. One neighbor in Malanai Iki, which is directly across the street less than 500 yards from the asphalt plant, has had to sleep in her bathtub in order to avoid getting sick when the asphalt plant is in operation. The bathroom in her home is the only room where she can shut the door and keep out the odor from the asphalt operation. Another 17 year old boy who lives on Ania Place becomes sick each time the asphalt plant is in operation and repeatedly vomits until after the asphalt operation stops.

PACOPAC: Excuse me, Mr. Riggins, do you have much more testimony? We usual limit it to three minutes but I'm letting it go because we only have a few.

RIGGINS: Sorry about that. Let me in conclusion simply say that the Grace Pacific quarry operation should not be extended beyond 2013. However, if this Commission agrees to grant an extension of the permit, I would strongly recommend the permit be extended for no more than 5 years until 2018. The current permit goes to 2013. That gives Grace Pacific 10 years in order to find another location. Ten years from now, the Planning Commission can re-examine the impact of the dust, noise, odor, health effects and desecration of Puu Makakilo.

I strongly recommend also that a neutral third party be hired to monitor the dust, noise, odor and health effects of the quarry operations and re-claiming of the land, to enforce the permit provisions, obtain input from surrounding community associations such as the Villages of Kapolei Association and the Kapolei Knolls Association whose residents are directly affected by quarry operations, and annually report to the Planning Commission, the Department of Planning and Permitting and community associations who represent homeowners surrounding the quarry of it's findings and recommendations.

I've also included...I did give Patty a package for everyone which includes my testimony. It also includes photographs of various things there in the area.

If I may just very quickly respond to some of the questions that were asked before. The blasting also occurs in the afternoon as well. By the way, in your packages it includes photos of plumes of dust when the blasting is taking place. We often see the blasting take place around 4:00 on a Friday afternoon. The asphalt plant went in at

the year 2000. The Villages of Kapolei Association was told at the time that it was not going to be moved in, but it got moved in anyway. One of the things we also discovered was that there were 40 plus quarry sites around the island of Oahu. As far as complaints, as far as what do the neighbors do if they have complaints, I first learned about it...I always knew we had dust and problems since I live in Malanai, but typically they'll call someone else. They do not call the Department of Planning and Permitting because they don't know who to call. After having heard this hearing today, we'll certainly make some recommendations that we have this information in our news letter that goes out to all our residents, so hopefully that will be coming. Any questions you have of me? Like I said, I've lived and worked in the area since 1974.

#### QUESTIONS FROM THE COMMISSION

DAWSON: Is the testimony that was submitted on August 19, is that the one that you just gave?

RIGGINS: I just read it today, yes.

DAWSON: We haven't had a chance to read it.

RIGGINS: I understand. I apologize. I was on the mainland on business and just got back.

KAOPUA: Mr. Riggins, thank you for coming down and sharing your testimony with us. How difficult has it been for you and your neighbors in seeking any compensation from Grace Pacific in regards to some of the visible things I've seen like the windows, your painting and stuff?

RIGGINS: Until recently, as Mark Schnabel testified, there really wasn't any effort made as to what we do about what was happening. In recent meetings with Grace Pacific, Grace Pacific has said that they've appointed a gentleman for people to contact and to seek restitution. This has been within the last couple of months.

KAOPUA: At no time have you ever approached Grace Pacific, as a group, making them more aware of the suffering you're all going through?

RIGGINS: We did have a meeting in April 2007. At that time, as a matter of fact, I've got it in my testimony, but I didn't get to that point. We had a meeting in April of 2007. Grace Pacific denied that there was any problem with the quarry coming towards the Villages of Kapolei. I was pretty adamant that yes, it is. I can stand in my front yard and use a compass and know that the quarry is mauka of me and the wind is blowing in my face. It's real easy to tell that.

KAOPUA: Thank you.

DAWSON: You indicate that you strongly recommend that a neutral third party be hired to monitor items, and it appears that you are suggesting that this person or this entity enforce the provisions.

RIGGINS: I think that person's got to come back to the governmental agencies so that the governmental agencies can enforce it. The Department of Planning and

Permitting certainly does not enforce the existing permits that have taken place. There's been no reclaiming the land which the original permit stated. Over time...no offense to Mr. Young. He's been very, very cooperative, but the problem is that government agencies just haven't been enforcing and overseeing. It's probably a shortage, a manpower shortage I suspect.

DAWSON: In my experience, our enforcement capabilities on behalf of the government are quite non-existent. So unless the permit has some teeth in it which says you will be fined for noncompliance with the terms of the permit, nothing ever happens. It seems like the permit itself, if it's going to be permitted, should have to have some strong teeth put into it because a report doesn't cut it. It goes on somebody's desk, and that's the end of it.

3. NOWEL DUDOIT-ALANA, Makakilo resident, testified in support of the State Special Use Permit. (testimony attached)

My name is Nowel Dudoit-Alana, and I support Grace Pacific Corporation's request to extend their operations at Makakilo Quarry. Having lived in Makakilo for 20 years, I have found that the operations at the Makakilo quarry have had little affect on my daily life.

I am not an expert on the quarry, but I listened to the representatives of Grace Pacific when they presented their reasons for wanting to extend the life of the quarry. They made sense to me. I like the way they went out of their way to address concerns raised by some residents and the major steps they took and plan to take to ensure a safe and clean environment in the neighborhood. One of the most impressive is its plan to close operations at its facility along Farrington Highway.

Also, I have found over the years that Grace Pacific has been an active player in our community with a sense of giving back. They developed and supported the Outstanding Keiki program at our local elementary schools, a program that fosters leadership among our youth and gives them a chance to earn college scholarships. It is through such community activities that Grace Pacific shows it cares about the local area and its future. I urge you to please support the granting of Grace Pacific's Makakilo quarry request.

#### QUESTIONS FROM THE COMMISSION

DAWSON: I'm curious. Has Grace Pacific given you any compensation for anything that you may have...you and your family?

DUDOIT-ALANA: No. I've been there 20 years and I've seen them in the community giving to the keiki programs and to the schools. I also see them go through the communities and asking to give scholarships. That's where I really get my contact from, and I think it's so great that someone's giving back to our community.

JAMILA: In your opinion, has Grace Pacific been a good neighbor to your community and particularly where you're living at now?

DUDOIT-ALANA: They have been great neighbors. If there was a concern, there was always an open door so that you could go in and talk to them. And if you were confused and didn't understand what the development was all about, they always had somebody to represent them.

JAMILA: Has the blasting and the plumes of dust affected your family where you're at?

DUDOIT-ALANA: It has not affected my family, no. I live in upper Makakilo where the pit is. I've heard maybe the cleaning of the houses and the dust. That's going to pick up no matter what. If you have an open area, the dust in the area will pick up and go towards the home depending on the wind factor. Having been a problem back there when I first moved there in 1990, I could see a lot of development coming in. It could be the development that's causing dust as well. There's a lot of development right now.

JAMILA: Thank you.

4. KAMAKI KANAHELE, Chairman of the Sovereign Councils of the Hawaiian Homelands Assembly testified in support of the State Special Use Permit.

Members of the Commission, I'm happy to be here. My name is Kamaki Kanahale and I am the Chairman of the Sovereign Councils of the Hawaiian Homelands Assembly. The acronym is pronounced SHAW. It is a state wide organization representing 24 homestead community associations across the state with residents of approximately 30,000 cumulatively. And on Oahu, I am the President of the Nanakuli Hawaiian Homestead Community Association.

I am here to testify in support of the expansion of the quarry. I have known it's leader and its founder, Duane Steel, who is a very, very sensitive gentlemen when it came to the location in which his actual dream is located. His sensitivity of our culture, our aina, our lands, is to make sure that it is protected and preserved. In building this project many, many years ago, we were always cognizant of the fact, or he was, that we native Hawaiians surrounding the perimeter of this site. We were always made very clear by him and his people that providing the source...And by the way, I don't know why they call this the Makakilo quarry. They should call it the Hawaii and the county quarry because it is the only quarry that provides such material to everybody from here all the way to American Samoa. The reason why I speak more specifically on this matter is because you're talking about an expert with two such projects in our community and that's the State pvt project dump which provides services to all of Hawaii and of course the Waimanalo Gulch. If there's an expert on locations of these kinds of services out of the lands to service everyone in the State as well as in the county, you can bet I speak well from where I come.

It is important that this quarry be extended. It is important simply because we have always been told that the Waimanalo Gulch and the pvt quarry that there is no place else. The sources and the natural resources that have come from out of the quarry service everyone throughout the Pacific as well as on every island. Those people who have arrived recently and now come to complain, I need to remind you as a native Hawaiian that from a cultural basis...and if there's anybody who knows the culture of the lands and of the people in the surrounding area from Ewa to Kaena, it's myself and my mother. We have lived it; we have walked it. We have taken good care of the heiaus and the ancient sites there and at no time did Duane Steel and that company breach the integrity of any of the cultural sites in that location.

The expansion of it is necessary in order to provide greater services to the growing community in which these new residents have arrived to. It's amazing to me that they would like the benefits without the consequences. And who said life was going to be easy? And so this quarry has serviced us very well. On the Waianae side, may I say that I do not recall Duane Steel ever making any donations and contributions to any



native Hawaiian homestead community and I'll tell you why. We didn't ask him. He didn't ask us. And if we did, he would have been there for us, not only monetarily but with the services of his quarry. That has never been asked; it has never been given and never been provided. But bless his heart, he made and took the time to make sure that the preservation of our cultural practices, our language and the usage of his services through that quarry have benefited us all as native Hawaiian people.

Large communities...I just came back from testifying upstairs at the City Council meeting where the Chairman of the Department of Hawaiian Homelands, Micha Kane just spoke, and his entire State Department has moved into Kapolei, 126 staff, and the State Department. It has been made very clear that another thousand homes of native Hawaiians will be located just at the foot of the same quarry. For us native Hawaiians, it is part and parcel needed to support and at the same time to protect the integrity of as much of Hawaii as we can. And if there's ever going to be anybody that might be called the natural policeman to protect the integrity of our own state, it's we native people. The reality is we're here to support simply because we understand the reality being native people who have lived it all of my life and for the past two generations.

It's not going to be difficult to extend this because its impact on us will be throughout our lives and the generations to come. There is no other source that can be provided; there is no other location. Although, coming here earlier I understand that one of the recommendations was typical – move it to the Waianae range. We understand where the language and the thoughts come from because we have lived it and we have eaten it and we understand why we must do it. And I understand why I'm here. It is important that the Makakilo quarry be extended. If you're calling for larger highways, greater expansion, all of the resources that are needed, these natural materials are the only source of its kind in all of Hawaii and in the Pacific might I add. And so it is an important part of the Hawaiian agenda now and in the future, and I request your support. Mahalo nui loa.

#### QUESTIONS FROM THE COMMISSION

DAWSON: Kamaki, I would like to thank you for your testimony about Duane Steel. He has been such a treasured person in the Hawaiian community for me, personally, and for the Hawaiian community. He's so respected and so treasured as the head of Grace Pacific. However, he is not here today, and we are sorry for that. His untimely passing was most unfortunate. This is the same company by name, but the players are somewhat different without Duane's incredible leadership. So while I appreciate what you have said, I don't think that we are approving Duane Steel's operation at this point. It is a different operation. And I would have to ask you...I see on the map where the proposed Hawaiian homeland development is. Are there any Hawaiian homeland developments or clusters in the general area that is depicted under the Grace Pacific corporation map?

KANAHELE: Do you mind if you could you walk me through it?

DAWSON: Yes. Raymond?

YOUNG: This is H-1; this is Farrington. The new North South Road comes down this way and connects up through this area that is proposed by DHHL for a new mall. There is some land owned by DHHL. I think one of these pieces here. Down here is Kapolei Villages.

KANAHELE: Where are the Aloun Farms? The Aloun farms is now...we're going to terminate 500 acres of Hawaiian Home lands and have it returned back to the trust. That just happened within the last few months. That's because we're adding another 300 homes to the Department of Hawaiian Home Land's inventory. In that particular portion, we've already tracked was going to be developed in most of the Department of Hawaiian Home Lands area.

Mauka of the freeway there are no Hawaiian Home Lands. We understand the locations of what's going to be happening in the future with Hawaiian Homes' development, especially along the road areas here. That just recently happened, so we'll be happy to provide you with the information. In doing so, while we're developing this, we also make sure we know what's happening mauka, what's happening makai, and all the way to the point and its impacts across the whole facilities that are going to be built for Hawaiian Home Lands.

When a person owns a project, in this case Duane Steel...whether it changes by administration or by ownership or by Board, the integrity of the origin of its purpose, according to Hawaiian traditional culture, will never change. The Board that I talk to have all said they will support the integrity and the decision as they always has been. From our side, I need to make sure that you all know that the spirit of Duane still permeates this. Otherwise, we Hawaiians...I would never be at this table supporting this. It was important for me to make sure that the decision can still be considered as part and parcel of the whole at the table, and I appreciate that very much. Thank you.

5. Mike Golojuch, Kapolei resident, read the testimony of MAEDA TIMSON, Chair of the Makakilo-Kapolei-Honokai Hale Neighborhood Board, in support of the State Special Use Permit. (testimony attached)

Good afternoon. I'm Mike Golojuch. I'm the Vice Chair of the Kapolei-Honokai Hale-Makakilo Neighborhood Board. I'm also the Transportation Chair. Our chair may show up later, but she's tied up at another hearing, so I'm going to read what was provided by the Makakilo Neighborhood Board. I've already submitted my own testimony which you all should have because I faxed it, e-mailed it and did everything over the weekend. It was written by the Chair, but I'll continue on it.

I am writing this letter to affirm our Board's support for Grace Pacific's application to extend its operations at Makakilo quarry. On two occasions back in July and September of 2006, Grace Pacific presented its extension plans to our Board. During the course of their presentations, we learned of the important role raw material from Makakilo quarry plays in maintaining our island's infrastructure, as well as the undeniable economic impact that the quarry's closure would have on our construction industry.

During the first presentation in July, we raised some concerns about visual impacts of the original proposal, which was set at 40 acres. In response, Grace Pacific came back a few months later and revised its latest expansion request down to 34 acres. At that point, after a healthy and hearty discussion, our Board voted 6 to 1 to support Grace Pacific's plan.

Since their presentation, Grace Pacific reached out to various groups, including the Villages of Kapolei Association and Kapolei Knolls, to share its plans and to receive feedback. Also, several weeks ago Grace Pacific shared with me the results of its independent community survey on its proposed expansion, and I was pleasantly surprised at the results. One particular finding is that over 71 percent of those surveyed stated that they would support the expansion of the operational facilities if the lower parcel were to be vacated, which Grace Pacific has promised to do. These reasons are

why there have been no community concerns brought before the Neighborhood Board. There haven't. I've been there, I listened to them, and there haven't been.

As you consider the merits of Grace Pacific's application for the expansion of Makakilo quarry, we ask that you take our board's positive position into consideration.

6. MIKE GOLOJUCH, Kapolei resident, testified in support of the State Special Use Permit. (testimony attached)

I'd also like to add that I've been a resident since 1981; Grace Pacific has never given me anything directly, although they have given to the community. I know when I helped park cars down there when they had the Farm Fair, they were there to provide the best for the kids and do other things like that. They're always helpful out in the community and in other aspects.

As far as dust, they have never been the real concern. Blasting, I live there; I haven't heard it although I was told they don't do blasting when it's a cloudy day because then you will hear it. I've also jogged up to the top of the Puu at Makakilo and looked into the quarry at various times. They have been a good neighbor. I'm glad they are building. In fact, one of our members on the Board did have some dealings with them about their townhouse four years ago. It was about odor and sounds and all of that which they took care of. She was happy. She voted for the expansion. So if there was anyone to be concerned, she would have been. That was Linda Young. We do support it. I visited one of their operations on the other side of the island and talk about a clean facility. The only odor I smelled was when I got up close to where they pour it into the trucks. That's my testimony.

7. STEVEN BUSINGER, Professor in the University of Hawaii's Department of Meteorology and a consultant to Grace Pacific, testified in support of the State Special Use Permit. (testimony attached)

I'm here to talk about the wind today as an atmospheric scientist and to present a bit of data. This testimony should be seen really as part of the testimony from Grace Pacific as a whole. I'm a professor of Meteorology at the University of Hawaii. I've worked there since 1993. I have a pretty sizeable number of reviewed publications and research grants and have testified under a number of venues in Hawaii as a Forensic Meteorologist and consultant.

Essentially what I looked at is what direction and at what speed does the wind blow in the vicinity of the Makakilo quarry. If I could draw your attention to the first figure....this is from data from an anemometer at the top of a 20-foot tower, as high as the Makakilo quarry – the upper quarry. If you look at figure number three, the location of this anemometer is actually given on a satellite view as the red dot.

The way that I presented the wind data is in a wind rose. What the wind rose shows is how often the wind blows from a particular direction and at what wind speed. The speeds are given in miles per hour by the different colors ranging from 0-5 to 25-30 knots. So you can see from this that the frequency of the winds blowing from an east northeast direction is the direction that is most prevalent. And of course we know that as the northeast trade winds.

If you look at figure number 2, what I've done here is compare the wind rose for this Grace Pacific upper quarry site with that of the Honolulu Airport to show that there's quite a great consistency. The data look a little different because the anemometer at the airport measures wind direction slightly more accurately so you can break it down a little bit more finely. But it turns out that about 70% of the time, the wind blows from that

northeasterly direction. The rest of the time, it tends to blow kona. If you look at the Makakilo upper quarry wind rose, you'll see that there are kind of a fan of winds coming from the south. If you look at the orientation of the wind, again looking at figure 3, and take into consideration the wind directions that are most prevalent, the prevailing winds, the down wind area is a very large buffer zone.

My experience with fugitive dust...and I've worked on a number of construction cases as an expert witness in fugitive dust, is that the dust falls out rather quickly. Within a quarter mile or so, you'll have 99.9% of the dust will have fallen out. Under conditions of very, very high winds, you'll get some saltation on fields, and there will be a source of dust from local agricultural fields. I live in Hawaii Kai and the northeast side of my house is also the dirty side. It's quite dirty. And I think if I had the money, I'd probably clean it about once a quarter. That sounds about right. My screens are also corroding. I don't blame Grace Pacific for that. I blame the Pacific Ocean. The source is salt.

#### QUESTIONS FROM THE COMMISSION

DAWSON: I think I understand your charts quite well. My question is there is quite a bit of testimony as to the dust on the makai side of the highway in Kapolei Knolls and Kapolei Villages. If the prevailing winds are going away from those areas, what hypothesis do you offer in terms of where that dust is coming from?

BUSINGER: Let's just use this prop since it's handy. We know that the prevailing wind is in this direction so let's take that...say the Kapolei Knolls and Kapolei Villages. What do you see? It's very clear. I'm not saying that that's the only source, but that's the predominant source. Then closer to the freeway, the freeway itself introduces a tremendous amount of dust and particulates. If you analyze the particulates here (which have been done), they will have the consistency and the chemical makeup which is consistent with the freeway.

PACOPAC: Any other questions? Thank you very much.

8. HOWARD WEST, environmental consultant with Environmental Science International, testified in support of the State Special Use Permit. (testimony attached)

My name is Howard West; I'm here to testify in support of the extension of the quarry. I am a geo-chemist by training, but now am an environmental consultant and have been for a long time. I've worked at Grace Pacific facilities now for about 14 years, and I have a number of reasons both personal as a citizen here of supporting the quarry. A lot of it was said by Mr. Kanehele who I completely back up with what he said. I come from here; I know Beadie. I went to Kamehameha. I think that it's very important to continue to support our infrastructures.

That first point, I'll just make it very short. You'll have plenty of time to read the written testimony, but quarries are important for Hawaii's infrastructure. The economy is moving up; we're constantly building new homes. We're building new roads. We need concrete; we need rock. Where is it going to come from? If it doesn't come from Makakilo quarry, we're going to import it. Who is going to pay for it? Everybody in this room and all of our Hawaii citizens as well.

As far as choosing someone to move forward to do this effort, I can't think of another company I would prefer to have than Grace Pacific. I've been with them for 14

years right now, and what I've seen from them is a very proactive approach to what they're doing. They partnered with the American Lung Association to enforce the EPA's diesel emissions reduction program. They did it voluntarily; they weren't forced into doing this. This is something they did on their own. They've also moved forward with implementation through a grant from EPA to help retrofit City and County vehicles, City and County fleets, state fleets, other private fleets. This wasn't done because they were forced into doing it. It was done as part of their proactive approach to environmental stewardship. I found that the way they've gone about their business at their facilities, they've been very environmentally conscious, they listen to the community, and they do everything by the book.

As far as emissions go, I have that addressed in here. They operate under an air permit issued by the Department of Health Clean Air Branch. Those permits aren't given out lightly. For permits for an asphalt plant, you must do air monitoring, you must report those results, you must have modeling. You must go through a lot of different steps. If Grace Pacific had been violating the conditions of their permit which are quite stringent, the Department of Health would have revoked their permit long ago. That hasn't happened. They have a pretty good record. They don't have a perfect record, but whatever has happened where they have violated their permit, it's been for something very minor – nothing that the department felt has gone after them for and found reason to revoke their permit.

I think that for addressing community concerns they've gone way beyond what I would expect someone to do. To relocate that lower Makakilo facility is not a small task. That facility has been in operation long before Grace got there. They are taking their asphalt plant; they are moving it down to the general area of Barber's Point, Kalaeloa Harbor, Campbell Industrial area. That's a pretty big expense. I think they've been listening to everybody very carefully. I think that the relocation of the asphalt plant which seems to be a big concern here...this is what I'm hearing. We have this nasty old dirty asphalt plant and it's producing all of these toxic chemicals. I keep hearing formaldehyde. I don't know why people are harping on formaldehyde. It doesn't come from asphalt; asphalt doesn't contain formaldehyde. It comes from combustion engines. Your automobiles produce formaldehyde. Because you're burning diesel fuel to operate these plants, there is a small amount of formaldehyde that is produced. In just looking at some simple calculations, there is more formaldehyde and other noxious chemicals produced by the traffic that spans that one mile stretch on the mauka side of Kapolei Knolls. We've got housing divisions on both sides. There are more emissions that come out of the traffic there in one year than come out of the asphalt plant by a large extent. I take exception to that.

I think that some additional benefits for moving the asphalt plant to the upper quarry are: 1) if you don't move it to the upper quarry and you don't have a plant there, then you're going to have to now send multiple trucks down to another location and truck them back up. That's about 85 trucks a day you're going to put on the road. That's 85 trucks worth of emissions; that's about 43,000 gallons of diesel fuel burned. It certainly goes against Hawaii's initiative to become less dependent on fossil fuels. It goes against Hawaii's clean air initiative and Grace Pacific's own stated initiative to reduce diesel emissions. I think that the cost burden is going to be borne by you and I.

That's just sort of a highlight. For those of you who are interested in high level math, there's a little calculation sheet showing how I got that. Those numbers of gallons, feel free to look over them and check my calculations. But I urge your support in extending this quarry on many levels. Thank you.

9. GREG PETERSON, President of Villages of Kapolei, testified in support of the State Special Use Permit. (testimony attached)

Good afternoon. I'm Greg Peterson, President of Villages of Kapolei. Mr. Chairman, Committee, instead of going through a long dissertation, I just want to stand on my submittals to you, my testimony, that was submitted for June 3, June 6 and August 5. Although the Villages of Kapolei Board voted to rescind its opposition, our preference is that the quarry shouldn't be there. But in light of the fact that Grace Pacific is working with us with their modifications and in terms of our August 5, 2008 letter, if you have any questions, go ahead.

#### QUESTIONS FROM THE COMMISSION

DAWSON: Can you expand a little bit more on why you decided to rescind your original vote? Was it a matter of money?

PETERSON: What it was is that we were unaware of Grace Pacific's expansion plans until Mark Schnabel brought that to our attention. And as you can imagine, we were quite furious, you know. We've since then got in contact with Grace Pacific and they offered to modify their plans for continued quarry operations. We rescinded our opposition based upon that they're promising modifications. That's where we are today.

DAWSON: And that modification had to do with the expansion or the movement of the asphalt plant?

PETERSON: The movement of the asphalt plant to Campbell Industrial Park. But a small omission was left out in the fact that they were going to move part of their asphalt plant back into the upper quarry. We were unaware of that and they apologized for that omission. But if you look at my August 5th testimony, it does indicate that we have some concerns about that. They indicated they will be using new technology and to date, they haven't indicated what that new technology was. That's another one of our major concerns.

DAWSON: Was that considered a minor omission?

PETERSON: Not to us because we thought the whole asphalt operation was going to be moved into Campbell Industrial permanently.

DAWSON: But the Association still decided to remove your objection?

PETERSON: Our objection, yes.

DAWSON: That's amazing.

PETERSON: That's based upon if you read the testimony, there are conditions to that in terms of their modifications. And we're on record to say that due to the oversight, you know, the permit is allowed. And that's where we're concerned too. Their oversight hasn't been what it should be.

DAWSON: I notice that you're asking for independent oversight as opposed to having them self police themselves.

PETERSON: Correct.

PACOPAC: Any other questions? Thank you. Is there anyone else here that would like to testify? That was the last person on the list.

10. PATTY TERUYA, Nanakuli resident, testified in support of the State Special Use Permit.

Aloha Chair and Planning Commission. My name is Patty Kahanamoku Teruya; I am on the Nanakuli/Maile Neighborhood Board 36, the former Board of the Waianae Neighborhood Board. I'm here in support of this expansion project for Grace Pacific. I did want on record that Grace Pacific has been very open in communication of this project even for the Waianae Coast residents and community and neighborhood board. We appreciate the open communication. During that time, our Board did not take a position because we were going through a transition of separating our Board. I did, as the Chair, receive documents of this proposed project, so I'm speaking as an individual and not for the neighborhood board. I'm a resident of Nanakuli.

I did clearly want to state to one of your speakers that it should never be suggested of the Waianae range as a second location to relocate anything. We do have a lot of problems, so the Waianae range will not be a point of area because we have a lot of rocks and we, the Waianae people, deserve more dust. It was stated earlier in one of your statements here that since 1973, Grace Pacific has provided a lot of great amenities to the Waianae Coast. These are to native Hawaiian programs and to our only one medical center which is the Waianae Coast Comprehensive. These are not amenities or community benefit packages that we ask.

We support the Coast because they support economic, they support our keikis and many of our programs along the Coast. There have been very good partnerships in the community. To wrongfully say that they support our fine programs and we're here to oppose that is truly not true. They stand in the good faith like the Kapolei Properties. They are part of our community as we are part of their projects, and we have relationships.

I'm here to support this project and to move forward. I'd like to talk to the professor earlier and invite him to one of our areas of the pvt landfill and maybe he could give us an education on the wind factor. We do have problems with private landfills that are just five miles away from our homes. This landfill was not grandfathered in; we've lived there. This landfill came into our community as this project was there and people build surrounding homes. I would ask myself; I would look at the sustainable community plan before I purchase or even ask. Why would I buy if I know that there's a landfill or a quarry in that area? But I'm not here to disrespect anyone in the community. I mean, you know, we all fight different objects and things. I'm here mainly to support and just to state that in Kapolei and West Oahu, we do live, play, eat and work there. Mahalo.

#### QUESTIONS FROM THE COMMISSION

JAMILA: I have two questions. Being that you're from not the area of impact, but it seems like Grace Pacific's good will reaches even out to the Nanakuli area, could you give a summary on just what programs are they involved in in the Nanakuli area? Like say, have you guys been involved when the church needed some kind of rock from the quarry? Were they sent out there to help alleviate any problems in that area?

TERUYA: As I stated earlier, Grace Pacific has been very open and generous to our community since as far as I know. I've been out there for 45 years, 1973. They support our Boys and Girls Club, our Waianae Coast Comprehensive. You know that we're expanding our Hawaiian Healing Centers; we're expanding our new division. They support the construction industry to assist us in developing our facilities further as we expand. For our medical health center, I know that was one of the big projects there. But they have been more than generous also to events, programs that happen along the Waianae coast -- not only for Waianae, for Kapolei and many other agencies that have different educational events. I don't receive any funds from them just for the record, but they fund programs in my community that benefit, so I'm very grateful for that.

JAMILA: I'd just like to explain about the other speaker. We all thought since you've got two landfills down there, a third quarry would be alright. But I just wanted to make sure that...It's just a pun. I'm just kidding. It wasn't meant to really...they were just trying to look for another site.

TERUYA: I stand with our leader Kamake Kanahale and his explanation to what we deal with and the appreciation that we have. And yes we do still deal with landfills and things like that, but we try to come in humbleness and share our humbleness from the community and who benefited and who assists our community.

KAOPUA: Thank you, Miss Teruya, for your testimony. Being a steward of the leeward coast, I believe you commute to Honolulu quite often to work. So you do pass the quarry of Grace Pacific. Maybe I should just end my discussion, but I think it will make it easier on the meteorologist if the dust storms that you see come out of pvt at the level I heard you once testify was 300 feet, have you witnessed that dust blowing from pvt Nanakuli? You know, it's so high in the atmosphere. Have you ever witnessed any of that during the many years you commuted to Honolulu to work?

TERUYA: I community to Honolulu, yeah. One day I'll take the transit, but that's another subject. No, I haven't. I have been traveling back and forth to Makakilo; I haven't seen that. In fact I have a nephew who just bought a home in Knolls and he has a business too, a trucking company, but he saved and bought his property there. But no, I would trade anything with pvt. I would welcome GP in my area and they can have the pvt any time.

DAWSON: Thank you for your testimony. I think you should understand some of the difficulty that we have and what generates the questions that we have. We are trying to balance what I think are good faith efforts on the part of Grace Pacific to ameliorate a problem and to provide amenities, if you will, to the community or the surrounding. That is one thing that is on one side. Our difficulty is balancing those amenities with the health of citizens and children. This makes it very difficult to us. You can't improve a school or put up a building and still sacrifice the health of your citizens and your children. That is the problem that we have in dealing with the problem that is before us. We appreciate those that are in support of it; we appreciate those that are sharing their grief over what is happening there. We are trying to balance them all.

TERUYA: You have a very tough job because I sat here when we went through the Waimanalo Gulch fiasco too, so I don't envy you commissioners. You have a tough job to look at it both ways. Like I said, I'm a community person; I'm just here to support and to kind of place clarity of how Grace Pacific has been with the Waianae Coast.



PACOPAC: Anyone else before I close the public hearing?

DAWSON: Before you close the public hearing, we had asked earlier that...We had some questions of Raymond, but he didn't have any staff support here to respond to. And I'm wondering if we could not close the hearing and have perhaps Henry or some of his staff come and...

PACOPAC: We have the deputy here.

TANOUE: I'm David Tanoue, Deputy Director.

PACOPAC: Before we get to the questions you had, Beadie, I want to hear from the applicant. They may answer the questions that you have if that's okay with you.

SICHTER: Good afternoon. My name is Lee Sichter. I'm a principal planner with Belt Collins Hawaii serving as a consultant to Grace Pacific. With me today is Bob Creps the Senior Vice President with Grace Pacific. You already heard from Dr. West who is a specialist in chemical engineering and issues related to the hot mix asphalt. We have heard from Dr. Businger from the University of Hawaii, a meteorologist.

With me today are members of Belt Collins staff. Ben Rasa our civil engineer who has done most of the civil engineering work on the project, Glen Koyama, a senior planner who has assisted me with the planning aspects of the project, and Moani Crowell, a recent addition to our staff who is monitoring the hearing today.

Thank you for the opportunity to be here. With all humility, I've always considered it an honor to testify to the Planning Commission. We appreciate the service that you do; I sincerely appreciate it. Thank you. This is a complicated question. It's nuanced by information, and my roll is to try to provide you objective information to help you in your decision making.

I'd like to start by pointing out, reaffirming, some of the things that you've heard before. Quarriable rock is a natural resource that is next to potable water probably the most valuable natural resource that the island and the State of Hawaii has. It's one of those very few natural resources that we have. Having basalt rock that is available for use in construction is unique in a Pacific island setting. It is a valuable resource and the ability to produce quarriable rock on an island is very much part of the notion of sustainability. We don't have to rely upon the rock from elsewhere; we can produce it here. However, it isn't available everywhere. The ability to quarry, to have good quarriable rock, depends on the nature of the lava. And the lava has to be very dense basalt. Typically we've found that in all of the analysis that Grace Pacific has done in looking for quarriable areas, that most areas on the island, the basalt is in very, very thin layers and not in a thick deposit.

It has been mentioned that there are numerous sites around the islands that were quarry areas. Yes, in fact since 1900, there have been 50 quarries around the island. Forty-seven of those quarries are exhausted. They are closed because they ran out of rock. Grace Pacific accounts for 30% of the demand for aggregate rock on the island of Oahu. It is very close to running out of A grade rock. The Halawa and the Kapaa Quarry have B grade rock, and they have overburden which is considered fill material, but they don't have appreciable amounts of A grade to the extent that Makakilo's resources that have been identified mauka of the existing quarry does.

Seventy percent of the asphalt on the island, the demand for asphalt is satisfied by Makakilo Quarry. Just for your information, asphalt is 90% A grade basalt rock and about 10% hot mix asphalt. So you don't think of asphalt which we pave our roads with

as requiring a lot of basalt rock, but 90% of it is. What I brought in the bag here is just to show you A grade basalt, B grade basalt and overburden. Let me pass these around. Overburden is a fancy word for soil. Basalt rock that's used for quarry comes in several grades. The best grade is considered A grade because it's the most dense and it's the type of rock that is best ground up and used in concrete and used in asphalt.

#### QUESTIONS FROM THE COMMISSION

DAWSON: Is this considered rock?

SICHTER: The overburden? No, it's considered dirt, soil. It's called overburden. You cannot use B grade rock in concrete and asphalt. It's not dense enough; it crumbles. You wouldn't be able to build a solid concrete building because it would crumble because the concrete wouldn't hold together because of the B grade. So the A grade is the valuable resource, and that's the critical item here is the ability to continue to supply Oahu with a source of A grade basalt.

PACOPAC: Can it come from elsewhere?

SICHTER: Yes, it can. However, the cost could be three to four times as high and that is a significant potential impact upon our construction industry and our economy if we were having to import basalt rock not to mention the cost and the notion of sustainability. If we are really on the path of becoming more sustainable, we want to reduce our reliance's upon resources from outside the state.

JAMILA: Can you give some figures on the cost for people that want to try to figure out what you're talking about? The cost as it is right now of what you're mining versus if you have to bring it offshore from another account so people can kind of like see the cost of how it would vary, you know, besides mining it and bringing it off shore.

CREPS: The cost for A grade production is probably \$15 to \$20 on Oahu. The cost to bring it from either Maui or from Vancouver is \$45 per ton on a per ton basis.

JAMILA: So clearly it would raise the cost of any construction site whether it be urban development or roads considerably. That's 30% to 40% right off the bat.

CREPS: That's correct. We also have an issue with the harbors not being able to accept that volume and then also the issue of bringing from, say, Canada, being able to have a consistent supply here. Those should also be considered.

JAMILA: Thank you.

DAWSON: To quickly follow up on that question. It's such an increased cost, \$20 to \$45. Do we assume that this would reduce the amount of building development on this island only?

SICHTER: I think it's a matter of a State wide issue.

DAWSON: It would reduce the amount of building and development?

SICHTER: The concrete that we...The cement that we develop here is used state wide as is the asphalt.

CREPS: Most directly, Oahu, to us the taxpayers, the pocket book, is what it will affect. But it also will reduce the amount of government funds that are available State wide for road projects and bridges and things like that. So there is an indirect impact on it, yes.

DAWSON: I think that to some people that think we are over built now, that might come as good news.

CREPS: We do need to maintain our infrastructure assets. We have harbors, airports, highways, and bridges.

DAWSON: I understand that.

SICHTER: The testimony that you've heard today, a lot of the testimony has focused upon the character of Grace Pacific and Grace Pacific's participation in the community. In my experience, the process that we have gone through in preparing this application and working with the DPP and working with the community is a very good example of the character of Grace Pacific. Allow me to explain.

I'd like to move over here and work from these boards if I may. First of all, I'd like to thank Ray Young. We've been working with him for two years on this project and he has been a very strong advocate on the part of the City's interests and the community's interests and his diligence has brought a lot to this final plan which the City is supporting and I think represents a very good outcome of this planning process.

We began this process in May, 2005 with a meeting with the DPP, so it has been going on for over three years. When we first raised the notion of expanding the quarry with DPP, our first meeting was to let them know that we were considering the idea of expanding the quarry and to seek guidance from the City on how to proceed.

DAWSON: When was that that you started?

SICHTER: In May, 2005. In that context, there are three properties involved in the project area. The project area, the total project area is about 541 plus acres. There are three parcels -- parcel 4, parcel 74, and parcel 82. Parcel 82 is where the existing quarry is located. Parcel 4 is where the industrial type operations are located -- the crushing plant and the hot mix asphalt. The rock that's quarried in parcel 82 is delivered to the crushing area here and the asphalt plant via a tunnel under the H-1 which you previously heard about. That tunnel has an easement that was granted by the State and in answer to Miss Gaynor's question...Oh, I'm sorry Mr. Komatsubara's question, the lease expires in 2038. The lease was granted until 2038.

The tunnel delivers the rock material to the processing site. Parcel 74 was the parcel upon which the Makakilo Golf Course was previously proposed. When the Waihole Ditch decision came down, it basically shut off the water and the Makakilo Quarry wasn't able to make a go of it because they didn't have the potable water resources that they had previously depended upon as a result of windward Oahu. So that's why that went down. Grace Pacific moved in and acquired that property in '97, I believe.

CREPS: '95.

SICHTER: The golf course was almost fully graded out. The holes were graded, the club house was built. This huge notch that you see here near the summit of Puu Makakilo was part of the golf course construction that was approved under a Conditional Use Permit. It was where the driving range was supposed to be. It's not a quarry type impact at all. That notch was carved out as part of the golf course construction. It exists today.

The proposal is to expand into parcel 74 to be able to take advantage of the basalt rock resource that has been identified here -- the same kind of A grade basalt that has given so much value to the quarry since 1974. So the expansion would be in here. In July, 2006 we went to the neighborhood board as was presented in Maeda's testimony. Again, to let them know early on what we were planning. At that time, what was being considered was a 40-acre expansion, carving out 40 acres in that portion of parcel 72. The neighborhood board raised a number of concerns about the visual impact.

What did Grace Pacific do? They went back to the drawing boards. Ben can attest to the long hours we spent completely revising the plan from July until when we felt comfortable we could go back to the neighborhood board and answer the questions they had asked us about visual impact. We determined that with the 40-acre area that we originally proposed, we would not be able to sufficiently mitigate the visual impacts that were being discussed, so we downsized the project. We proposed reducing it to about 35 acres and taking some of the area that we were going to be doing and doing some berming, so adding some berms. Taking some of the overburden and piling it up here and piling it up there to be able to reduce the visual impact to the extent that we could.

At the same time in that period that we met with the neighborhood board, Grace Pacific was also conducting focus group meetings with residents of Makakilo and Kapolei communities, conducting a survey to get a handle on what people were feeling, met with the Kapolei Knolls Community Association which is right next door to lot 4. We met with the Palehua Community Association which is the community right behind the Puu. They did not meet with the Villages of Kapolei because they weren't aware that there were issues with the Villages of Kapolei.

When the Villages of Kapolei, the Board, voted in January of 2008 to oppose the project, they submitted that notice to the Department of Planning and Permitting on February 8, 2008. Grace Pacific immediately made contact with the Villages of Kapolei to make themselves available to further understand what their issues were and to try to decide what Grace Pacific could do to resolve those issues. The outcome of that discussion which began in February, 2008, together with the outcome of the diligence of Ray in representing the department and representing the community's interests, resulted in a complete reformation of the plan from what had been presented to the neighborhood board in September of 2006. The result is what I'm going to show you here. Because it's a technical plan, it's a little difficult to understand but I'll walk through it the best I can and respond to any questions you have.

This plan is presented in the Director's report as Exhibit 8, so this is the plan that's in the Director's report and is the plan that is being recommended for approval. I apologize that the community here can't see it because of the way the room is set up, but I'd be glad to discuss it with people at their request. What is being proposed is this line here is the same parcel line as the line between lot 74 and lot 82. It's the same line right here. The proposal before you today takes the size of the quarry area down from 40 acres to 35. This is 20 acres. So we're down to half of what had originally been conceptualized as the project.

But to do the mitigation that's necessary to reduce visual impacts and to restore the vegetation at the end of the life of the quarry so that the scar or the quarry face will be reduced if not eliminated...In working with the Department and working with the community groups, including the Villages of Kapolei, what we have done is a proposed remediation around the entire quarry. That remediation is focused on two areas. One is to go back and revisit that idea of building up berms in order to reduce the visual impact, and the other is to eliminate the idea of a vertical face in order to facilitate planned growth after the quarry is done.

Speaking to the first idea, the proposal now includes the construction of a berm here, a large mound that will greatly reduce the views of the quarry from Kunia and along the H-1 freeway. Why, you may ask from there? Well, on the City's Development Plan, that is identified on the Development Plan as an important view corridor, the view of the Koolau Mountains from Kunia Road going down to Fort Weaver. So we took it as an obligation to address that view. The way we're going to build that berm is by removing about 10 to 30 feet of existing ridge on this side and moving the dirt over. What does that do? By eliminating that ridge, it would provide a view of not the quarry, but of a new ridge on the opposite side. The idea is to improve the view by giving it a more natural look and eliminating the view of the quarry from the south side.

On this particular map, north is this direction so doing the berm here, come down here so that you eliminate the view of the quarry from this direction – the Kapolei Knolls, Makakilo, the Kapolei City view, that helps to reduce the visual impact in that way. On the south which is the views from Kapolei Villages and the future east Kapolei Department of Hawaiian Homelands properties, we are adding a few small berms here to help shield the view upland of this area here, the area where we're going to expand. So if you put a berm in the front, it helps to block the view of the work that's in the back. That's the concept. Those bermings that we're proposing are to help eliminate the views of the quarry itself.

The other aspect of this is that we are completely revisiting the notion of how do you get rid of the vertical face of the quarry and help restore vegetation in the long run. The way that's being done is that we are proposing to modify the face of the quarry all the way around so that it's an average 75% slope. That means carving away some land in order to achieve that. Now this is something I learned today. Forty-five degrees is from a civil engineer's point of view, a hundred percent slope. Civil engineers don't ascribe a percentage to a vertical slope. So when you hear a hundred percent slope, that's 45 degrees. A 75 degree slope is about a quarter less than a 45 degree angle. So when I talk about redoing the edge of the quarry all the way around to achieve an average of a 75% slope, that slope is less than 45 degrees in angles which is a considerable change in the quarry face.

Why do that? We all know how dry the area is and the lack of rainfall. I was raised in the area. I was a resident of Makakilo from 1969. It's incredibly dry out here, and we're going to have to landscape it with plants that are drought tolerant and grow in the area. In order to do that, we're going to have to ensure that there's adequate soil on the slope. The only way we can get the soil on the slope is to make sure that the slope itself is at a grade where it will hold the soil which, in turn, will hold whatever precipitation there is which will in turn give plant growth a much better opportunity.

The other aspect of doing this remediation and restoration is it allows us to go back in and reshape the slope so that we eliminate the idea of very linear cuts, very man made appearing type of construction, and we're able to variegate that to alter it and change it so that it looks much more natural. I have a computer rendering that shows what that would look like. Admittedly it's a computer rendering, but I think it will give you a pretty good idea of what we're trying to achieve.

In response to Ray's requests, we did a computing analysis and rendering for every view literally that we could come up with or that Ray could come up with in order to be able to figure out what the visual impacts are. I forgot to introduce Jerilyn Hanohano in the back here. She's also with our staff. She was the person who was responsible for almost all of this computer work early on. Based on Jerilyn's work, Eric Pickle, who has been a consultant to Belt Collins, had developed...He's an expert in the shaping of these soils, and he has developed the program that we're implementing, proposing to be implemented.

The top here is a view of the quarry as seen from Ewa Golf Course which is right here as seen today. You can see the scarring here, and you can see Puu Makakilo here. The mountains behind aren't that green. We don't know that. We highlighted the green here because Puu Makakilo completely disappears if you keep it all the same color. We just highlighted the green, using a computer, in order to be able to better see Puu Makakilo for the purposes of this discussion. The view at the bottom is what the revegetation and restoration would look like under the proposed design. I can pass this around or if you get up, I'd be glad to have you take a closer look at it. The notion being that with the implementation of the soil, the 75% average soil and the restoration of the land and then the introduction of plants, we think that it is possible to achieve a much improved visual impact boundary.

JAMILA: It looks good, you know, the slopes and the remediation plan. I was just thinking about runoff and drainage. Do you have any plans about once and awhile when it does rain up there for the runoff?

SICHTER: That's a very good question. One of the conditions of approval being recommended by the Planning Department is a drainage plan. This kind of goes to your question also, Miss Gaynor. The opportunity that the quarry exists now is an opportunity because we've already got a hole in the ground. That hole in the ground can handle drainage very well. The goal is that you always have to keep your drainage on-site. You don't want the drainage impacting your neighboring property. The benefit of a hole in the ground and the benefit of reshaping those slopes to achieve that 75% slope allows you to do a design, which is Ben's responsibility, to get that water to drain into the pit and not off site.

JAMILA: Yeah, that's what I was going to suggest. That quarry, it looks like a big sump. My concern was just how the reverse slope would affect any neighboring properties outside of the buffer zone. I wanted to make sure everything was raised to where it's going to go back into the sump itself.

SICHTER: That would be the goal. To your point, Miss Gaynor, about why allow a quarry to exist in an urban area...I'd be glad to let Mr. Tanoue also answer this, but we've got to remember that the Ewa Development Plan is a long range land use plan. It shows the intended end uses; it's not an existing land use plan. The Ewa Development Plan shows that the original concept was that the quarry could be at some point in the future eventually rehabilitated into other land uses, including possibly residential or a park. That's a ways out, but it does give you a long term view.

To me, the bottom line question is how much impact does the quarry actually have on the surrounding community? I think that the plan that's been presented, that's been developed, goes a long ways to alleviating that concern about impact on the surrounding community. The dust issue, as discussed, relates to two sources -- the

source from blasting and the source from truck movement and from the conveying of the quarry material from the quarry site to the processing.

By removing all of the processing infrastructure, all those industrial uses, the crushing and the asphalt plant to the hole itself, you eliminate a source of dust, a reduced source of dust. You're putting everything in the same place rather than having to convey the quarry material over a larger distance. You're also improving the ability to transport in the hole the quarry material to the place where you're crushing it. The hole itself gives you a certain amount of protection because it's essentially a hole that helps to contain that dust. There are also obligations for dust control that go along with the air quality permits that the applicant already has in place, the water canon that Ray spoke of. So there's an opportunity, because of that bowl character, to help contain all of those facilities and better deal with them.

I brought along a photo that I would like to introduce as an exhibit. It's a photo that was taken on June 12, 2008.

DAWSON: This is in the existing...

SICHTER: This is in the existing quarry. This is the photo that was taken by Dr. Businger in 2008. This is a photo of an actual blast moments after it occurred. The reason that I wanted to bring this photo to your attention is that you see two areas of dust. The area of dust on the top is where the blast occurred. The area of dust down on the bottom is where all the material falls after the blast. And this particular area, it's a distance of 80 to 100...75 feet let's call it. The proposed plan for the excavation...

Because we are proposing to move up slope, we are proposing to create these benches as we go that a truck can drive on, wide enough for a truck to drive on so that when they blast the material, it doesn't have to fall down 75 or 100 or 150 feet into the hole. It stays right where it is and then it can be picked up by a truck and delivered down onto the quarry floor. It's much easier to implement the dust control measures, the watering and everything, if you're dealing in a smaller area. The plumes that have been associated with the dust are not so much a matter of the blasting, but as a matter of the rock fall that occurs after the blasting. We think that's an important distinction.

We all have in our minds pictures of movies in the 50's where you see these explosions and everything going up into the air. That's not what the explosion looks like. The explosions are a number of charges that are geometrically placed in an area, and they are all set off at the same time. So there's a very low grade explosion that does create some dust, but it doesn't create a huge plume of dust. So the goal is to reduce dust by improving the manner in which the rock would be quarried.

JAMILA: How does that water canon you're talking about help to alleviate or...

SICHTER: We didn't do it in this soil because you need to be able to see the dust, but the water canon sits on the side on a truck and sprays over the area that's about to be blasted and also sprays over the area where the rock fall occurs. So the notion is that it wets the ground before, during and after as a way of bringing down the particulate matter.

JAMILA: Thank you.

DAWSON: Where are you getting the water from? If the golf course couldn't get water, where do you get your water from?

SICHTER: There is an existing well that the quarry has. They're able to get the water from the well. They're allotted 168,000 gallons of water per day. The water use...The new well will need to be moved up to the upper quarry in order to do this work, but we would just move the allocation in working with the Water Commission, relocate the allocation from the old well, which is at lot 4, up to the upper area. So the water would, with the consent of the Water Commission, come from the same allocation that Grace Pacific currently has. So it would not require any additional new water source. It's the same water source slightly relocated.

JAMILA: I have a question about the blasting again. I know I asked it when Mr. Young was giving his presentation. The gentleman behind you had said that they witnessed the blasting going on Fridays after 4:00 p.m.

SICHTER: The blasting is limited to a.m. hours on week days. They usually blast once a day some time between 8 and 11 in the morning. I'm not aware of blasting that occurs in the late afternoon. It wouldn't really make sense. If you're going to be doing a productive day of work, you blast in the morning so the crews spend the rest of the day processing the rock.

JAMILA: I guess what Grace Pacific has done is try to open its doors to any questions and answers with the community. I had asked Mr. Young if the community actually knows when you're going to blast. Just for an example, I'm from Waimanalo. When we had the Pacific Concrete quarry there, half an hour before they blast, a big horn goes off. Everybody knows to get your clothes off the line because in a half an hour they're going to blast. That stuck for years. When you hear that horn, close your windows because they're going to blast. That's how they handled it. I'm from Waimanalo...they handled that quarry. To tell you the truth, now that quarry is all homes. What we're looking at here is the long term effect that one day this may be the gated Grace Community Villages, you know. I just wanted to know more about being user friendly to the community, if there is some kind of notice exactly when the blasting is going off.

CREPS: We do blow a horn and siren for one minute prior to the blast, but it's generally not heard outside of the quarry just because of the buffer that we have. We do have seismometers that we place at distances around the quarry to measure the impact of the blast. We just have very little or no readings on those.

JAMILA: Sir, what is your name?

CREPS: Bob Creps, Senior Vice President.

JAMILA: Oh, Senior Vice President. So you're in line with Mr. Steel's vision and taking over the reins?

CREPS: I've been there since 1986.

JAMILA: Oh, good. I see we've got someone who is taking care of the reins. I just wanted to make sure that...We've heard a lot of positiveness from communities that aren't even there. They are from Nanakuli. What I wanted to address is there are some concerns with Mr. Schnabel and Mr. Riggins, and we wanted to know just how far are you on a compromise with them. One of them suggested that the permit should only go



for ten years. Explain to us, in 10 years, would that be a viable monetary usage for Grace or do we need to go with this lengthy route of the permit?

CREPS: The permit right now has no expiration. We have enough B grade probably to take us to the year 2017, but not A grade. So what you would get is the operations on Farrington Highway would stay there. The process that we have today would remain the same. If we had a five year extension, that just doesn't give us enough time to be able to find and permit and set up a new quarry. We are well aware of the shortfall of quarries, and there's nothing that we can do at this point, that we know of, that would work.

JAMILA: So ultimately you're looking at that large number of the extension of the years that we're here for?

CREPS: Yes.

JAMILA: Ultimately, it would be time for Grace Pacific to move on.

CREPS: We estimate 25 years on the rock supply. To do the move, the cost of the move, the new equipment and everything, we probably need 20 to 25 years to amortize that to make it worth doing. Anything less than that, it gets tight, it gets tough.

JAMILA: I just want to say, you know, looking at the map like that...I used to work for Oahu Construction, and we use all your rock for the houses to make the pads and everything...and the roads. Now that we use you guys, it's almost coming down to a usage term where, you know, now the horse and the caboose gotta separate. There is a life term, that expectancy that you would like to extend and that's understandable because of the shortness of the grade A rock.

SICHTER: I'm going to add a point to that, and that is that the second city, the whole Kapolei second city as envisioned by the City really depends on the availability of the concrete. There's just no doubt about it. The basic philosophy of construction is that you want to try to locate the source of your material as close as you can to your construction site. The further away you are, the more cost it adds to the project. 2032 seems like a long time out, but time moves very quickly and we have a lot of construction work that is planned in the area of Ewa and Kapolei. To, at this point in time, locate a quarry to some other part of the island...And we know it can't be in Waianae because Patty won't allow it, so it would have to be in Central Oahu or the North Shore or wherever. To locate a quarry that would be 20 or 30 or more miles from the major source of construction on the island, of Kapolei, just doesn't make economic sense. And that's why it makes good sense to take an existing resource, do whatever you can to mitigate the impacts to meet the needs of the community, and then move on and attempt to fulfill the vision of the city.

That essentially completes my presentation, but I do want to make one note. I would like to put on the record that we had a chance to review the Director's report on August 14, and we recommended some corrections and clarifications to the report in a letter that we sent to the department on April 15. That is part of the overall record, but I don't know if you folks have received a copy of that letter. It basically deals with acreages and calculations. I talked with Ray about it, and he believes those calculations can be adjusted as we move forward. I just wanted to put that on the record.

PACOPAC: I don't think we saw that.

SICHTER: We'd be glad to provide that.

DAWSON: Yes, that would be helpful.

SICHTER: This basically addresses the acreages. For example, the Director's report says the total acreage is 540; our calculation is that it's 541.477. It's just those kind of minor adjustments.

PACOPAC: We should receive that.

KAOPUA: The dust itself is something that you really have to reckon with your proposed new plans. The asphalt plant, I don't know how far technology has come, but being next to one is not a pleasant thing. Way back in my younger days, I worked construction. I hated working with anything with asphalt. I think locating at Campbell would be a good gesture in keeping community unity. It's right across the road. That's my synopsis. Thank you.

SICHTER: I'd like to respond to that. The idea of relocating the asphalt to Campbell, specifically the Campbell Maritime Industrial Park, the notion is at Campbell you can do a 24 hour a day operation. It's an Industrial zone; it doesn't have surrounding neighbors. You can operate 24/7 and that is needed to address the ongoing needs of the State and the County in their road resurfacing program which, as we know, often happens at night.

DAWSON: Why wouldn't you keep it there?

SICHTER: The idea then is if you're doing all your asphalt production at Campbell, then you're having to truck all of your rock from the quarry out to Campbell which puts 85 trucks a day through the Kapolei area of basalt going out. So the notion is it would be split up in order to reduce the vehicle impact and for energy fuel savings. The hot asphalt plant that's being proposed in the quarry is proposed only for day time operation 6:00 a.m. to 6:00 p.m. That, we believe, will address the community's concerns because the prevailing winds are strongest during the day time and they take that to the northeast to southwest paralleling H-1. It's really intended to help mitigate the impact.

KAOPUA: So what you're saying is asphalt is no longer used in night work?

SICHTER: The night work asphalt would be coming from the Campbell plant. The rest of the asphalt requirements would be generated from the quarry plant. We're splitting it up to reduce the impacts.

PACOPAC: Vicki, you had a question.

GAYNOR: There's 541 acres total, and so you just went through the reduction of using 40 acres to 35 acres to 20 acres. So the quarry operation is going to utilize 20 acres.

SICHTER: I'm glad you brought that up. All that land is a buffer area.

GAYNOR: So it's only utilizing 20 acres.

SICHTER: The quarry floor, the new floor of the quarry that would result from that construction would be 20 acres. The total area that would be required to do all of the restoration work and the buffering is about 184 acres. Then the remainder is an untouched buffer area around the entire quarry site.

GAYNOR: I have one more question and then I'll be quiet. I think, Bob, this is for you because we have this letter from the Villages of Kapolei saying they are rescinding any thoughts about a contested hearing because Grace Pacific has agreed to pressure wash homes. I'm sure you're familiar with this language that's in this letter, right?

What does it really mean if what we're saying is that the dust is probably not coming from your operation anyway? The letter basically says that you guys have agreed to...And I don't know whether you've agreed to this or not. I guess I'm asking for verification. You've agreed to pressure wash homes that have dust accumulated from the quarry operation, to paint homes that have been damaged beyond cleaning because of the quarry operation, and to purchase at market value the homes of individuals that need to move from the Kapolei area as a result of health issues created by the quarry and asphalt. What are we really talking about here?

CREPS: We've hired an adjusting firm; it's called Aims, to investigate any of the claims that are filed. The information you got is made public in the Villages newsletter. We're handling it on a case by case basis. It is our belief that the wind goes across the freeway, but we're willing to take a look at each and every case by itself.

GAYNOR: That's what I thought. Thank you.

SICHTER: I think the message here is that through this entire process, Grace has attempted to respond to all of the concerns and all of the issues that have been raised. When it found out about VK's concerns, it immediately started to dialogue and as a result changed the entire plan. When it heard from the neighborhood board, it immediately responded to the neighborhood board's concerns about visual and changed the plan. It's been a dynamic process, and the key is that the permit that's been recommended to you for approval, we believe, represents a very good opportunity to cure some of the ills of the past, to improve the operations of the facility as it goes forward, and ensures very much to your comments, Beadie, about how you balance the community's needs and public safety and health with the economic side. I think that the mitigations that have been proposed go a long way towards achieving that. That has been the philosophical goal of Grace Pacific from the first day that we have been involved in that and will continue to be. Because of the manner in which the recommendations have been made by the department, there are some very strong performance criteria in terms of the annual reporting, in terms of doing the drainage plan, in terms of the revegetation plan, the meets and bounds and all of that. I think the tools are in place or are about to be put in place, if you were to give a favorable approval, to be able to meet a number of the concerns that you've addressed.

JAMILA: I would just like to bring up the portion about if this is approved, would the community have a line that they could call for community concerns because we're looking at 25 years down the line. You have some people that may have concerns that they may have a future odor coming through their window. Is there a complaint line set

up where they can just call and leave a message? Are we going to put that in as a condition for the next 25 years?

SICHTER: I think that process exists now because they have been a good neighbor and responded to individual concerns as they've come up. If you feel that it needs to be memorialized in the permit, I don't think that Grace Pacific would have any problem with that. But I don't know what it would achieve because as long as anyone calls Grace Pacific now, I think they've demonstrated over the last three years that they are on it. They've been willing to go out and meet with the people, understand the needs, and address those needs.

JAMILA: I just wanted to ask Mr. Riggins and Mr. Schnabel, have they been accessible in any of their complaints?

RIGGINS: We did meet with Grace Pacific in 2007, April of 2007. At that time, they denied any of it. Once the Villages of Kapolei Association opposed the extension of building a quarry permit, Grace Pacific did come to us at that time. And yes, we did start getting very good dialogue with Grace Pacific. Regarding the plume, if you take a look at page 7 in my photo attachments, you'll see that the dust does, in fact, go outside of the quarry.

JAMILA: Mr. Creps, would you address that? Is there something wrong with his timing?

CREPS: In April of 2007, we did meet with him to explain the dust monitoring that we were doing in Kapolei Knolls where we have that weather station and dust monitor set up. We have one in our quarry. We are correlating the data to see what the impact of our operation is on Knolls. We presented that to the Villages and at that time, Mr. Riggins' complaint was white dust on his lanai. Our feeling was that was limestone dust coming from the Hawaiian Homes development that we believe was up wind. We offered to put a portable dust monitor in his yard just to find out where is the wind coming from, where is the dust coming from. We were not able to do that. We did purchase it; it's portable. It's on a trailer. We ended up putting it on a fairway at the Kapolei Golf Course because that was one of the only locations that we could get power to plug into. Again, it was not anything intentional in terms of not sharing our plans with them at the time. We just didn't believe they were impacted, and we've learned the visuals are something that we missed.

JAMILA: Thanks, Mr. Creps.

PACOPAC: Excuse me. We're going to finish up our testimony here. We've got to move on, but I think Beadie, you had a question.

DAWSON: Are we going to be able to hear from them later on?

PACOPAC: You can ask them if you want to, but right now we're still on the testimony of this...And I'm not going to go back to previous testifiers to just keep chirping in to answer any questions.

DAWSON: I think that that's a legitimate question.

PACOPAC: Why don't you come up and sit at the microphone so we can get it on record.

CREPS: Not to worry. I'm not going to bring up anything new. I just wanted to say that having a complaint line monitoring is an excellent idea. That's all I was going to say, and one clarification. The Waianae mountains, I certainly wouldn't want the quarry in Waianae. I never implied that. I was thinking more along the Koko Head side of the Waianae mountains.

DAWSON: When the permit was originally requested, it was for until 2032 and upon hearing from the various people who were making you aware of problems, visual or dust or what have you, you reduced that, the footprint, considerably to accommodate those problems. My question is if you reduced the footprint, isn't that going to reduce the amount of time that you will be operating the quarry? Why would you still need 24 years if you have approximately a quarter of the area that you're going to be utilizing and not the full area? It's not like one size fits all. Twenty-four years was for the full area as it originally started out. Now we're down to...What is the amount now – 72 acres?

GAYNOR: Twenty.

DAWSON: Oh excuse me. Now we're down to 20 acres. So shouldn't your permit be accordingly reduced? I'm asking this question because sometimes we find when you have a permit that extends for a period beyond what you need; you find a way to utilize that unutilized permit. It's like an economic resource that they don't want to have wasted. So they expand and maybe another expansion comes into play simply because you've got 24 years that have been permitted, and you want to use up those 24 years. As a business person, I can see the economic value of utilizing that fully. It's an asset for the corporation. But from our point of view, why would we give you 24 years when you now have only 20 acres and a considerably less time in which to operate the quarry?

CREPS: The 25 years is based on 25 million tons of rock to be extracted, a million tons a year. The 34 acres was the quarry floor footprint. Because of the sloping...instead of having the vertical, because of the sloping that we've created on all three sides now, the quarry floor, the flat part of it shrunk from 34 to 20 acres. We lost two million tons of material, so instead of 25 million tons, we're looking at 23 million tons coming out. Because the permit has slipped by a year here, we're looking at 24 years instead of 25 years which was the original request. We didn't change it from 2032 to 2033. We just left it at 32; we've got about 23 years of rock is the estimate. 2032 still looks like a reasonable date.

SICHTER: Let me answer that also. In the course of reshaping the rock base, if there is extractable rock in there, we're going to pull it out. They're going to pull it out, not me personally. They'll pull it out. So what has been lost by reducing the size is to some degree picked up by the remediation work that has to happen around the entire quarry. So it's not a direct correlation. Forty down to twenty doesn't mean cutting in half the amount of material that's coming out. Their estimate is that the total material coming out will be reduced from 25 million tons to 23 million tons because of all the remediation work that's going on as well.

DAWSON: I know that Raymond has indicated that an EIS was not necessary, but normally in an EIS you look at alternatives to the course that you are choosing and that wasn't required, apparently, in this project. But in looking at the report... This is on the back of the Villages of Kapolei Association letter dated April 18, 2008 from Greg Peterson. There's a list of 30 locations of quarries on Oahu, 15 of which are basalt quarries. I haven't heard anything that said that you...aside from maybe the cost of moving a quarry operation, I haven't heard anything that talks about the viability of 15 other alternative sites that would not have the problem that we have of extending a quarry in the middle of the second city.

SICHTER: That map is from a report that was done by Harold Sterns, a very noted geologist in the State. It was done in 1972, and it is included in our application as Exhibit K, I believe. That map shows the location of all quarries that have been developed on the island since 1900. Those quarry sites that are shown along the Waianae coast are all quarries that operated and were closed because they ran out of material. Those quarries don't exist any more.

DAWSON: So there aren't 15 alternatives?

SICHTER: There are none.

DAWSON: There's Kapaa and there's...

SICHTER: But not along the Waianae coast. Those quarries don't exist. They were mined and exhausted, and that was a map showing all the historic quarries. Dr. Sterns' report, in its totality, states that it is extremely difficult to locate new quarries because of urban encroachment, because of the challenges that associate with quarries. That map has been slightly taken out of context. It shows old quarries. The only current quarries are Kapaa, Halawa, and Makakilo. Of the 50 quarries that are identified by Sterns around the island, approximately 30 were basalt quarries; others were limestone and sand. But of those 50, today only three remain; the others are all exhausted.

KAOPUA: I haven't heard the Dillingham quarry mentioned. Is it in the archives or is it totally extinct that they cannot extract?

CREPS: The quarry is quarried out. It is listed there in that table.

SICHTER: In terms of alternatives, I do EIS's for a living. I write one or two a year. We provided more information in this application than is typically provided in an EIS. As part of this application, an alternatives analysis was conducted by Grace Pacific. That alternative analysis looked at other Puu's in the area going mauka from Makakilo and evaluated that it just wasn't feasible. So the alternative before you is the preferred alternative because it represents the best solution for providing quarriable rock in regards to the local region as well as our understanding of the island wide environment.

It's just not that easy to develop new quarries. What you need are you have to satisfy land ownership, you've got to have an available rock, it's got to be accessible by a roadway, it's got to have the proper entitlements, and it's got to be remote so that you're not bothering neighbors. Putting those five criteria together is extremely difficult, and it's very hard pressed to identify an area that can meet all five of those criteria. You may have a really good source of rock somewhere on the windward side of the Waianae

range, but it may be three or four miles from the nearest roadway which is an added cost in order to be able to develop the quarry.

DAWSON: On this photograph that you gave to us, just from the coloration because I don't know any of the geology of the area, it looks like grade B basalt, not grade A.

SICHTER: That's because that's...You're very attuned to what we're talking about because there is very little grade A left at the existing quarry which is why we're here proposing for expansion.

DAWSON: To go into...further into the Puu?

SICHTER: Yeah, that's grade B what you're looking at.

JAMILA: Mr. Creps, for the next 25 years I guess the residents down wind of you, all they're asking for is a dedicated complaint line like Mr. Schnabel said. Can we get that as one of the working conditions?

CREPS: Yes.

JAMILA: Where they can announce it at their Board meeting in case they have any complaints. This is the new complaint number that they can call and leave a message and someone can call them back. I think that's a pretty good compromise for the next 25 years, a working condition between them and the community, you and the community.

CREPS: Yes.

DAWSON: Could I follow up on Andy's question? I think a dedicated complaint line is one thing. But as I mentioned earlier, even when you have an independent assessor looking at the situations, the permit itself has got to have some kind of teeth in it. You guys will probably, from what I'm hearing, be very responsive to complaints, but ten years down the line, you may not be at Grace Pacific and they may not be as responsive. So the residents in this area who in ten years time will have vastly increased in the second city, just filing a complaint isn't good enough.

Going to court, the average citizen doesn't have the money to go to court. So this is why I'm saying that perhaps the conditions should be not just an independent monitor but some kind of teeth in the permit that says if you violate the conditions, then you're going to have a monetary fine that you're going to be responsible for, a per day fine until it is fixed. I don't know how the Land Use Department would put this into effect. Maybe it's something the City Council would have to do. But without that kind of teeth, just a simple complaint line...We've got complaint lines all over the City and it's very rare that you can get something done. I think you are the exception of being able to be very responsive. If we're looking at 25 years, I'm wondering how responsive will you be at that time.

SICHTER: First, I'd like to point out that the Director's recommended condition 13 states that in the event of noncompliance with any of the conditions, the Director may terminate. That's some pretty big teeth right there. And it's written into the recommended conditions.

DAWSON: I'm very kanalua of that recommendation. The Director is subject to a lot of pressure. If he has the sole say on what kind of sanctions would be and if the only sanction is to take away a whole permit, I seriously doubt that our Director, no matter who it is at that point in time, would simply nullify the permit. I don't think there's a Director that would do that, so I'm not sure why that's even in there. I mean if there's no intermediate sanction that can be provided for conditions that are not met, it's all or nothing. I just think that's so impractical.

PACOPAC: But that's how all of our permits have been. In trying to express a fee or whatever, I don't think it's possible for us to incorporate anything of that sort.

DAWSON: No, but we would be able to recommend conditions, recommend a fee structure.

SUNAKODA: I think the concern at this point from a legal standpoint I would look to what the scope of the Planning Commission's duties and responsibilities and powers and authority is. And to the extent that the Planning Commission typically is able to modify conditions, the Planning Commission's authority is specifically set forth as making a recommendation or advisory.

DAWSON: Exactly. And that's what it would be, a recommendation. We have no authority to impose a fine or to require a fine. In many senses we are advisory to the City Council and to the different steps that come after that. I'm not suggesting in any way that we say we've got to set fines. That's beyond our authority. I totally understand that.

SICHTER: If I could comment and David can certainly clarify this further if necessary. Having worked for the City in the past and the State as well, the City does have, the Planning Department does have the authority to impose fines. The imposition of fines is at the discretion of the Director. It is perfectly appropriate, in my humble opinion, for the Planning Commission to recommend some modification to the language of condition 13 that would suggest that in the event of violations that the Director shall consider the imposition of fines or the termination of the permit. That's perfectly within the spirit of the law that exists for the City and the rules that the Planning Director operates under.

DAWSON: The City Council might be the one to authorize that.

PACOPAC: Any other questions? Yeah, I was just going to call David up. Okay, David, we're ready for you now.

GAYNOR: I think we better clarify too that this permit is not going to the City Council; it's going from here to the Land Use Commission.

DAWSON: Then it would go with that recommendation to the Land Use.

PACOPAC: Okay, David. Thanks for coming, David. I think Beadie had a question regarding the Kapolei Knolls, when you guys gave the permit for Kapolei Knolls.



TANOUE: The zoning for Kapolei Knolls. I think not much more can be said other than what Mr. Sichter testified on. It's all part of the Ewa Development Plans. I think it started in the 60's when there was the movement of redirecting growth from the windward side towards the west side and developing Kapolei as the second city. You have the General Plans and the Development Plans focusing on these long term kind of goals. Kapolei Knolls is earmarked for residential development just as much as the quarry is ultimately earmarked for residential development in the future.

I really have to express my appreciation for Raymond. This was, as you guys all know, a very difficult issue. He worked very hard in trying to carve out and craft a reasonable balance, trying his best in putting together a reasonable balance. In a lot of resolutions, the best ones are when everybody has to give something. Like Mr. Sichter mentioned, they had to redo their whole design and their whole intent and relocate makai of the freeway operations, and it's not cheap. It costs a lot of money, so I think everybody gave in. That's the result.

Part of the conditions in there is the reclamation plan for the future, and that's what Raymond really stressed on one of the conditions because ultimately it should become compliant with the development plans for the area. I think he put in within five years, you have to start submitting your reclamation plans. So this board doesn't...in twenty-two years from now be coming in for we haven't made any plans to move and we're stuck, we've got to expand. The same issue that you guys were dealing with other holes in the ground. That's why he really stressed on reclamation to make it so that for sure that there is a plan in place at the expiration of this permit.

DAWSON: David, that wasn't quite the question that we asked of Raymond. The question was this area was designated regardless of how it was zoned. It was designated as the second city. The Makakilo quarry came in, I believe, in 1973. So the question was knowing that this quarry was there with an asphalt processing plant across the street, the question was how does our Planning Department then give a permit to Kapolei Knolls which is directly adjacent to this area? When you look at it visually, you think how could anyone in their right mind think that they're going to have residents right up against this quarry? We've talked about the difficulties of it, David, the dust, the health problems, the house problems, everything else that has been created by this. I don't care what the zoning is. I think some of the commissioners wanted to know how could our permitting department grant a permit for residential housing right next to a quarry?

TANOUE: I think I did answer that because it's part of the long term Development Plans. It's all agriculture. Agriculture produces the dust, the pesticides and things like that. Similarly, we have...it's a long term change over and that's why ultimately it's going to be consistent. But we're granting zoning. The UH West Oahu is across the street from a lot of farm area right now. As we move toward the development of the second city, there will be some conflict in uses, but ultimately it should all come together.

DAWSON: In the long term it would work out with the overall zoning of the area, but in the mean time, in the short term, the residents and the health of the children and the residents and whatever inconvenience occurs is just going to have to grin and bear it?

TANOUE: It's like this quarry, like a landfill, like a prison, like an airport, as part of a large developing city, we have these conflicting uses we cannot avoid. There are

situations where there's going to be conflict. That's why I think working together and trying to find some medium grounds. We need the rock. We've already had impacts about the quantity of grade A rock. I know that our department reviews standards. One of the standards that we look at is standards that we have already started rejecting because there's an alternative. People are trying to bring in Canadian rock, but we already started rejecting the quality of the roads with the Canadian rock because it's not up to standard. We are limited on the grade A rock, and we need to move forward.

Our department, if you recall maybe last month in the newspaper, we were criticized in the editorials for taking too long on reviewing this permit. People say we're short of rock, the City is taking so long. Raymond is just trying to hammer out the best possible resolution. This is what we're presenting. As you can see, it's a very difficult issue.

DAWSON: That doesn't quite answer the question, but you're just telling me it's a done deal. That because we have a General Plan that hasn't been changed, in the mean time we're going to operate as if it's okay regardless of what conflicts there are. I understand the conflicts that do arise, but we are a fast growing community, a fast changing community and I don't know how often we change our General Plan, but it sure as heck should be oftener than we do it now. To put something in literally in concrete and that wasn't meant as a pun, but to put it in concrete and expect it to apply for 20 years or however long it's going to apply is totally unreasonable.

TANOUE: I think the proposal that's put before this Commission is trying to reach that balance. It's something that's required as part of the City, as part of our construction. All the roadway projects, all our sewer projects, all the repavement on H-1, the North South Road, all the connectivity that's required for traffic all require asphalt. Like Mr. Sichter said, 90% is from the rock from the quarry, and we need to move forward on that kind of stuff. That's just the other impact of it.

JAMILA: I just wanted to add too, Mr. Chair...David, on any given time... Mr. Creps, your quarry is full with City and County trucks hauling that hot asphalt out to the highways and patching the pot holes. If that helps a lot, Dave, within this process of the next 25 years then I guess we have to look at it where accessibility to getting that hot asphalt on the highways and the A grade rock. I only see the City going to Mr. Creps' quarry; I don't see them going to Halawa. Why? Because low grade, it doesn't compact. Right, Dr.? The low grade rock, it doesn't compact. That's what I'm told from the City drivers. They said they go to Mr. Creps' quarry because the rock compacts. The other one at Halawa, it breaks apart in cinders. That's just information.

PACOPAC: Thank you for that information. Any other questions for David?

TANOUE: One way of having some accountability is putting in some language. I'm sure the Commission has that right, but I'm making it clear. You can bring them back if there are a lot of complaints or things going on. Basically, it's like an order to show cause. Show and tell us why we shouldn't revoke your permit because we're getting a lot of complaints.

DAWSON: Those complaints wouldn't come to us.

TANOUE: I'm sure they would. If it gets to that point, they would probably write to the Commission. It's something you might want to consider. I think the Commission

does have that prerogative at this point anyway. But just to make it clear that you have the ability to bring them back before you to answer questions.

DAWSON: Thank you, David. I didn't know that we had that prerogative.

TANOUE: I know the Land Use Commission does that from time to time on their things, so maybe that might be a consideration.

Written testimony received:

1. MIKE ALVAREZ, resident of Kapolei Knolls, submitted testimony in support of the State Special Use Permit. (testimony attached)
2. GENE I. AWAKUNI, Chancellor of University of Hawaii West Oahu, submitted testimony in support of the State Special Use Permit. (testimony attached)
3. LYDIA BLISS, Kapolei resident, submitted testimony in opposition to the State Special Use Permit. (testimony attached)
4. JEFFREY H. DEER, President of Bonded Materials Company, submitted testimony in support of the State Special Use Permit. (testimony attached)
5. JOHN DeLONG, President of Hawaiian Cement, submitted testimony in support of the State Special Use Permit. (testimony attached)
6. KIONI DUDLEY, Makakilo resident, submitted testimony stating his concerns about the State Special Use Permit. (testimony attached)
7. LORI LEE GOEAS, resident of Villages of Kapolei Association, submitted testimony in opposition to the State Special Use Permit. (testimony attached)
8. LAURIE HANAN, Kapolei resident, submitted testimony in opposition to the State Special Use Permit. (testimony attached)
9. SHARON HAR, State Representative for the 40<sup>th</sup> District, submitted testimony in support of the State Special Use Permit. (testimony attached)
10. WILLIAM "BUZZ" HONG, Executive Director for the Hawaii Building and Construction Trades Council, submitted testimony in support of the State Special Use Permit. (testimony attached)
11. KEVIN K. KEA, Makakilo resident, submitted testimony in support of the State Special Use Permit. (testimony attached)
12. AL NAGASAKO, Principal of Kapolei High School, submitted testimony in support of the State Special Use Permit. (testimony attached)
13. MELINDA PETTIBONE, Makakilo resident, submitted testimony in support of the State Special Use Permit. (testimony attached)

14. FRANCES RIVERO, Boys and Girls Club of Hawaii, submitted testimony in support of the State Special Use Permit. (testimony attached)
15. SHERRY C. SWATEK, Kapolei resident, submitted testimony in opposition to the State Special Use Permit. (testimony attached)
16. CARL and MARLO VINCENTI, residents of Kapolei Knolls, submitted testimony in support of the State Special Use Permit. (testimony attached)
17. WADE WAKAYAMA, President of Ameron Hawaii, submitted testimony in support of the State Special Use Permit. (testimony attached)

PACOPAC: Thank you, David. Any other questions? If not, I'm going to ask for a motion to close the public hearing.

KAOPUA: So moved.

JAMILA: Second.

PACOPAC: The public hearing is closed, and now we are moving to...Let's have a motion first.

DAWSON: Are you going to vote on closing?

PACOPAC: Yeah. We had the motion, and we had the second. All those in favor?

AYES: PACOPAC, DAWSON, GAYNOR, JAMILA, KAOPUA, KIM,  
KOMATSUBARA

NOES: NONE

ABSENT: HOLMA

PACOPAC: Can I have another motion?

DAWSON: With regards to the proposal that is in front of us from the Department of Planning and Permitting for the Special Use Permit application, I would like to move that because of the testimony that we have had and under the circumstances, that we place certain recommendations on the approval that we do have. We may have to enumerate what those conditions are, so maybe we should do that one at a time.

PACOPAC: You're moving to approve this application with recommendations on some certain conditions?

DAWSON: Yes.

PACOPAC: Do I have a second on that motion?

JAMILA: Second.

PACOPAC: I guess we don't know what your recommendations are yet.

DAWSON: I would like to recommend that the approval be for a shorter period to be determined by the Department or the Land Use Commission. I don't think we're in a position to indicate what that is, but a shorter period than 24 years. I would also like to recommend that an independent monitor be appointed which I believe has already been suggested in one of the testimonies. The third thing I would like to recommend is that should there be significant complaints in the future, that those complaints be brought back to the Planning Commission for consideration. Should that be worded differently?

SUNAKODA: I don't think there's a problem with the latter part of what you mentioned. I do have a question on something that needs clarification. When you say the Department, do you mean the Department of Planning and Permitting?

DAWSON: Yes.

SUNAKODA: The question I would have is the Department has on record before you the Director's report and recommendation. In the Director's report and recommendation, they are recommending it for the full amount of the years, the terms as specified. That would appear to be somewhat inconsistent with what you just referenced. It would go back...that it would be recommended for a shorter period of time by either the Department or the Land Use Commission just because the director has already set forth in his recommendation.

DAWSON: I meant it to be inconsistent.

KOMATSUBARA: Let me suggest. Beadie, maybe the way we should do it is let's start with the department's recommendation and whatever changes you are recommending to the Department.

DAWSON: Yes. What page are we on?

KOMATSUBARA: The bottom of page 28.

GAYNOR: I think, Beadie, that the Director has already recommended a number of years. They've made their recommendation; they're sending it to us and asking us to act on it. I think if you don't agree with the 24 years, then we should either deny it or you should recommend a specific number of years and we should vote on it and move on.

I just feel that the department has spent from 2005 to 2008 reviewing every aspect of this application. They've come to us with their recommendations. We should either act on those recommendations, do a specific revision to it, or deny it. I think if we're going to sit here...Frankly, I don't want to sit here for the next hour and go through these recommendations that took Raymond three years to develop. If you feel 24 years is too long, you should make a recommendation for a shorter period of time; we should vote on that revision to the application and move on.

DAWSON: Then I think perhaps I should withdraw my motion to approve and perhaps make a motion that we consider a shorter...that our Commission consider recommending a shorter period of time than the Director has recommended.

GAYNOR: So are you going to recommend a number of years?

DAWSON: We have received testimony that 10 years, I believe, was a time period. And I have to defer to...That was, I believe, the Association's recommendation that it not be for 25 years, but that it be for a period of 5 or 10. I think they said 10 years, so I would have to go with...They are far more knowledgeable on the impact of what is happening.

PACOPAC: Beadie, what I'd like to do is we should act on this recommendation first. Then upon that, we can recommend anything else. I want to hit this recommendation before we do anything else. We're going to act on the recommendation set forth by Planning and Permitting to us. That is what I was asking for a motion for.

GAYNOR: So what would happen then?

PACOPAC: If you approve this...

GAYNOR: It just fails and then make a recommendation to...

DAWSON: Shorten it?

PACOPAC: It will be much cleaner if we do it that way.

DAWSON: I agree with Vicki that all the information is here and three years of study have gone into this. We're not in a position...We haven't devoted that kind of time to it so if the only way we can do that is to approve what has been recommended by the department and then add recommendations...Is that what you're suggesting? It seems clumsy.

SUNAKODA: You can recommend to modify the conditions, but with respect to the permit, the application as it stands, I think that's where the problem arises because the application was submitted for a term of years and then the Director accordingly responded with his report and recommendation for that.

KIM: Mr. Chairman.

PACOPAC: Yes.

KIM: I'd like to try to get to the issue. What I would like to do is make a motion to accept the department's recommendation for approval.

DAWSON: Let me withdraw my motion which was on the floor. I withdraw that. Now go ahead.

KIM: My recommendation is to approve the Director's recommendation, accept his recommendations and conditions. I would add that the applicant have a dedicated line for complaints and that this Commission have the authorization to review the permit based upon a continuous volume of complaints as they come in. That would be my motion.

KAOPUA: Second.

PACOPAC: Okay. It's moved and seconded. Now discussion. Anyone have anything to say? Very good. All those in favor? Anyone opposed?

AYES: PACOPAC, GAYNOR, DAWSON, JAMILA, KIM,  
KOMATSUBARA, KAOPUA  
NOES: NONE  
ABSENT: HOLMA

PACOPAC: None. The motion carries.

ADJOURNMENT

The meeting was adjourned at 4:50 p.m.

Respectfully submitted,



Patty Kalapa  
Secretary-Reporter