



**HOUSE OF REPRESENTATIVES**  
*Hale o nā Luna Makaʻāinana*

STATE OF HAWAII  
STATE CAPITOL  
415 SOUTH BERETANIA STREET  
HONOLULU, HAWAII 96813

August 19, 2024



Mr. Dan Giovanni  
Chair, State of Hawai'i Land Use Commission  
Department of Business, Economic Development & Tourism  
State Office Tower  
Leiopapa A Kamehameha  
235 South Beretania Street, Room 406  
Honolulu, Hawai'i 96813  
*Delivered via email:* [dbedt.luc.web@hawaii.gov](mailto:dbedt.luc.web@hawaii.gov)

Dear Chair Giovanni and Members of the State of Hawai'i Land Use Commission,

I am writing to provide testimony regarding item IV on the August 21, 2024, 9:00 a.m. Land Use Commission Agenda re: SP73-147 Grace Pacific LLC, Formerly Pacific Concrete & Rock Co., Ltd. (Makakilo Quarry) (O'ahu) and its Application to Amend SP73-147 (SUP No. 2007/SUP-6) (hereinafter "Application") conditions of approval: (1) Extend the life of the Makakilo Quarry resource extraction and processing operations by 15 years to the year 2047; (2) Reshape the area approved for resource extraction; (3) Expand the operation hours of certain activities in the quarry to 24 hours a day, seven days a week; and (4) Operate a ready-mix concrete plant in the quarry pit. This letter is not intended to support or oppose the Application, but rather provide comments, concerns, and/or inquiries that the Land Use Commission should and must consider, as Grace Pacific LLC's expanded operations directly impacts my constituents in State House District 43, Makakilo and Kapolei.

The following concerns and/or inquiries should be addressed in evaluating whether the Application should be granted. First, a 15-year extension to Grace Pacific LLC's (hereinafter "Grace Pacific") (parent company Nan, Inc.) operations (to extend to 2047) appears lengthy considering the scope of the operations is slated to change/expand, and with that change, a reasonable time frame for re-evaluation should be contemplated. The impact on the surrounding Makakilo residential community, as well as any environmental impacts, will only be realized if/when the conditions are implemented. Therefore, a time frame extension period of 15 years will not allow for timely redress compared to a shorter,

more reasonable time frame extension. Grace Pacific deems the proposed modifications “minor,”<sup>1</sup> however, I question this characterization.

Second, it is unclear how reshaping the area approved for resource extraction (in addition to the general expansion of operations) will impact the nearby residential area and/or environment. According to Grace Pacific’s website in response to the inquiry “How will the quarry modification affect the environment?” it states that Grace Pacific is “currently conducting several technical studies to assess potential impacts, but our initial take is that there will be minimal discernible effects on the environment.” It is unclear what the “initial take” is based on, and the results of technical studies should be complete with results that reiterate the minimal discernible effects on the environment as a requirement for Application approval, adhering to Hawai‘i Revised Statutes § 205-6. The Application itself (submitted to the Department of Planning and Permitting on July 29, 2023 via agent Cades Schutte LLP)<sup>2</sup> states that “[t]he proposed changes will not adversely affect the surrounding neighborhoods” and specific to noise, as one example, will comply with noise regulations set forth in Hawai‘i Administrative Rules, Title 11, Chapter 46.

In the September 12, 2023 clarification letter (hereinafter “9/12/23 letter”) titled “Notification of Our Proposed Permit Modifications to the Makakilo Quarry,” from Myles Mizokami, Interim President, Grace Pacific, LLC, it states: “. . . [w]e’re proposing adjusting the shape of the area permitted for quarry operations – not adding to the total area.” The letter includes an attached map labeled Exhibit G-1. Exhibit G-1 shows removal areas of 3.2 acres in the southwestern quadrant, and 12.4 acres to the north. However, the expansion area of 15.6 acres appears to expand closer to the residential area and this area will be utilized for excavation.<sup>3</sup> Therefore, the fact that Grace Pacific is not adding to the total area, but instead, adjusting the shape, seems to point further to the inquiry as to how the newly adjusted shape will create an impact. Therefore, the size of the area is not as critical as the focus on the substantive impact of the new area. Overall, impact studies appear to be ongoing based on the 9/12/23 letter, which should be complete before the Application is granted.

Third, expanding the operation hours of certain activities in the quarry to 24 hours a day, seven days a week will increase the likelihood of environmental and health hazards, such as noise and air pollution. The 9/12/23 letter states: “To be clear, we are not proposing the resumption of any quarrying or production activity in the lower quarry parcel makai off the H-1 freeway. We are also not proposing to blast or operate crushing plants at night. Those operations will remain restricted to the daytime hours currently approved in our permits.” However, two of the proposed changes described in the 9/12/23 letter states that Grace Pacific will “[m]odify existing operating hours to allow **24/7 asphalt production, pick-up and drop-off in the quarry pit as required** to meet our customers’ needs” and requests “[a]uthorization to continue **HC&D's daytime operation of the**

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<sup>1</sup> <https://www.gracepacific.com/makakilo-quarry>

<sup>2</sup> <https://luc.hawaii.gov/wp-content/uploads/2024/07/SP73-147-GPC-2024-07-29-PC-Record-Exhibit-01-Application.pdf>

<sup>3</sup> <https://www.gracepacific.com/clarification-letter-92023>

**existing portable concrete plant at its current location in the upper pit of the Makakilo Quarry, with the option to operate on a 24/7 basis, as needed,** to service customer projects.” (emphasis added). Again, the concern is how these proposed impacts will affect the nearby residential community and the environment.

Aside from noise, vibration, and lighting that were discussed in Grace Pacific’s Application, one of the most important concerns also addressed, in my opinion, was dust. Even though Grace Pacific must comply with State Department of Health requirements and the 2008 Land Use Commission Order mandates Grace Pacific’s submittal of annual compliance reports, I am concerned about the potential increase in dust that will result from the proposed changes. According to its Application, “Grace Pacific has engaged Environmental Risk Analysis LLC to prepare a Dust Evaluation Report to address the generation of dust based on the expansion of the quarry operating hours, the recent addition of the concrete plant, and the anticipated addition of the hot-mix asphalt plant” and “the dust generating activities in the quarry would not exceed the National Ambient Air Quality Standards for particulate matter (PM 10) of 150 µg/m.”<sup>4</sup> As a result, Grace Pacific contends that “no significant additional dust impacts are expected as a result of the proposed modifications.”<sup>5</sup> However, Exhibit “W” of the Application states that “[b]ased on the modeling performed, it is not anticipated that receptor locations approximately 1/4-mile away from the Site would experience PM10 concentrations exceeding the NAAQS due to the current or future (HMA and concrete plant) operations at Makakilo Quarry.” I am not convinced at this time that the environmental impacts will be minimal.

My final point, and that of significant importance, for the safety and well-being of our Makakilo residents, is the subject of an emergency access road through the Makakilo Quarry to provide an alternate egress route for residents in the event of a catastrophic event, such as a wildfire. After the Lāhainā wildfire, it is imperative that we take action now to plan for emergency events of this nature on our Makakilo mountainside that currently has only a one-way for ingress and egress. Grace Pacific points to an access road in its August 31, 2022 Beneficial Re-Use Plan for the Makakilo Quarry.<sup>6</sup> It has also been shared in the public sphere that the city is working with Nan, Inc. and other property owners to create an emergency access route via a dirt access road near Pueonani Street by the Makakilo Quarry.<sup>7</sup> The completion and opening of an access road should be a **requirement**, in writing, for the approval of the 15-year extension. As we continue to work on moving the Makakilo Drive Extension (hereinafter “MDE”) forward, it is imperative that an emergency access route is identified and complete, and soon. I will note that this access route is not a replacement for the MDE, but rather a temporary emergency solution.

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<sup>4</sup> <https://luc.hawaii.gov/wp-content/uploads/2024/07/SP73-147-GPC-2024-07-29-PC-Record-Exhibit-01-Application.pdf>

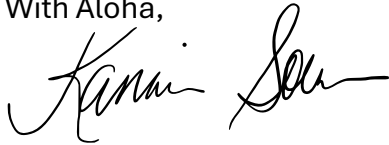
<sup>5</sup> *Id.*

<sup>6</sup> [https://luc.hawaii.gov/wp-content/uploads/2022/09/SP73-147-Grace-Pacific-LLC-2022-09-20-BRP-04-Pages-1-15-from-BRP-Makakilo-Quarry-2022\\_Final-090822.pdf](https://luc.hawaii.gov/wp-content/uploads/2022/09/SP73-147-Grace-Pacific-LLC-2022-09-20-BRP-04-Pages-1-15-from-BRP-Makakilo-Quarry-2022_Final-090822.pdf)

<sup>7</sup> <https://www.khon2.com/top-stories/city-council-updates-oahu-wildfire-risk-and-preparedness/>

I can appreciate the value of the Makakilo Quarry that has been operational for 50 years and the positive contributions it has provided to bolster Hawai'i's building industry, as well as its vital importance to our infrastructure. I am also aware that many of our Makakilo residents consider Grace Pacific a good neighbor and believe the company has genuinely shared in our community concerns related to its Makakilo Quarry. As we move forward together, I am hopeful that Grace Pacific, in unison with our District 43 community, will continue to keep a keen eye on stewardship of our 'āina and home.

With Aloha,

A handwritten signature in black ink, appearing to read "Kanani Souza". The signature is fluid and cursive, with the first name "Kanani" being larger and more prominent than the last name "Souza".

Kanani Souza  
State Representative, District 43  
Makakilo and Kapolei