

April 20, 2005

*Water has no substitute.....Conserve it*

Ms. Genevieve Salmonson, Director  
Office of Environmental Quality Control  
State of Hawaii  
235 South Beretania Street, Suite 702  
Honolulu, HI 96813-4185

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OFFICE OF ENVIRONMENTAL  
QUALITY CONTROL

Dear Ms. Salmonson:

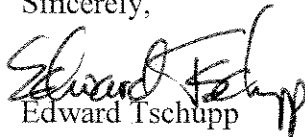
Subject: Finding of No Significant Impact (FONSI) for 'Ōma'o Water Tank,  
TMK No.: (4)2-7-04:14, 'Ōma'o, Kauai, Hawaii

The Department of Water of the County of Kauai has reviewed the comments received during the 30-day public comment period which began on January 8, 2005. The agency has determined that this project will not have significant environmental impacts and has issued a FONSI. Please publish this notice in the next available Environmental Notice.

Enclosed are four copies of the Final Environmental Assessment (FONSI), one copy of the Determination, Findings and Reasons for Supporting Determination, copies of the photographs showing the existing site, and the site after the proposed improvements are constructed, and a copy of your letter of February 7, 2005 (which has been the only comment submitted following the January 8, 2005 publication).

Also enclosed is a completed OEQC Publication Form. Please call Lorna A. Nishimitsu at (808)245-4757 if you have any questions.

Sincerely,

  
Edward Tschupp  
Manager and Chief Engineer

LN:emi  
Enclosures

c: Briant Construction, Inc.  
Unlimited Construction Services, Inc.  
Greg Kamm Planning and Management  
Lorna A. Nishimitsu

2005-05-08 FONSI  
'ŌMA'Ō STORAGE TANK & FACILITIES DEMOLITION &  
RECONSTRUCTION

MAY 8 2005

FINAL  
ENVIRONMENTAL ASSESSMENT  
FOR DEMOLITION OF WATER TANK AND FACILITIES, AND  
CONSTRUCTION OF NEW WATER TANK AND FACILITIES  
PROPERTY LOCATED AT 'ŌMA'Ō, KŌLOA, ISLAND  
AND COUNTY OF KAUA'I, STATE OF HAWAI'I  
TAX MAP KEY NO.: 2-7-04:14  
4TH TAXATION DIVISION

OFFICE OF ENVIRONMENTAL  
QUALITY CONTROL

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The following constitutes the final environmental assessment for the proposed demolition of an existing 200,000 gallon concrete water tank and facilities, and the construction of a new 0.5 million gallon reservoir and facilities, on real property more particularly identified as Tax Map Key No.: (4) 2-7-04:14, the total area of which is 12,867 square feet. The property is within the State Land Use Urban District, and is zoned Residential (R-2) by the Kaua'i County Code. The proposed action requires a Use Permit and Class IV Zoning Permit pursuant to Sections 8-3.4(10) and 8-20.6(a) of the Kaua'i County Code.

(1) Identification of Applicant:

Department of Water  
County of Kaua'i  
P. O. Box 1706  
Lihu'e, Hawai'i 96766  
Telephone: (808)245-5408  
Facsimile: (808)245-8628

(2) Identification of Preparer:

Walton D. Y. Hong  
Attorney at Law  
A Law Corporation

Walton D. Y. Hong  
Lorna A. Nishimitsu  
3135 Akahi Street, Suite A  
Lihu'e, Hawai'i 96766-1106  
Telephone: (808)245-4757  
Facsimile: (808)245-5175

(3) Identification of Approving Agency:

Department of Water  
County of Kaua'i  
P. O. Box 1706  
Lihu'e, Hawai'i 96766  
Telephone: (808)245-5408  
Facsimile: (808)245-8628

(4) Identification of Agencies, Citizen Groups and  
Individuals Consulted:

Planning Department  
County of Kaua'i  
4444 Rice Street, Suite 473  
Lihu'e, Hawai'i 96766  
Telephone: (808)241-6677  
Facsimile: (808)241-6699

Department of Water  
County of Kaua'i  
P. O. Box 1706  
Lihu'e, Hawai'i 96766  
Telephone: (808)245-5408  
Facsimile: (808)245-8628

Department of Land and Natural Resources  
State of Hawai'i  
Kaua'i Land Division  
Attn: Thomas Oi  
3060 Eiwa Street  
Lihu'e, Hawai'i 96766  
Telephone: (808)274-3491  
Facsimile: (808)274-3438

Office of Environmental Quality Control  
State of Hawai'i  
235 South Beretania Street, Suite 702  
Honolulu, Hawai'i 96813  
Telephone: (808)586-4185  
Facsimile: (808)586-4186

Neighborhood Meeting (notice published for meeting which was held on September 29, 2004), at which time Greg Kamm (of Kiahuna Mauka Partners), Eli Brainard (of Pacific Concrete and Coring), and Nancy Smith, Mark White and Karla Saperstein (the last three of whom are residents on 'Ōma'o Road near the 'Ōma'o tank), were in attendance.

(4) General Description of Action's Characteristics:

(a) Technical: The subject property, Kaua'i Tax Map Key No.: 2-7-04:14 consists of 12,867 square feet, more or less (hereinafter "Subject Property"). See Exhibit "A", attached hereto and incorporated herewith, which is a tax map depicting the Subject Property and surrounding properties. It is located on 'Ōma'o Road at 'Ōma'o, District of Kōloa, Island and County of Kaua'i, State of Hawai'i. The Subject Property was transferred by the State of Hawai'i to the County of Kaua'i by Executive Order, and is the location of an existing, unused 200,000 gallon capacity water tank and facilities that previously served the Kōloa area. The existing facilities were constructed in approximately 1936, but after sustaining substantial damage from Hurricane 'Iniki in 1992, the use was abandoned. At that time, the Department of Water was able to supply sufficient water for the usage area from alternate sites.

The Subject Property is classified by the State Land Use Commission as Urban, and is within the Residential (R-2; or two dwellings per acre) zone of the zoning maps of the County of Kaua'i.

The property interest was transferred by the State of Hawai'i to the County of Kaua'i by Executive Order No. 683 dated February 11, 1936, and until September 1992, was used as part of the Department of Water's potable water system for the Kōloa area. Kiahuna Mauka Partners, who is doing a development in the Poi'pū area, was required to prepare, for the review and approval of the Department of Water, a Kiahuna Potable Water Master Plan to sustain, among other things, its development. On June 7, 2004, the Department of Water approved the Kiahuna Potable Water Master Plan (dated May 2003, revised August 2003, revised January 2004 and revised March 2004) which was prepared by Tom Nance Water Resource Engineering for the Kiahuna Mauka Partners ("Master Plan"). One of the components of this Master Plan involves the demolition of the old water system facilities on the Subject Property, and the construction of new facilities for dedication to the Department of Water as part of its public potable water system for the area. A copy of the Department of Water letter dated June 7, 2004 which approves the Master Plan is attached hereto as Exhibit "B".

Part of the new construction on the Subject Property is the installation of a Yagi (directional) radio antenna mounted on a 2 ½" diameter steel pipe attached to the tank. The top of the antenna will be 6 feet above the top of the tank, and the mast

will be 18" higher to accommodate the weather head (not higher than 30 feet above the finished grade of the tank). The antenna system will be used to communicate between this site and the submaster at the Koloa 1.0 million gallon tank (using a 900 MHz spread spectrum MAS radio system. The supervisory control and data acquisition (SCADA) control center at the Department of Water baseyard will communicate with this site using Verizon Hawaii's frame relay circuit. These telemetered radio wave signals, in tandem with similar signals from the Koloa and Poipu areas monitor and provide the required controls to operate the tank levels, pumps and control valves, which will be integrated into a program to control the automatic operation of the 'Ōma'o tank.

The Subject Property is situated along 'Ōma'o Road. The old water facilities, constructed in 1936, include an existing concrete water tank and valves, pipes and related facilities, including electrical utilities, surrounded by a six-foot high chain link fence topped by three strands of barbed wire fence. The capacity of the existing concrete tank is 200,000 gallons. The land uses on 'Ōma'o Road in the vicinity of the Subject Property include single family residential and agricultural uses. It is bordered on two sides by Tax Map Key No.: (4)2-7-04:11, which is owned by the State of Hawai'i, over which the Applicant will require an easement for drainage purposes related to the water facilities.

The new facilities proposed include a 0.5 m.g. storage tank for water and related valves, pipes and utilities, which will be surrounded by a new chain link fence for protection of the system, along with the SCADA RTU facilities and equipment.

Although Kiahuna Mauka Partners, a Hawai'i limited liability Company (c/o Greg Kamm Planning and Management, P. O. Box 1200, Kōloa, Hawai'i 96766, Telephone: (808)742-1144, Facsimile: (808)742-1751) is the party tasked with the preparation and submission of this environmental assessment, the owner of the Subject Property is the County of Kaua'i.

As a condition for a development in the Kōloa area, Kiahuna Mauka Partners was required to provide source, storage and transmission to adequately support its proposed project. The Department of Water agreed to accept Kiahuna Mauka Partners' proposal to provide the required storage by designing a new tank, obtaining all of the necessary permits and development

approvals for the construction, demolishing the old tank and constructing the new tank on the 'Ōma'o tank site, and thereafter, to dedicate the newly constructed facilities to the Department of Water. To facilitate this process, Unlimited Construction, Inc., a general contractor ("Unlimited"), as agent of Kiahuna Mauka Partners, has coordinated all of the work involved for the developer and the Department of Water, and Unlimited has obtained letters from the Department of Land and Natural Resources and the Department of Water authorizing Unlimited to apply for the required development permits, rights of entry and easements, and to prepare the Environmental Assessment.

As such, while the Applicant is the Department of Water, Unlimited, as agent for Kiahuna Mauka Partners will apply for the necessary Use and Class IV zoning permits with the Planning Commission of the County of Kaua'i, to authorize the proposed demolition of the old facilities, and the construction of the new potable water facilities to provide service not only for its proposed developments, but also for other properties. Upon completion of the proposed construction, followed by the necessary inspection and certification of Department of Water staff, Kiahuna Mauka Partners will convey the water facilities to the Board of Water Supply.

The projected time frame from the date all of the necessary demolition and building permits have been issued by County authorities, is approximately eight months (commencing from the time the demolition work commences, until the construction of the new facilities has been completed).

(b) Economic welfare and impacts: The Subject Property is the site of an existing, albeit unused, water facilities, including a water tank. At no cost to the County or members of the public, new facilities capable of providing greater water service to the Kōloa-Po'ipū water service area, will be constructed.

There is no negative economic impact envisioned from what essentially constitutes a replacement of defunct facilities for facilities capable of providing potable water to the community. During the short term, the economic benefits result from the construction activities. No long-term economic gains are anticipated.

The reestablishment of the 'Ōma'o water tank will generally provide economic benefits to the area, to the extent that it will make real properties available for housing which would not otherwise be capable of being developed because of a lack of domestic water connections.

All of the costs and expense of preparing the environmental assessment, obtaining the necessary permits, demolishing the existing facilities, and constructing the new facilities, will be paid by private (i.e., non-public or non-governmental) funds.

(c) Social welfare and impacts: Members of the general public are not likely to be impacted by the "substitution" of the old facilities by the replacement facilities and the new tank. In addition, the additional storage in the new tank will provide much-needed essential water services for those properties which are within the Subject Property's service area (Kōloa and Po'ipū).

On September 29, 2004, Unlimited presented the proposed project to members of the neighborhood (and other interested people) who had been given notice of the meeting by publication in The Garden Island newspaper. Three neighbors appeared, and voiced no objections or concerns to the project.

The reestablishment of the 'Ōma'o water tank is not a use which causes social problems in a neighborhood, as it is a necessary public facility to sustain residential and commercial uses.

(d) Environmental: There will be no long-term detrimental environmental and ecological effects that will result from the replacement of the old facilities with the new facilities. Certainly, during the period of demolition of the old concrete tank, and during the construction phase for the new tank and facilities, noise and dust problems may result. These types of environmental problems are controlled by the State of Hawaii's Department of Health conditions attached to such construction activities, and limitations on the hours during which the demolition and construction activities can take place, and are short-lived in nature. Once the construction of the new facilities is complete, all grassing will reestablish.

The greatest "change" will be that java plum trees along the eastern boundary and one java plum at the northwestern



corner will have to be trimmed to allow installation of the new chain link fencing which will be installed around the Subject Property's boundaries, and one shower tree at the northern boundary will have to be removed.

(1) Flora. The Property does not contain, and to Petitioner's knowledge has never contained, any threatened or endangered species of flora (since it has been improved property since 1936, when the construction of the old tank facilities was completed).

(2) Fauna. The Property does not contain, and to Applicant's knowledge has never contained, any threatened or endangered species of fauna or avifauna. Since the water facilities have been in place since 1936, the Property has never presented itself as a likely or attractive habitat for animals.

(3) Drainage. Overflow drainage from the proposed new tank is designed to enter a drain inlet to be located on Tax Key No.: (4) 2-7-04:11, which is owned by the State of Hawai'i, and will be carried by an 18" PVC/HDPE drain line through the State parcel. The Property slopes north towards that State parcel. The proposed construction will require grading and site work, but the drainage pattern will be maintained.

(4) Soils, slope and erosion. The Soil Conservation Service classifies the Subject Property as having soils composed of Puhi silty clay loam (FnB) and rough broken land (rRR). The Puhi silty clay loam soils, which are towards the 'Ōma'ō Road part of the Property, has slopes generally ranging from three percent (3%) to eight percent (8%). Runoff is slow, and the erosion hazard is slight.

The rough broken land type soils are located at the northeastern part of the Property. Such lands generally consist of very steep land, broken by numerous intermittent drainage channels. In most places, it is characterized as "not stony", and has slopes ranging from forty percent (40%) to seventy percent (70%). This land type is used primarily for watershed and wildlife habitat, and in some locations, is used for pasture and woodland.

(5) Historical and archaeological. Applicant is not aware that the Subject Property had ever harbored any historical or archaeological sites or artifacts, significant or otherwise.

In light of the site disturbance which took place in 1936, and given the long-term presence of the existing facilities, Applicant believes that it is unlikely that any archaeological or historical resources exist.

(6) Cultural practices and resources, past and current. The Property has been the site of the water facilities since 1936. The water tank is protected by a locked chain link fence (even after the destruction from Hurricane 'Iniki, the fence has been in place). Applicant is not aware that any past cultural practices, or cultural resources for native Hawaiians or other ethnic groups had taken place before 1936. Since 1936 (the date when the tank was constructed and the site fenced), there have been no cultural practices occurring on the Property, nor is the Property the site of any known cultural resources either of native Hawaiians or other ethnic groups. It has been a fenced property with a water tank for 68 years.

Inquiry with the State Historic Preservation Division (Nancy McMahon) indicates that while there is familiarity with the tank site, there is no record that the property has been used for cultural practices at any time. Sugar cane cultivation was believed to have been well-established in the area by the 1870s, and any Hawaiian practices would have ceased by then because of the social, economic and political changes that were occurring between 1778 and 1870. The Office of Hawaiian Affairs (Kaua'i, LaFrance Kapaka-Arboleda) indicated that it would defer to the State Historic Preservation Division's response.

(7) Agricultural. To Applicant's knowledge, the Property has not been used for agricultural purposes because of its use as a site for the public facilities.

(8) Recreational. The Subject Property does not adjoin, and is not otherwise in close proximity to, public recreational areas. The State parcel to the north of the Property (being Tax Key No.: (4) 2-7-04:11 is used for pasture purposes (apparently under lease by the State to a rancher). The proposal to construct new water facilities will neither interfere with nor impede any recreational uses.

(9) Scenic. The Property is within the "Residential Community" General Plan Designation (Kaua'i General Plan, November 2000). According to Section 5.4.3.1(a) of the Kauai General Plan, while "Residential Community" areas are intended

for primarily low- to high-density housing, they may be used for government facilities. It is not within an area designed as "scenic" on the Kōloa-Po'ipū-Kalāheo Planning District Heritage Resource Map which is also incorporated in the Kaua'i General Plan.

(10) Sewage Treatment and Disposal. The improvements will not generate any wastewater, so no sewage treatment and disposal facilities are required.

(11) Demolition. The contractor for the proposed water facilities retained The Nakoa Companies, Inc. to provide environmental consultation relative to the necessary demolition of the existing, unused facilities, aimed at assessing whether materials containing asbestos and paint containing lead were present. In summary, that assessment by Nakoa, a copy of which is attached hereto as Exhibit "C", concluded that one type of material on the water tank roof (transite) contained asbestos exceeding the regulatory level of one percent (1%), and some paint containing trace levels of lead are present on that part of the tank facing 'Ōma'o Road, and on a portion of the building.

To address the asbestos containing material and the paint containing trace levels of lead, the Applicant Department of Water has incorporated, as a condition of the scope of work involved in the demolition of the existing tank, and prepared a draft Performance Contract for the demolition of the 'Ōma'o tank, which sets forth the parameters for the proper removal and disposal of such materials from the project site. A copy of the draft of this Performance Contract is attached hereto as Exhibit "D". The terms and conditions of the Performance Contract are subject to change as the contract is still being negotiated.

The demolition and removal of the existing tank shall be in compliance with Chapter 342P, Hawaii Revised Statutes, relating to asbestos abatement, and pursuant to plans which are reviewed by the Department of Health of the State of Hawaii.

(12) Construction. The proposal to demolish the old water facilities and construct a new tank with related facilities, including the SCADA installation, are specifically described in plans and drawings identified as the "Ōma'o Water System 0.5 M.G. Reservoir and Connecting Pipe Lines" which were prepared by Esaki Surveying and Mapping, Inc., for the Kiahuna Mauka Partners, attached hereto as Exhibit "E". Before

commencing any work, the Applicant will first have to apply for and obtain the necessary Use and Class IV zoning permits from the Planning Commission of the County of Kaua'i for the new construction and the SCADA facilities (including the antenna). Thereafter, the necessary building permits will have to be sought and obtained. Once all required permits and approvals have been secured, the estimated demolition and construction time is eight (8) months. Unlimited, which is a Kaua'i-based Hawai'i corporation, is the general contractor which will be performing the work.

(13) Traffic impact. No additional traffic impact will be generated by the new facilities. Although Department of Water personnel will have to access the Property for periodic inspections, repairs and maintenance work, such access is projected to be limited to no more than once a week, on average, for routine inspection (barring emergencies). Access, except during emergencies, will be during the hours of operation of Department of Water crews, which is 6:30 a.m. to 3:00 p.m. During the construction phase, Applicant's contractor will employ barriers, guards, traffic detours, lights and other standard warning devices for the safety of pedestrians, the construction crew, and vehicular traffic in the area.

(14) Water. The new 0.5 million gallon tank will supply parts of the Kōloa and Po'ipū areas, and constitutes a component of the service area's facilities.

(15) Solid Waste. The facilities which are proposed will not generate solid waste. However, the demolition of the old facilities, and the site work to prepare the Property for the new facilities, will generate solid waste, all of which will be transported for disposal at the County of Kaua'i's Kekaha landfill. "Tipping fees" for such disposal are to be included in the construction contract price.

(16) Utilities. Electrical service for the operation of the facilities is the only utility service that will be required. This will power the controls for the valves, the gate entry, the SCADA system, and all other appurtenances requiring power for the improvements. No telephone service is necessary for the Property.

(17) Rainfall. According to Soil Conservation Service records, the average annual rainfall for areas with Puhi silty clay loam soil types ranges from 60 to 80 inches.

(e) Summary Description of the Affected Environment: The Applicant's proposal is to demolish and remove existing potable water facilities, and to replace the facilities with a larger reservoir. There will be no change in the use of the Property, which was set aside by Executive Order by the State of Hawai'i to the County of Kaua'i for water tank purposes, and used for that purpose until Hurricane 'Iniki destroyed the system.

Since the Property has no history or utility except as a County tank site, there should be no substantive change to the environment (except those temporary changes which result from the demolition and building phases).

(f) Identification and Summary of Major Impacts and Alternatives Considered: The major impacts envisioned will be occurring because of the demolition and construction activities. After the construction is completed, the different configuration of the reservoir (from a square, concrete tank to a round concrete tank, the reduced height (from approximately 28 feet to 21 feet), and the increased land coverage of the new facilities (from a total of approximately 4,037 square feet to approximately 8,482 square feet)<sup>1</sup> are probably the greatest impacts that the area will have. Because, though, design standards of the Department of Water for potable water facilities and the needs of the service area have in large part dictated the configuration of the construction and the site layout, there are no other alternatives to reestablishing the Property's use.

The Department of Water could also have required Kiahuna Mauka Partners to establish a new water system on some other property capable of serving as an appropriate site for water

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<sup>1</sup> The existing lot coverage of 4,037 square feet consists of 3,752 square feet for the existing tank area, 45 square feet for the existing valve boxes, and 240 square feet for the road area. The proposed lot coverage of 8,482 square feet consists of 4,259 square feet for the new tank area, 3,315 square feet for the road area (the Department of Water required a design of a roadway encircling the tank) and 908 square feet for the vault station.

distribution in the Kōloa-Po'ipū area, other than this Subject Property. Since, however, this Property had already been in use for approximately 56 years, since the structures in place still existed and were not functioning, it was more practical to have an existing site put back to its former use, with new facilities, rather than to have another tank site developed in the area.

Adequate mitigation measures have been incorporated in the plans and specifications to address drainage and erosion concerns. Specifically, as part of the demolition and construction process, the contractors will be required to implement Best Management Practices ("BMPs"), which are activities, practices, facilities and/or procedures that will to the maximum extent practicable prevent the discharge of pollutants, including sediment and other contaminants, from a construction site, by the Department of Public Works, County of Kaua'i, and/or the Department of Health, State of Hawai'i.

The Office of Environmental Quality Control has recommended that, after completion of the new tank and facilities, that landscaping incorporating native Hawaiian plants be implemented to reduce visual impacts. Typically, the Planning Commission of the County of Kaua'i has imposed a condition for permits for water facilities that the Department of Water incorporate landscaping to mitigate visual impacts of the water facilities. As part of the development process, landscaping, using native Hawaiian plants (to the extent practicable at the project site) shall be incorporated.

(g) Notice to Neighbors: Notification to no less than 85% of the owners or lessees of record of properties located within 300' of the Subject Property Parcel is required to be given by Applicant at least fifteen (15) days in advance of any public hearing scheduled for the Use and Class IV permits (and possibly, the variance request), by certified mail. Publication of a general description of the proposal shall also be made by the Planning Department in conformance with the laws adopted by the County of Kaua'i which govern such matters.

As previously noted, Unlimited also gave notice of the proposed development by inviting interested persons (via the publication) to attend an informational meeting.

(h) Comments Received and Responses. The Applicant has yet to submit a petition for the Use and Class IV permits (and possibly, a variance from the height limitations) for its proposal, as it was advised by the Planning Department that until the Department of Water has completed the process established under Title 11, Chapter 200 of the Hawaii Administrative Rules, and a Final Environmental Assessment issued with a Finding of No Significant Impact, such submittal would be premature. Once the submission is made, if the Applicant receives any comments or queries from governmental agencies, it will properly address such comments or queries.

(i) Determination: Based upon the foregoing, the Department of Water has found that there is no significant impact from the proposed action, which includes demolition and removal of damaged and unused potable water facilities, and the construction of the new water facilities for the Kōloa and Po'ipū service areas, shall not result in any significant adverse environmental or ecological impacts, be adopted, and that an environmental impact statement shall not be required of the Applicant for the proposed action.

(j) Findings and Reasons Supporting Determination: As the foregoing description and assessment indicate, the proposal which can be summarized as a replacement of a public water facility, will not result in any significant adverse environmental or ecological impacts. Since the Applicant is proposing reestablishment of a use which has existed on the Property which only stopped because of damage from a natural disaster, a finding should be made that there are no significant impacts.

(k) Required permits and approvals (County, State and Federal). As earlier noted, upon a determination by the Department of Water that the proposal warrants a negative declaration, the Applicant must obtain a Use Permit (and possibly a Variance) from the Planning Commission of the County of Kaua'i because a water tank (and related facilities) is not an outright permitted use in the Residential zone. Once the Planning permits are obtained, the Applicant will have to submit construction drawings to the Department of Public Works, for the necessary building permit(s).

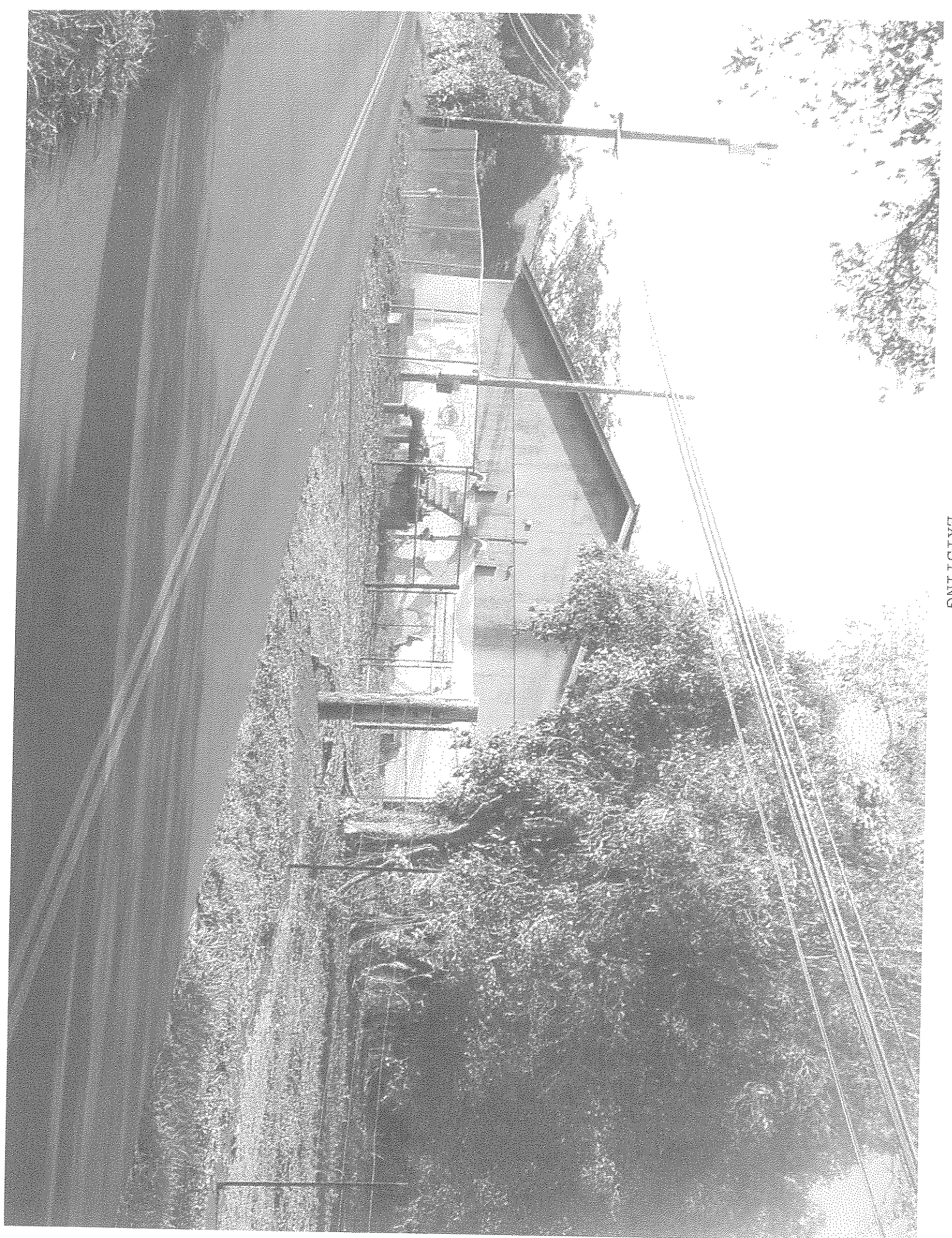
Because the construction is being required of Kiahuna Mauka Partners, the Applicant must also issue right-of-entry documents to allow the entry onto the County Property by the developer and

its contractors, to engage in the demolition and construction. Finally, the developer and its contractors must obtain a right of entry and/or easement from the Board of Land and Natural Resources for the drainage which will flow from the Subject Property onto the State parcel (Tax Key No.: (4)2-7-04:11).

(1) Agencies to be consulted: As the request made herein is that a negative declaration be issued, no other agency has been consulted for preparation of an environmental impact statement.



EXISTING





PROPOSED

