



JUN 23 2007

STATE OF HAWAII
DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM
LAND USE COMMISSION
P.O. Box 2359
Honolulu, Hawaii 96804-2359
Telephone: 808-587-3822
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June 12, 2007

Ms. Genevieve Salmonson, Director
Office of Environmental Quality Control
235 S. Beretania Street, Room 702
Honolulu, Hawaii 96813-2437

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OFFICE OF ENVIRONMENTAL
QUALITY CONTROL

Dear Ms. Salmonson:

Subject: LUC Docket No. A06-767 Waikoloa Mauka, LLC
Final Environmental Impact Statement
TMK No. (3) 6-8-002:016 (portion)

The Land Use Commission ("LUC") respectfully request the publication of the Final Environmental Impact Statement (DEIS) for the subject project in the June 23, 2007 OEQC Environmental Notice.

We are filing the following as transmitted by R.M. Towill Corporation:

1. 4 sets of the FEIS;
2. OEQC Bulletin Publication Form and Project Summary;
3. Distribution List for the FEIS; and
4. CD-ROM of the FEIS

Should you require clarification or further assistance in this matter, please contact me at 587-3826.

Sincerely,

ANTHONY J. H. CHING
Executive Officer

Enclosures

c: Brian Takeda, R.M. Towill Corporation (w/o attachments)
Naomi Kuwaye, Esq., Imanaka Kudo & Fujimoto (w/o attachments)

**FINAL
ENVIRONMENTAL IMPACT STATEMENT**

Prepared in Accordance with Requirements of Chapter 343, Hawai‘i Revised Statutes

**WAIKOLOA HIGHLANDS
State Land Use Boundary Amendment
South Kohala District, Island of Hawai‘i**

TMK: (3) 6-8-002: Portion of Parcel 016

May 2007

Waikoloa Mauka, LLC
431 N. Brand Boulevard Suite 201
Glendale, CA 91203

APPENDICES

- A. Waikoloa Water Master Plan, Tom Nance Water Resources Engineering, 1991.
- B. A Survey of Botanical, Avian and Terrestrial Mammalian Species for the Waikoloa Highlands Subdivision, Rana Productions, Ltd. and AECOS Consultants, May 2006.
- C. Social Impact Assessment, SMS Research, September 2006.
- D. Market Study, Economic Impact Analysis and Public Cost/Benefits Assessment, The Hallstrom Group, Inc., May 2006.
- E. Evaluation of Archaeological Potential at a 702.28-acre Parcel at Waikoloa, South Kohala District, Hawai'i Island, Cultural Surveys Hawai'i, April 2006
- F. Cultural Impact Assessment, Cultural Surveys Hawai'i, September 2006.
- G. Traffic Impact Analysis Report, Julian Ng, Incorporated, July 2005.
- H. Flood Plain Limits and Flood Control Plan for the Waikoloa Highlands Subdivision, R.M. Towill Corporation, September 2006.
- I. Drainage Report for the Waikoloa Highlands Subdivision, Phase 1, R.M. Towill Corporation, September 2006.
- J. Waikoloa Highlands Water Distribution System, Waikoloa Highlands Subdivision, R.M. Towill Corporation, September 2006.
- K. Highlands Golf Estate Landscape Irrigation Water Study, Hawai'i Design Associates, Inc., August 2005
- L. Water Supply for the Highlands Estates at Waikoloa, Hawai'i, November 2006 (Revised 2007).
- M. Comments and Responses – EIS Preparation Notice
- N. Comments and Responses – Draft EIS
- O. Correspondence from County of Hawai'i, Planning Department, February 8, 2007, relating to Amendment to Change of Zone Ordinance 05-157.

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APPENDIX A

**Waikoloa Water Master Plan
Tom Nance Water Resources Engineering, 1991.**

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Waikoloa Water Master Plans
Source Development Plan
Village Distribution System Plan
Beach Resort Distribution System Plan

Source Development Plan

Prepared by
Tom Nance Water Resources Engineering

Prepared for
Waikoloa Development Co.
HCO2 Box 5050
Waikoloa, Hawaii 96743

February 1991

I. Scope and Objectives

- A. Identify required potable and brackish well development to supply the projected build-out of the Village and Resort.
- B. Recommend a well development program for these wells.
- C. Identify and evaluate potential regulatory constraints which may adversely affect the well development program.
- D. Two other water master plans are also currently being prepared for Waikoloa:

- 1. The Village Distribution system master plan recommends tank and pipeline construction to accommodate planned development in the Village and Highlands.
- 2. The Resort master plan presents recommendations to complete the potable distribution system in the Resort and substantially expand its non-potable irrigation system.

II. Projected Potable and Brackish Supply Requirements

A. Potable Supply

- 1. Waikoloa's Development Model (September 1990 version), hereafter referred to as the Development Model, has been used to define average water use requirements. At present level of development, that requirement is approximately three million gallons per day (MGD). By the year 2005, it is projected to be more than 11 MGD. It should be noted that these figures do not include an amount for the Unplanned Reserve between the Village and Resort. It is estimated that its requirements could ultimately be as high as five to six MGD.

2. Average water use is translated into well pumping capacity by adding 12 percent for unaccounted losses and multiplying this sum by a 1.25 maximum day factor. (The basis for these factors is presented in the Village Distribution System master plan.) To this resulting required pumping capacity must be added standby supply. The standby well is defined as the largest one in the system. In other words, the required well pumping capacity must be met without counting the largest well pump in the system.

3. Table 1 summarizes these results. Upon completion of the outfitting of Waikoloa Well No. 2 (WW No. 2), the 1990 potable supply requirement will have been met. Using the growth assumptions in the Development Model, this supply capability must be doubled by 1985 and almost tripled to meet the 2005 requirement.

4. Storage tanks are located within the system in near proximity to supply wells and to meet distribution requirements. Table 2 is a tabulation of storage requirements by service area within the system. Upon completion of the 1.0 million gallon (MG) tank next to WW No. 2, the 1990 storage requirement will have been met. However, new storage construction should be initiated within the coming year. The most appropriate sites for this next tank are discussed in detail in the Village Distribution System Master Plan.

B. Brackish Well Supply at the Resort.

- 1. A combination of sewage treatment plant (STP) effluent and brackish well water will be used to irrigate the four golf courses planned for the Resort. Table 3 details their irrigation requirement, the expected STP effluent supply, and the balance which must be supplied by brackish wells. If the Elear Country Club golf course (third course in the Resort) comes on line in 1992 and the fourth course in 1994, required brackish well supply will reach a maximum of 4.87 MGD in 1994; it will gradually diminish thereafter as more effluent becomes available.
- 2. The combined STP effluent and brackish well water supply may also be used to irrigate the Resort's roadway landscaping. For this possibility, the maximum well supply needed will be higher, reaching a maximum of 5.50 MGD in 1995 (also detailed in Table 3).

Table 1
Required New Potable Well Pumping Capacity, 1990 to 2005

Parameter	Year			
	1990	1995	2000	2005
Projected Average Demand (MGD) ¹	2.58	6.91	9.23	10.02
Unaccounted Losses (MGD) ²	0.32	0.83	1.11	1.32
Required Average Supply (MGD)	2.90	7.74	10.34	11.34
Maximum Day Required Supply (MGD) ³	3.62	9.68	12.93	14.18
Standby Capacity (MGD) ⁴	2.16	2.16	2.16	2.16
Required Total Well Pumping Capacity (MGD) (GPM)	5.78 4,010	11.84 8,220	15.09 10,480	16.34 11,350
Total Existing Well Pumping Capacity ⁵	4,000			
Required New Well Pumping Capacity (GPM)	10	4,220	6,480	7,350

¹ Average demand is taken from Waikoloa's Development Model as of September 1990.

² Unaccounted losses are 12 percent of average demand.

³ The maximum day required supply is 1.25 times the average required supply.

⁴ Standby capacity is defined by the largest well pump, Waikoloa Well No. 1 (WW No. 1) at 1500 GPM (2.16 MGD).

⁵ Upon completion of outfitting of Waikoloa Well No. 2 (WW No. 2), the existing pumping capacity will be 4000 GPM.

Well	GPM
Parker 4	750
Parker 5	750
WW No. 1	1,500
WW No. 2	1,000
Total	4,000

Table 2
Projected Storage Requirements for the
Waikoloa Water System

Year	Storage Requirements by Area in Million Gallons				Total
	Resort	Village		Highlands	
		1210-Fool Zone	1000-Fool Zone		
1990	1.87	1.05	0.06		2.98
1991	2.21	1.25	0.22		3.68
1992	2.37	1.48	0.56	.07	4.48
1993	2.58	1.90	0.75	.15	5.38
1994	3.44	1.94	1.01	.17	6.56
1995	4.31	2.25	1.44	.22	8.22
1996	4.55	2.32	1.73	.43	9.03
1997	4.55	2.46	2.00	.40	9.55
1998	4.70	2.50	2.37	.62	10.19
1999	4.70	2.53	2.58	.68	10.49
2000	5.24	2.66	2.75	.74	11.39
2001	5.24	2.69	2.87	.79	11.59
2002	5.52	2.75	2.95	.85	12.07
2003	5.52	2.75	3.06	.91	12.23
2004	5.70	2.76	3.09	.94	12.49
2005	5.72	2.82	3.12	.97	12.63

Notes:
1. Required storage is defined as the maximum day's water use. It is computed as 1.25, the maximum day factor, times the sum of projected average use plus 12 percent for unaccounted losses.

2. Within the Resort, projected use for roadway irrigation, which is controlled by Waikoloa and can be curtailed if the need arises, has not been included in the computation of storage.

Table 3
Projected Brackish Water Requirements
for Waikoloa Beach Resort

Year	Golf Course Irrigation (MGD)		Addition of Road Irrigation (MGD)		Maximum Potential Brackish Requirement
	Golf Course Supply Requirement	Expected STP Effluent Supply	Balance Required From Brackish Wells	Required Resort Roads Irrigation Supply	
1990	2.50	0.45	2.05	0.22	2.27
1991	2.50	0.49	2.01	0.22	2.23
1992	4.00	0.55	3.45	0.41	3.86
1993	4.00	0.57	3.43	0.48	3.91
1994	5.50	0.63	4.87	0.48	5.35
1995	5.50	0.81	4.69	0.81	5.50
1996	5.50	1.02	4.48	0.81	5.29
1997	5.50	1.05	4.45	0.87	5.32
1998	5.50	1.06	4.44	0.87	5.31
1999	5.50	1.10	4.40	0.87	5.27
2000	5.50	1.11	4.41	0.87	5.28
2001	5.50	1.18	4.32	0.87	5.19
2002	5.50	1.19	4.31	0.87	5.18
2003	5.50	1.23	4.27	0.87	5.14
2004	5.50	1.23	4.27	0.87	5.14
2005	5.50	1.25	4.25	0.87	5.12

- Notes:
- The golf course irrigation requirement is estimated as follows: (a) the two existing courses have a combined 2.5 MGD requirement; (b) in 1992, the third course will add 1.5 MGD to bring the total to 4.0 MGD; and (c) the fourth course in 1994 will complete the requirement at 5.5 MGD.
 - Expected STP effluent supply has been estimated by Waikoloa Resort Utilities with the following assumptions: (a) the Development Model establishes the expected build-out rate in the Resort; (b) sewage generated by this development is computed by applying various unit rates and on occupancy rate of 73%; and (c) a further reduction of available effluent is made assuming a 10% loss in pipelines and at the treatment plant.
 - Roadway irrigation is estimated at 37 and 25 GPD per linear foot for major and minor (cul de sac) roads, respectively. All roads, except those along which pedestrian traffic is expected, have been included in the estimate.

3. In Table 4, these rates of brackish supply for golf course only and for the addition of roadway landscaping are translated into required new well pumping capacity. For this calculation, a peak season factor of 1.15 has been applied to the required brackish supply shown in Table 3 to accommodate seasonal variations in irrigation needs and available effluent supply. The current plan is to reserve the nursery well, because it is close to and downgradient of the 51-foot well, for standby. The 51-foot well would be upgraded from its present 250 GPM capacity to 500 GPM. Assuming that new wells will produce approximately 500 to 600 GPM each, two new wells must be added to supply the Eilear Country Club golf course whether roadway landscape irrigation is included or not. When the fourth golf course is developed, two more wells would then be needed. Ultimately, including roadway irrigation, the Resort would have eight active wells and the nursery well for standby. Beyond the mid-1990s, however, increasing quantities of STP effluent will allow groundwater pumpage to be reduced.

C. Brackish Wells in the Village

- Parker 1 Well, located at 800-foot elevation just below the Village, can deliver up to 1.0 MGD of brackish water to the Village golf course. The golf course requirement averages about 0.7 MGD year-round but reaches 0.9 MGD during peak use periods.
- Development of two other brackish wells will be appropriate, one within or next to the Highlands golf course and the other to supply the proposed golf course in Waikoloa Heights (Lot 3 of FP 1967). To comply with State Water Commission policy, both of these wells should be located and designed to produce brackish, rather than potable quality, water. This can be easily accomplished for both courses.
- STP effluent should be used to augment the Waikoloa Heights golf course supply. It would be the most practical disposal option available and it would also decrease golf course irrigation costs. As the effluent supply increases, total brackish pumpage in the Village should ultimately be less than 2.0 MGD.

III. Recommended Well Development Program

A. Potable Wells

1. The recommended development program is intended to strike an optimal balance among resource opportunities, facilities construction cost, and system operating requirements. It focuses on the three areas described below and depicted on Figure 1.

a. The original well field now consists of three wells having a combined pumping capacity of 3000 GPM and an average draft of 2.7 MGD. It should ultimately be expanded to supply up to six MGD with an installed pumping capacity of approximately 5800 to 6000 GPM. This could be accomplished by adding two more wells of 1400 to 1500 GPM each.

b. The aquifer in which the existing well field is located is a truly remarkable resource. Key aspects in the evaluation of its potential are as follows:

(i) A long-term aquifer test by simultaneous pumping the first two wells (Parker 4 and 5) was performed from August 22 through October 25, 1972. Combined average pumpage for the two-month period was 1.90 MGD. Significant results and conclusions were:

- Water quality showed absolutely no change throughout the test.

- A gradual but continuous drawdown due to pumping occurred. After the first seven days, there was a change to a steeper drawdown rate. This suggests that the drawdown cone had encountered a boundary. If values of transmissivity and storativity determined from the drawdown curve are applied, calculations suggest this boundary is on the order of 1.0 to 2.0

Table 4
Estimated Future Brackish Well Pumping Capacity
for Waikoloa Beach Resort

Parameter	Units	Milestone Years		
		1990	1992	1994
Required Brackish Well Supply for Golf Course Irrigation (Figures from Table 3 increased by 1.15)	MGD	2.36	3.97	5.60
	GPM	1,640	2,755	3,890
Required New Well Pumping Capacity (Assumes upgrade of 51-foot well)	GPM	None	880	2,015
				1,870
Required Brackish Well Supply for Golf Course and Roadway Irrigation	MGD	2.61	4.44	6.15
	GPM	1,810	3,080	4,270
Required New Well Pumping Capacity	GPM	None	1,205	2,395
				2,515

Notes: 1. The milestones in 1992 and 1994 are the additions of the Ellsair Country Club and fourth golf courses. 1994 is the year of maximum brackish water use for golf course use alone. If roadway irrigation is added, 1995 would be the year of maximum use. Beyond 1995, increases STP effluent will lower the brackish water requirement.

2. To identify required new well supply, the Nursery well is held in reserve as a back-up source. Other existing wells have a present combined capacity of 1625 GPM which could be increased to 1875 GPM by upgrading the 51-foot well:

Well	Present Capacity (GPM)	After Upgrade (GPM)
51-Foot	250	500
No. 1	350	350
No. 2	525	525
No. 3	500	500
Totals	1,625	1,875

quality, its unique supply capability on the South Kohala plain, and the vulnerability of wells located elsewhere to salinity intrusion, Waikoloa should exploit this aquifer to its fullest potential.

(ii) As the draft rate is increased, the aquifer's response should be carefully monitored and periodically reviewed. To assist this, a data collection format to correlate pumpage, water level, and water quality systematically should be developed so that seasonal variations and long-term trends can be easily identified.

c. The new well field in the vicinity of WW No. 2 should be expanded to an average supply of up to three MGD with an installed pumping capacity of 3000 GPM.

(i) Two new wells at 1000 GPM each would complete development in this vicinity.

(ii) Wells in this area may be vulnerable to salinity increases in response to pumping. Spacing among the wells must be chosen carefully and water quality should be closely monitored.

d. New wells at higher elevation in the Highlands should be developed to supply up to three MGD with installed pumping capacity of 3000 GPM.

(i) To achieve cost and operational advantages, these wells should be located next to proposed tank sites in the Highlands.

(ii) To avoid the use of booster pump stations in the Highlands, one 1000 GPM well at the 1370-foot tank and two 1000 GPM wells near the 1830-foot tank would be appropriate. These wells will develop more supply than would be used in the Highlands alone. The balance of their supply would be delivered into the 1210-foot pressure zone into the Village and possibly down to the Resort.

(iii) Blackhawk's TDEM survey results suggest that the proposed well sites may have some hydrologic risk. However, if they are successful, significant pipeline savings and operational benefits could be achieved. And by distributing the draft from wells over a wider area, they would also help avoid an overdraft in one or both of the other well fields. To minimize the financial risk, beginning the exploratory effort with pilot boreholes which could be reamed and cased as production wells at a later date is recommended. This would provide the opportunity to recover the cost of the exploratory holes while minimizing the time and expense to determine the viability of well development at these sites. About \$300,000 to \$400,000, depending on elevation, would be at risk at each site.

2. System transmission limitations, particularly the 16- and 14-inch, three-mile long pipeline from the original well field to Waikoloa Road, dictate the well development sequence:

a. The next two production wells should be located in the near vicinity of WW No. 2.

b. For both resource and system distribution considerations, it will be important to develop a brackish well to irrigate the Highlands golf course rather than rely on WW No. 2 of the potable system. Work on this irrigation well should begin as soon as required to meet the golf course's needs.

(i) If WW No. 2 in the new well field is used to irrigate the Highlands golf course, the well's benefit to the potable distribution system would be dramatically reduced to an almost negligible level.

(ii) Because there will be only one well in the new field in operation for at least a year or more, there would be no back-up supply for the Highlands golf course.

(iii) If the golf course had its own well, the potable system could provide back-up supply.

- c. At least one and preferably both of the proposed test holes in the Highlands shown on Figure 1 should be undertaken as soon as practical to facilitate long-term planning.

B. Brackish Wells in the Resort and Village

1. Brackish wells in the Resort can be added incrementally as needed moving north through the area identified on Figure 1.
2. The Mahaloa Heights golf course well could be located within the golf course itself or further makai next to the planned sewage treatment plant.
3. The Highlands golf course well should be located relatively near to the irrigation lake along its 10th hole.

IV. Potential Regulatory Constraints to Well Development

A. Regulatory Authority

1. State Water Code gives authority to the State to regulate the development and use of surface and groundwater.
2. The State Commission of Water Resource Management, consisting of four appointed and two ex-officio commissioners, exercises this authority.
3. The two volume "State Water Resources Protection Plan," dated June 1990, delineates aquifer boundaries and proposes maximum groundwater use rates, termed "sustainable yields", throughout the State.

B. Aquifer Delineations, Sustainable Yields, and Present Use of Groundwater in South Kohala

1. Figure 2 illustrates the State's regulatory boundaries for the Waimea Aquifer (No. 80301) and Anaeohomalu Aquifer (No. 80701) in South Kohala. Table 5 is a compilation of existing wells in these two aquifers.

2. Table 6 lists the parameters used by the State to arrive at sustainable yields of 24 and 30 MGD, respectively, for the Waimea and Anaeohomalu aquifers.

3. Table 7 lists the wells in the Waimea aquifer which presently draw a total of 7.0 MGD. This draft represents 29 percent of the regulatory sustainable yield. All of Waikoloa's potable wells are in this aquifer.

4. Table 8 lists the wells in the Anaeohomalu aquifer which presently draw 7.0 MGD, 23 percent of its regulatory limit. Use is limited to Waikoloa's Village and Resort brackish wells and Inauna Lani's brackish wells.

C. Potential Future Regulatory Constraints to Groundwater Development and Use

1. Tables 9 and 10 are compilations of expected future use of these two aquifers.
 - a. The forecast 33 MGD draft rate from the Waimea aquifer exceeds its 24 MGD regulatory sustainable yield. If supply for Waikoloa's Unplanned Reserve was also included, the potential overdraft could be five to six MGD higher.
 - b. The estimated 15 to 16 MGD ultimate draft from the Anaeohomalu aquifer is below its 30 MGD sustainable yield.
2. According to the State Water Code, when withdrawal from the Waimea aquifer reaches 90 percent of its regulatory limit (21.6 MGD), it will be designated by the State as a Groundwater Management Area (GMA). The designation would bring stricter control of well development and use. The GMA designation could also occur sooner at a lower level of pumping if water quality problems arise or if disputes among water users occur.

Table 5
Existing Wells in South Kohala

State No.	Owner	Name of Well	Use / Status
6048-02	Mauna Kea Properties	MKBH No. 1	Golf Course Irrigation
6049-01	Mauna Kea Properties	MKBH No. 2	Golf Course Irrigation
6047-01	Mauna Kea Properties	MKBH No. 3	Under Construction
6047-02	Mauna Kea Properties	MKBH No. 4	Golf Course Irrigation
5949-02	State Parks	Hapuna	Park Irrigation
6048-01	State DOWALD	Kawaihae 2	Test Well - Not in Use
6048-03	Mauna Kea Properties	Ouli North	Not in Use
6049-05	Mauna Kea Properties	Ouli South	Not in Use
6148-01	County DWS	Kawaihae 1	Brackish Blending - Not in Use
6148-02	County DWS	Kawaihae 14	Brackish Blending - Not in Use
6147-01	State DOWALD	Kawaihae 16	Test Well - Not in Use
6046-01	Nansay Corporation	Signal-Nansay	Not in Use
5946-01	County DWS	Lalani A	Possible
5946-02	County DWS	Lalani B	Possible
5946-03	County DWS	Lalani C	Possible
5946-04	County DWS	Lalani D	Possible
5745-01	Waikoloa Water Company	Farmer 3	Possible
5745-02	Waikoloa Water Company	Farmer 4	Possible
5745-03	Waikoloa Water Company	Waikoloa Water Well 1	Possible
5546-01	Waikoloa Water Company	Waikoloa Water Well 2	Possible
5548-01	Waikoloa Water Company	Partner 1	Possible
5648-01	Waikoloa Water Company	Partner 2	Possible
5750-01	Mauna Lani Resort	Puako Shaft	Golf Course Irrigation
5750-02	Mauna Lani Resort	Nursery Well	Golf Course Irrigation
5750-03	Mauna Lani Resort	No. 2 (Fire Station)	Nursery Irrigation
5750-04	Mauna Lani Resort	No. 1 (SIP)	Golf Course Irrigation
5651-01	Mauna Lani Resort	No. 3 (Highway)	Golf Course Irrigation
5452-01	Waikoloa Water Company	Nursery Well	Golf Course Irrigation
5452-02	Waikoloa Water Company	51-Foot	Golf Course Irrigation
5452-03	Waikoloa Water Company	No. 1	Golf Course Irrigation
5552-01	Waikoloa Water Company	No. 2	Golf Course Irrigation
5552-02	Waikoloa Water Company	No. 3	Golf Course Irrigation
4953-01	Waikoloa Water Company	Kiholo	Golf Course Irrigation
4850-01	State DOWALD	Puu Anahulu	Test Well - Not in Use
4850-02	Newell Bohatt	Royal Vista	Possible
5239-01	Premier Resort Development	No. 1	Under Construction
5239-02	Waikoi Ranch	No. 2	Possible

Table 6
State Water Resources Protection Plan
Estimated Sustainable Yields by Aquifer System

Sector	System	Code No.	Area (Sq. Miles)	Average Rainfall (Inches/Year)	Runoff (Inches/Year)	ET (Inches/Year)	Irrigation		Sustainable Yield (MGD)	
							Inches/Year	MGD		
Kohala	Maunaloa	80103	113.9	25	1	17	7	38	4	17
	West Mauna Kea	80301	282.1	18	1	13	4	5.4	5	24
NW Mauna Loa	Anaehoamalu	80701	291.0	23	1	17	5	69	5	30
	Hualalai	80802	146.2	25	1	18	6	42	5	18

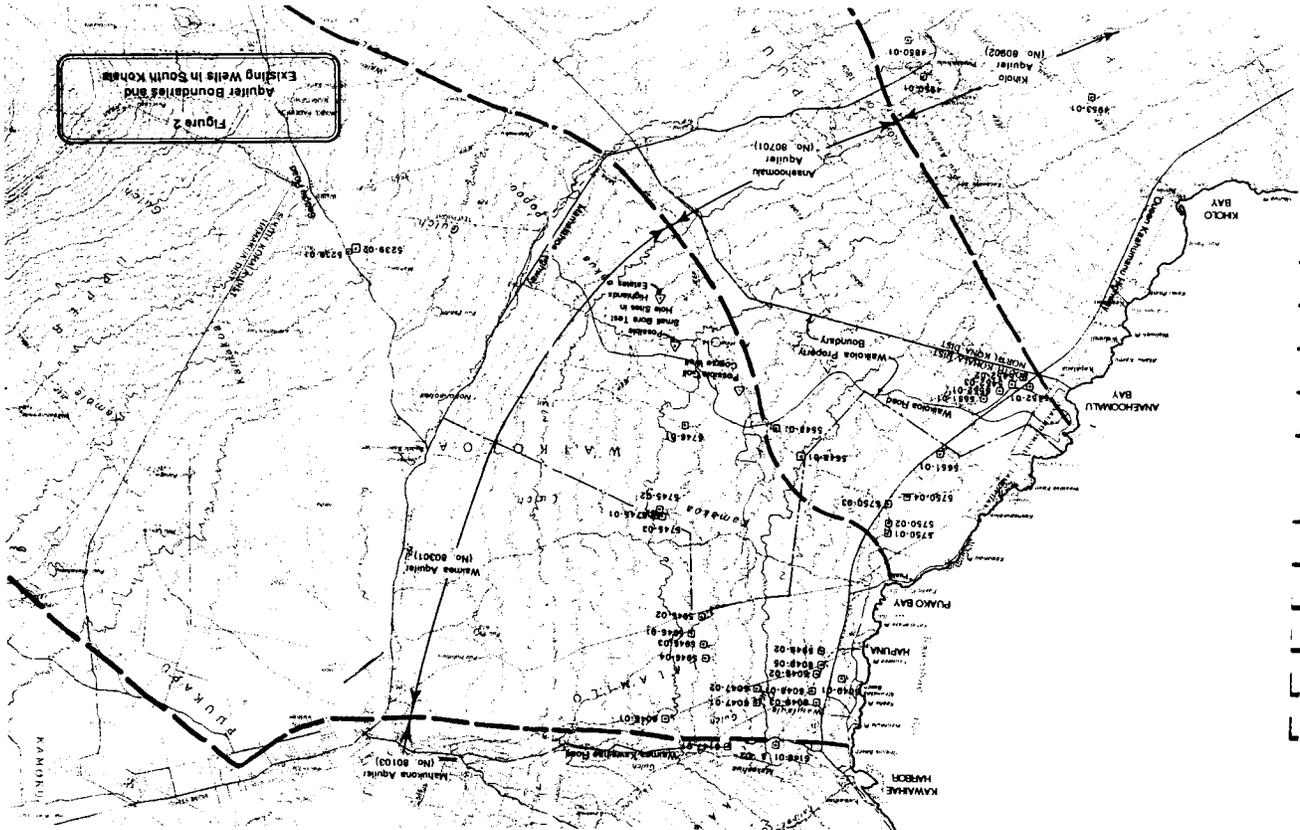


Table 7

Active Wells and Present Pumpage From the Waimea Aquifer

Well Name and/or Owner	State Number	Pump Capacity (GPM)	Ave. Draft Rate (MGD)
Potable Wells:			
County Dept. of Water Supply (Lalamiko)	5946-01	700	2.0
A	5946-02	1000	
B	5946-03	1000	
C	5946-04*	1000	
Waikoloa - Parker 4	5745-01	750	2.7
- Parker 5	5745-02	800	
- Waikoloa Water Well 1	5745-03	1500	
- Waikoloa Water Well 2	5746-01*	1000	0.1
Waikoloa Ranch - No. 1	5239-01	150	
- No. 2	5239-02	150	
Subtotal for Potable Wells		<u>8050</u>	<u>4.8</u>
Brackish Irrigation Wells:			
Mauna Kea Properties	No. 1	350	0.7
	No. 2	350	
	No. 3	500	1.3
	No. 4	500	
Hapuna State Park	5949-02	250	0.2
Subtotal for Brackish Irrigation Wells		<u>1950</u>	<u>2.2</u>
TOTAL FOR THE WAIMEA AQUIFER		10,000	7.0

Table 8

Active Wells and Present Pumpage From the Anaeohoomalu Aquifer

Well Name and/or Owner	State Number	Pump Capacity (GPM)	Ave. Draft Rate (MGD)
Brackish Irrigation Wells:			
Mauna Lani Resort - Puako Shaft	5750-01	1500	3.3
- Nursery	5750-02	200	
- No. 1 (STP)	5750-04	400	
- No. 2 (Fire Sta.)	5750-03	400	
- No. 3 (Nursery)	5551-01	425	
Waikoloa Village - Parker 1	5548-01	700	0.7
Waikoloa Resort - Nursery	5452-01	750	3.0
- STP	5452-02	250	
- No. 1	5452-03	350	
- No. 2	5552-01	525	
- No. 3	5551-01	500	
TOTAL FOR THE ANAEHOOMALU AQUIFER		<u>6000</u>	<u>7.0</u>

Table 9
Potential Draft From the Waimea Aquifer
to Supply Planned Development Projects

Land Owner and/or Development Project	Draft Rate (MGD)
Potable Wells	
County (Lalamilo) System	3.1
Mauna Lani (Parker Ranch Well Sites)	3.8
Mauna Kea Properties	5.5
Nansay (Formerly Signal)	3.3
Waikoloa (Does not include Unplanned Reserve)	12.4
Subtotal for Potable Supply	<u>28.1</u>
Brackish Irrigation Wells	
Mauna Kea Properties	2.8
Hapuna State Park	0.2
Waikoloa Village - Village Golf Course	0.7
- Highlands Golf Course	0.7
- Heights Golf Course	0.7
Subtotal for Brackish Irrigation	<u>5.1</u>
TOTAL FOR THE WAIMEA AQUIFER	<u>33.2</u>

Table 10
Potential Draft From the Anaeohomalū Aquifer

Land Owner and/or Development Project	Draft Rate (MGD)
Brackish Irrigation Wells	
Mauna Lani Resort	4.5
Nansay-Puako	6.5
Waikoloa	5.0
TOTAL FOR THE ANAEHOOMALU AQUIFER	15.5

a. Many of the numerous brackish irrigation wells along the shoreline, particularly within Mauna Lani Resort, now have relatively high salinity. As the draft by inland wells "upstream" increases, salinities of the nearshore wells are likely to be adversely affected. This problem would invite State intervention and possible GMA designation. Development of irrigation wells in Nansay's Puako property and expansion of potable supply for Waikoloa will occur upstream of Mauna Lani.

b. Competition for potable well sites near the Waimea-Kawaihae Road among Mauna Kea Properties, Nansay, the State, and the County could also invite early State intervention. Although Waikoloa is not directly involved in this problem, it could be affected by its outcome.

D. Possible Solutions to the Prospective Regulatory Limitation

1. It should be recognized that the resource limitation is a regional problem which will require a cooperative regional solution among the State, County, Waikoloa, Mauna Lani Resort, Mauna Kea Properties, and possibly Nansay.
2. The State's aquifer boundary delineations and sustainable yield limits do not actually reflect the best information and analyses that are available. Waikoloa should participate in a cooperative effort among users to relocate the designated aquifer boundaries to more accurately reflect actual hydrologic boundaries. Sustainable yields should then be recomputed for the redefined boundaries.
3. The recommended development of potable wells at upper elevation in the Highlands should be pursued. These sites are near to the presently designated Waimea-Anaeohomalū aquifer boundary and are likely to be in the Anaeohomalū aquifer if the boundaries are reconfigured on a more appropriate hydrologic basis.
4. STP effluent should be reused for irrigation wherever possible. It will reduce pumpage of groundwater, reduce pumping costs, and demonstrate an effort to conserve to the State Water Commission.

Village Distribution System Plan

I. Scope and Objectives

- A. Establish appropriate design criteria and flowrate parameters to size storage tanks and pipelines for planned expansion in the Village, the Highlands, and an area of potential future urban expansion along Waikoloa Road above the Resort. Figure 1 depicts these three areas.
- B. Develop a sequential plan of construction for these tanks and pipelines.
- C. This plan is one of three master plans for the expansion of the water system. The other two are for the development of new well sources and the expansion of the distribution system in the Resort:
 - 1. The source development identifies supply requirements and recommends sites for the addition of potable and brackish wells.
 - a. New potable wells are to be located above the Village near Waikoloa Road and within and above the Highlands initially. Subsequently, wells can also be added in the original well field.
 - b. Brackish wells are to be developed as needed in near proximity to the specific uses served.
 - 2. The distribution system plan for Waikoloa Beach Resort includes both potable and the non-potable irrigation systems. The potable system expansion merely completes the pipeline loop through the Resort. The irrigation system will involve a major expansion in capacity and level of service.

II. Basis of Design: Development Model, Design Criteria, Flowrate Parameters, and Analytical Methods

A. Waikoloa Development Model

1. The Development Model is prepared by Waikoloa and is periodically updated. It provides a compilation of project development and estimated market absorption by year and by respective average water use through the planning period.
2. The versions of the model used for the sizing presented in this draft of the master plan are dated May and October 1990. A later, December 1990 version will be used for the final version of this master plan.

b. System Design Criteria

1. Design criteria used to size tanks and pipelines are listed in Table 1.
2. These criteria are identical to those used in previous water master plans dated February 1988 and September 1989. These generally follow the design standards of the various County Departments of Water Supply. The several exceptions to County standards are discussed below.

a. A maximum day demand factor of 1.25 is used rather than the County's 1.5 factor. This value is the basis for storage tank sizing and to test for adequate fire protection. The lower value was chosen for Waikoloa after examining patterns of use within the system. Waikoloa's use is relatively constant year-round, a fact attributed to the dominance of irrigation use within the system and the area's consistently hot and dry climate. The effect of varying occupancy rates in the Resort and in condominiums in the Village is lessened as a result.

b. Comparisons of well pumpage and metered use within the system show that the difference between the two is generally in the range of 12 percent of metered use. To determine required well pumping capacity and storage tank volume, this 12 percent of unmetered use is included. County standards do not include this amount for design. Its inclusion here offsets, to some extent, use of the lower maximum day factor.

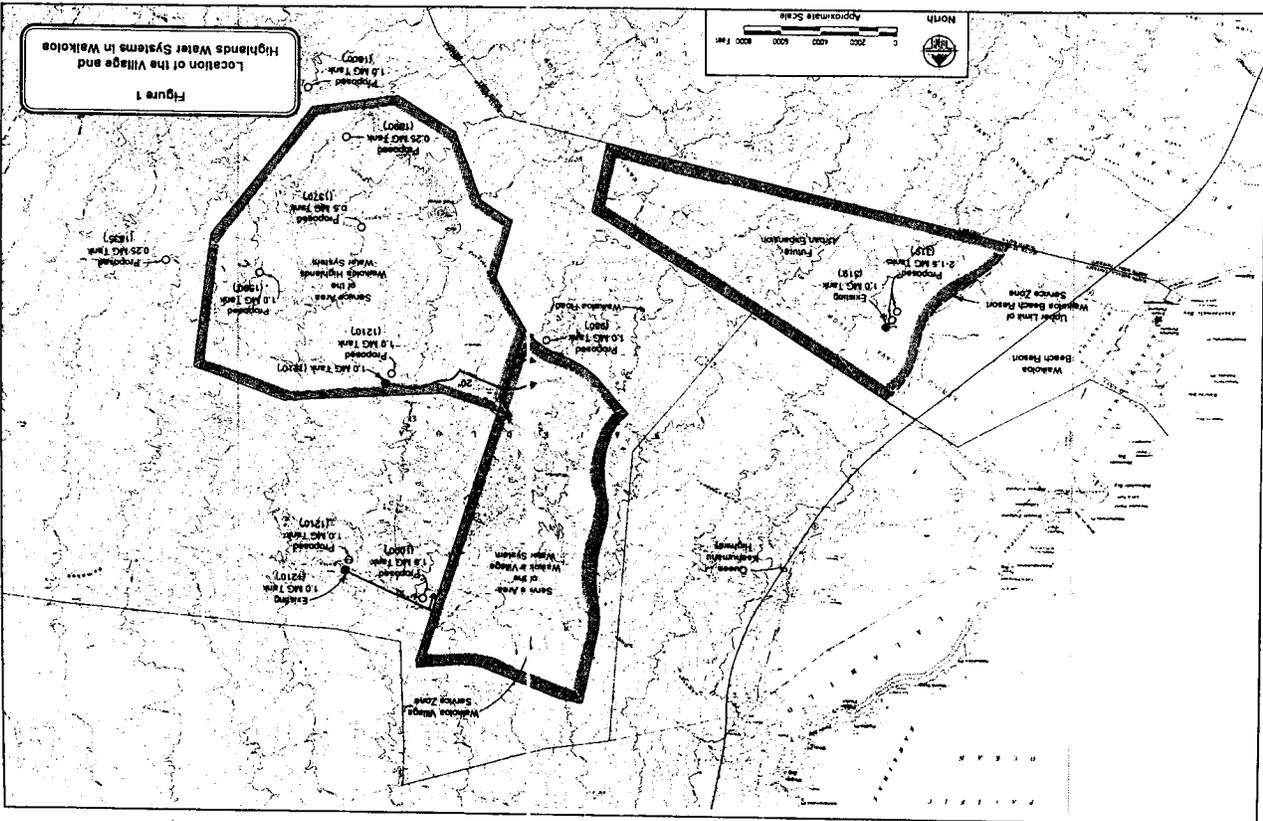


Table 1
Water System Facilities Sizing Criteria

<p><u>Demand Factors</u></p> <ul style="list-style-type: none"> o Average Day Demand = Application of the water use rates of Table 1 o Maximum Day Demand = 1.25 x Average Day Demand o Peak Demand = 3.0 x Average Day Demand <p><u>Fire Flow</u></p> <ul style="list-style-type: none"> o Shopping Centers, High Rise Apartments, and Hotels: 2000 GPM for 2 hours o Townhouse, Low Rise Apartments, Duplex: 1500 GPM for 1 hour o Single Family Residential: 1000 GPM for 1 hour (lots ≤ 10,000 sq. ft.) 500 GPM for 2 hours (lots > 10,000 sq. ft.) <p><u>Service Pressures</u></p> <ul style="list-style-type: none"> o Minimum of 40 psi (except during fire flow) o Maximum of 125 psi o 20 psi at critical fire hydrant for fire flow with coincident maximum daily demand <p><u>Pipeline Sizes</u></p> <ul style="list-style-type: none"> o Meet minimum pressure criterion at peak flowrate with a maximum of 7.0 feet per second (fps) velocity. o Meet minimum hydrant pressure criterion at fire plus maximum daily flowrate with no velocity restriction. o Compute pipeline pressure losses using Hazen-Williams formula with: C = 100 for 6" or smaller pipelines C = 110 for 8", 10", & 12" pipelines C = 120 for 14" to 20" pipelines C = 130 for 24" or larger pipelines <p><u>Well Pumping Capacity</u></p> <ul style="list-style-type: none"> o Provide the maximum daily demand, including unmetered supply, in a 24-hour pumping day with the largest well out of service. <p><u>Reservoir Storage</u></p> <ul style="list-style-type: none"> o Provide the maximum daily demand, including unmetered supply but excluding controllable common area irrigation, with no credit for well inflow. o Meet fire flow and coincident maximum daily demand for the duration of the fire flow with the reservoir 3/4 full at the start and credit for well inflow with the largest pump out of service.

c. One of the two storage tank sizing criteria is to provide the maximum daily system demand without credit for well inflow. This is generally intended to ensure supply for at least 24 hours during a power outage when all well pumping ceases. This criteria provides far more storage than required by operational requirements if the well pumps are operating. For this criterion, Waikoloa's situation is somewhat unique:

- (i) Unmetered use has been included in the maximum daily demand; it is not normally considered by the various counties.
- (ii) Irrigation use which can be curtailed in such an emergency has been excluded from the maximum daily use figure. For the calculations herein, the controllable irrigation use is roadway irrigation.
- (iii) Waikoloa now has back-up power for some of its wells. Waikoloa Water Well No. 1 can be run by electric motor or direct-drive diesel. A diesel gen-set is also available to run either Parker 4 or Parker 5 during a power outage. These additions have not been considered in storage tank sizing. In effect, an extra measure of safety is provided.

C. Flowrate Parameters

- 1. In Tables 2 and 3, Waikoloa's projections of average water use in the Village have been converted to design flowrates for tank and pipeline sizing. Table 2 is the design flows for the areas served directly from the 1210-foot tanks. Table 3 is for the lower portion of the Village to ultimately be served by 1000- and 980-foot tanks.
- 2. Design flowrates for the Highlands are separated by areas north and south of Waikoloa Road (Ranch and Golf Estates, respectively) and by service pressure zones within these areas.
 - a. The Golf Estates are south of Waikoloa Road and will require multiple service pressure zones.

Table 2

Design Flowrate Parameters for the 1210' Service Pressure Zone in the Village

Node	Lot and/or Land Use	Type and Number of Development			Flowrates for Design (GPD)			Peak in Gallons Per Minute
		Single Family (Units)	Multi Family (Units)	Commercial (Acres)	Average Day	Max. Day	Peak	
11	Lot 115 - Commercial Center			6	18,000	22,500	54,000	37
12	Fairway Terrace	100			40,000	50,000	120,000	83
206	File Plan 1209 Phase I	100			40,000	50,000	120,000	83
206	File Plan 1209 Phase II		28		60,000	75,000	180,000	122
206	Francolin Place		20		10,200	12,750	30,800	21
201	Gardens Condo	24			9,600	12,000	28,800	20
11	Hills Condo I	24			9,600	12,000	28,800	20
11	Hills Condo II	24			9,600	12,000	28,800	20
700 series	Alcrahu Increment 2A-1	134			60,400	100,500	241,900	167
700 series	Alcrahu Increment 2A-2	104			62,400	78,000	197,200	130
700 series	Alcrahu Increment 2A-3	104			62,400	78,000	197,200	130
205	Lot 111 Walkways Greens	197			74,800	93,500	232,000	164
200	Lot 1 FP 1378	110			40,000	50,000	120,000	83
200	Lot 2/3B FP 1378	100		10	287,400	359,250	892,200	589
201	Lot 4 File Plan 1378	50			20,000	25,000	60,000	42
202,207	Lot 5 FP 1378	250			100,000	125,000	300,000	208
12	Parade II	14,400			9,600	12,000	28,800	20
12	Parade III	14,400			9,600	12,000	28,800	20
205	Police and Fire Station	16			6,000	11,250	27,000	19
13 to 106	Unit I in the Village	984		3	590,400	738,000	1,771,200	1,230
15	The Villas Condominium	104			41,600	52,000	124,800	87
15	Wedge Condos Lot 13	128			51,200	64,000	153,600	107
16,17	Wedge Condos Lot 14	88			35,200	44,000	105,600	73
17	Wedge Condos Lot 15	40			16,000	20,000	48,000	33
20	WVA Estates, Lot 114	9,000		5	5,400	11,250	27,000	19
10	Existing Village Comm. Sp.	14,400		7	8,640	22,500	56,250	44
21	Walkabout Fairway	51			20,400	25,500	61,200	42
Subtotal Village 1210' Zone ->		1,772	1,482	75	1,885,000	2,358,250	5,855,000	3,927
J. The Highlands:								
1,001	Lot 9 - FP 1172			25	70,000	87,500	224,000	162
1,001	Palmer Commercial Center	13		10	30,000	37,500	90,000	62
1,006	Highland Golf Estates - Unit I	11			13,000	16,250	39,000	27
1,007	Highland Golf Estates - Unit II	11			11,000	13,750	33,000	23
1,009	Highland Golf Estates - Unit III	12			12,000	15,000	36,000	25
1,008	Highland Golf Estates - Condos	124			49,600	62,000	149,800	103
Subtotal Highlands 1210' Zone ->		36	124	35	163,600	202,000	500,800	403
TOTAL 1210-FT ZONE		1,808	1,616	111	2,078,600	2,560,250	6,355,800	4,330

Notes: 1. Average water use is 600 GPD for single family residences for the Village and 1000 GPD for the Highlands, 400 GPD for multi-family units, and 3000 GPD per acre of commercial development.
 2. The column of nodes (at left) identifies the location within the Village that the water use occurs. Figure 2, a hydraulic schematic of the system, shows the locations of these nodes.

Table 3

Design Flowrate Parameters for the 1000' Service Pressure Zone in the Village

Node	Lot and/or Land Use	Type and Number of Development			Flowrates for Design (GPD)			Peak in Gallons Per Minute
		Single Family (Units)	Multi Family (Units)	Commercial (Acres)	Average Day	Max. Day	Peak	
600 series	Ca. of Hawaii Housing I	225	200		215,000	288,750	645,000	448
600 series	Ca. of Hawaii Housing II	200	90		156,000	195,000	465,000	325
600 series	Ca. of Hawaii Housing III	200	50		140,000	175,000	420,000	292
600 series	Ca. of Hawaii Housing IV	200	50		140,000	175,000	420,000	292
600 series	Ca. of Hawaii Housing V	200	50		140,000	175,000	420,000	292
500 series	Lot 1 FP1967	400			240,000	300,000	720,000	500
800 series	Lot 3 FP1967 (Portion)	821		0	482,600	615,750	1,477,800	1,028
300 series	Lot 4-C Unit I	207			124,200	155,250	372,600	259
300 series	Lot 4-C Unit II	207			124,200	155,250	372,600	259
300 series	Lot 4-C Unit III	200			120,000	150,000	360,000	250
419 to 415	Sunset Ridge I	44			26,400	33,000	79,200	55
503	School (Elementary)	66		21	39,600	49,500	118,800	82
504	School (Secondary)	66		21	39,600	49,500	118,800	82
400 series	Sunset Ridge I	30		21	63,000	78,750	196,800	131
400 series	Sunset Ridge II	161			110,000	22,500	54,000	131
400 series	Sunset Ridge III	200			96,600	120,750	288,900	201
Subtotal 1000' Zone ->		3,226	440	42	2,243,600	2,804,500	6,730,800	4,674

Notes: 1. Average water use is 600 GPD for single family residences for the Village and 1000 GPD for the Highlands, 400 GPD for multi-family units, and 3000 GPD per acre of commercial development.
 2. The column of nodes (at left) identifies the location within the Village that the water use occurs. Figure 3, a hydraulic schematic of the system, shows the locations of these nodes.

Table 4
Design Flowrates for the 1370-Foot Service Pressure
Zone of Highlands Golf Estates

Node No.	Elevation (Feet msl)	Lot and/or Land Use	Type and Number of Development			Flowrates for Design (GPD)			Flowrates for Design (GPM)		
			Single Family (Units)	Multi- Family (Units)	Commercial (Acres)	Average Day	Peak	Max. Day	Peak	Max. Day	
1004	1182	Lower Golf Estates (1370 Zone)	0	0	0	0	0	0	0	0	
1012	1140	Single Family Units	7	0	0	7,000	21,000	8,750	21,000	16	
1013	1145	"	10	0	0	10,000	30,000	12,500	30,000	21	
1014	1105	"	7	0	0	7,000	21,000	8,750	21,000	16	
1015	1150	"	9	0	0	9,000	27,000	11,250	27,000	19	
1016	1150	Single Family & Comm.	6	0	13	25,000	185,000	89,250	185,000	110	
1017	1170	"	4	0	0	4,000	12,000	1,500	12,000	9	
1018	1193	"	11	0	0	11,000	33,000	13,750	33,000	23	
1019	1160	Single Family Units	11	0	0	11,000	33,000	13,750	33,000	23	
1020	1142	Single Family & Condos	11	180	0	75,000	225,000	89,750	225,000	158	
1021	1182	"	17	0	0	17,000	51,000	21,250	51,000	35	
1022	1155	"	14	0	0	14,000	42,000	17,500	42,000	28	
1023	1185	"	12	0	0	12,000	36,000	14,250	36,000	27	
1024	1155	"	11	0	0	11,000	33,000	13,750	33,000	23	
1025	1187	"	4	0	0	4,000	12,000	5,000	12,000	9	
1026	1187	"	31	0	0	40,000	120,000	50,000	120,000	83	
1027	1210	Single Family Units	15	0	0	15,000	45,000	18,750	45,000	32	
1028	1270	Lot F	8	0	0	8,000	24,000	10,000	24,000	17	
1029	1200	"	7	0	0	7,000	21,000	8,750	21,000	15	
1030	1210	"	16	0	0	18,000	54,000	23,750	54,000	40	
1031	1210	Lot B	20	0	0	20,000	60,000	25,000	60,000	42	
1032	1270	Lot B Tank Exp. - 1370	0	0	0	0	0	0	0	0	
1370 Zone Totals			298	180	13	401,000	1,293,000	501,250	1,293,000	835	
										248	

Notes: 1. Average water use is 800 GPD for single family residences for the Village and 1000 GPD for the Highlands, 400 GPD for multi-family units, and 3000 GPD per acre of commercial development.

2. The values of nodes (at 80') identify the location within the Village that the water use occurs. Figure 5, a hydraulic schematic of the system, shows the locations of these nodes.

(i) The lowest portion of the Highlands, comprising 36 single family lots, 124 multi-family units, and Palmer Commercial Center, will be served directly from the Village 1210-foot service zone. These have been included at the bottom of Table 2.

(ii) Table 4 summarizes design flowrates for the 1370-foot or lowest Golf Estates service zone.

(ii) Table 5 compiles design flowrates for the upper two zones in the Golf Estates.

b. The Ranch Estates are on the North side of Waikoloa Road. Table 6 presents the design flowrates for the two service pressures zones it will require.

3. No plans have been developed for the Future Urban Expansion area along Waikoloa Road between the Village and Resort. For this master plan, no allocation of water use has been made.

D. Analytical Methods

1. The first step in the analytical process is to develop a hydraulic model of the existing pipe network. The model consists of pipeline segments, junction nodes at pipe connections or any other location where significant water use occurs, fixed grade nodes at tank sites, and PRV stations wherever they occur in the system.

2. The Kentucky Pipe Network computer program then solves for resulting flowrates in pipelines, drafts from tanks, and resulting residual pressures throughout the distribution system. The computer provides these results by an iterative solution of the Hardy-Cross technique. When applied to the level of existing water use, it is essentially a calibration of the model to ensure that it reasonably simulates system performance.

3. Projected water use can then be added to the model and the performance of alternative tank and pipeline additions to supply this use can be evaluated.

Table 5

Design Flowrates for the Two Higher Service Pressure Zones of Highlands Golf Course Estates

Node No.	Elevation (Feet msl)	Land and/or Land Use	Type and Number of Development			Flowrates for Design (GPD)			Flowrates for Design (GPM)		
			Single Family (Units)	Multi Family (Units)	Commercial (Acres)	Average Day	Max. Day	Peak	Average Day	Peak	Max. Day
1047	1500	Upper Golf Estates (1807 Zone) Single Family Units	19			18,000	22,500	54,000	38		18
1048	1520		18			15,000	18,750	45,000	31		13
1049	1530		14			14,000	17,500	42,000	0		0
1050	1485		14			14,000	17,500	42,000	23		10
1051	1480		11			11,000	13,750	33,000	21		8
1052	1520		10			11,000	13,750	33,000	23		10
1053	1510		11			11,000	13,750	33,000	44		18
1054	1500		20			21,000	26,250	63,000	44		18
1055	1535		11			11,000	13,750	33,000	0		0
1056	1530		11			11,000	13,750	33,000	23		10
1057	1525		14			14,000	17,500	42,000	28		12
1058	1480		14			14,000	17,500	42,000	28		12
1059	1480		14			14,000	17,500	42,000	17		7
1060	1475		14			14,000	17,500	42,000	31		13
Upper Golf Totals			182	0	0	182,000	202,500	498,000	338		141
1034	1300	Middle Golf Estates (1807 Zone) Single Family Units	20			20,000	25,000	60,000	42		17
1035	1310		13			13,000	16,250	39,000	27		11
1036	1345		11			11,000	13,750	33,000	23		10
1037	1400		11			11,000	13,750	33,000	23		10
1038	1475		14			14,000	17,500	42,000	28		12
1039	1390		14			14,000	17,500	42,000	28		12
1040	1385		45			45,000	56,250	135,000	94		38
1041	1355		45			45,000	56,250	135,000	94		38
1042	1510		45			45,000	56,250	135,000	94		38
1043	1475		34			34,000	42,500	102,000	0		0
1044	1410		34			34,000	42,500	102,000	71		28
1045	1410		46			46,000	57,500	138,000	96		40
1046	1475		46			46,000	57,500	138,000	96		40
Middle Golf Totals			339	0	0	339,000	423,750	1,017,000	708		284
1807 & 1809 Zone Totals			521	0	0	521,000	626,250	1,515,000	1,046		425

Notes: 1. Average water use is 800 GPD for single family residences for the Village and 1000 GPD for the Highlands, 400 GPD for multi-family units, and 3000 GPD per acre of commercial development.
2. The column of nodes (at left) identifies the location within the Village that the water use occurs. Figure 5. a hydraulic schematic of the system, shows the locations of these nodes.

Table 6

Design Flowrates for the Two Service Pressure Zones of Highlands Ranch Estates

Node No.	Elevation (Feet msl)	Land and/or Land Use	Type and Number of Development			Flowrates for Design (GPD)			Flowrates for Design (GPM)			
			Single Family (Units)	Multi Family (Units)	Commercial (Acres)	Average Day	Max. Day	Peak	Average Day	Peak	Max. Day	
1120	1478	Upper Ranch Estates (1837 Zone) Single Family Units	32			32,000	40,000	98,000	67		28	
1121	1480		21			21,000	26,250	63,000	44		18	
1122	1480		37			37,000	46,250	111,000	77		32	
1123	1880		15			15,000	18,750	45,000	21		13	
1124	1475		15			15,000	18,750	45,000	0		0	
1125	1515		10			10,000	12,500	30,000	21		8	
1126	1485		10			10,000	12,500	30,000	17		7	
1127	1485		10			10,000	12,500	30,000	17		7	
1128	1810		10			10,000	12,500	30,000	21		8	
1129	1810		10			10,000	12,500	30,000	21		8	
Upper Ranch Total			180	0	0	180,000	225,000	540,000	376		154	
1101	1386		Lower Ranch Estates (1807 Zone) Single Family Units	55			55,000	68,750	185,000	116		48
1102	1386			56			56,000	70,000	188,000	117		48
1103	1412			56			56,000	70,000	188,000	117		48
1104	1280	0		126	18	45,000	56,250	135,000	81		33	
1105	1280	46				46,000	57,500	138,000	201		84	
1106	1280	46				46,000	57,500	138,000	201		84	
1107	1420	60				60,000	75,000	195,000	119		48	
1108	1480	60				60,000	75,000	195,000	119		48	
1109	1308	47				47,000	58,750	141,000	80		32	
1110	1340	29				29,000	36,250	87,000	80		32	
1111	1340	18				18,000	22,500	54,000	38		16	
1112	1435	20				20,000	25,000	60,000	42		17	
Lower Ranch Total				480	126	15	585,000	731,750	1,784,200	1,220		508
Ranch Estates Totals				660	126	15	765,000	956,750	2,299,200	1,595		664

Notes: 1. Average water use is 800 GPD for single family residences for the Village and 1000 GPD for the Highlands, 400 GPD for multi-family units, and 3000 GPD per acre of commercial development.
2. The column of nodes (at left) identifies the location within the Village that the water use occurs. Figure 5. a hydraulic schematic of the system, shows the locations of these nodes.

III. Storage Requirements and Proposed Storage Tank Construction

A. Storage Requirements

1. Table 7 is a compilation of storage requirements by service area throughout the Waikoloa system.
2. With completion of the 1.0 MG tank next to Waikoloa Water Well No. 2, the 1990 design storage requirement will have been met. However, construction of additional storage should be initiated as soon as practical.

B. Proposed Storage Tank Locations

1. Proposed tank locations and sizes to meet ultimate service requirements are shown on Figure 1. These choices consider distribution system demands as well as existing and future water source development:
 - a. The proposed total of 3.0 MG of storage in five different tanks in the Highlands is more than required by development in this area. However, operational requirements of future wells next to 1370-foot and 1800-foot tanks make these choices appropriate.
 - b. A total of 6.0 MG of storage at four locations in the Village is proposed. One of the two new tanks at 1210 feet would be adjacent to the existing tank in the original well field. The other would be next to the tank now being built in the new well field. The 1000- and 980-foot tanks would serve the lower half of the Village.
 - c. A total of 4.0 MG for the Resort, to be accomplished by adding two 1.5 MG tanks next to the existing 1.0 MG tank, is recommended. The balance of its storage requirement would be provided in higher elevation tanks.
2. For the next storage addition which should be initiated as soon as practical, a number of tank locations could be considered. Following is a capsule summary of the choices:

Table 7

Projected Storage Requirements for the Waikoloa Water System

Year	Storage Requirements by Area in Million Gallons			Total
	Resort	Village	Highlands	
1990	1.87	1.11		2.98
1991	2.21	1.47		3.68
1992	2.37	2.04	.07	4.48
1993	2.58	2.65	.15	5.38
1994	3.44	2.95	.17	6.56
1995	4.31	3.69	.22	8.22
1996	4.55	4.05	.43	9.03
1997	4.55	4.55	.49	9.59
1998	4.70	4.87	.52	10.10
1999	4.70	5.11	.68	10.49
2000	5.24	5.41	.74	11.39
2001	5.24	5.56	.79	11.59
2002	5.52	5.70	.85	12.07
2003	5.52	5.80	.91	12.23
2004	5.70	5.85	.94	12.49
2005	5.72	5.94	.97	12.63

- Notes:
1. Required storage is defined as the maximum day's water use. It is computed as 1.25, the maximum day factor, times the sum of projected average use plus 12 percent for unaccounted losses.
 2. Within the Resort, projected use for roadway irrigation, which is controlled by Waikoloa and can be curtailed if the need arises, has not been included in the computation of storage.

a. Locations which would not be appropriate for the next tank due to development phasing or minimal near-term beneficial impact to system operation are as follows:

(i) Construction next to the 1210-foot, 1.0 MG tank in the existing well field would not significantly benefit system operation.

(ii) The site at 1370 feet in the Highlands should be keyed to the development of that project.

(iii) The operational benefit of the tank site in the Village at 1000 feet above Lot 3 (Waikoloa Heights) will occur only when the makai half of the Village is substantially built out.

b. The following three possible locations should be given serious consideration for the next tank:

(i) A site at 980 feet on the south side of the Village, to replace the small head tank there, could remove the operational problems associated with the control valve and head tank. It would also be appropriately positioned to serve the Resort and the makai portion of the Village, particularly Lot 4C.

(ii) A site next to the 1210-foot tank under construction in the new well field could buffer the difference between peak draws by the system and constant inflow from wells in the new field.

(iii) A site next to the 319-foot, 1.0 MG tank above the Resort could provide a direct reserve for the Resort which, during an emergency, would not depend on the long pipeline transmission link to be effective.

c. The choice among the three best sites should weigh the following: The 1.0 MG, 980-foot tank on the south side of the Village would provide the most immediate operating benefits; a 1.0 MG, 1210-foot tank in the new well field would be the least expensive to construct; and if the 319-

foot Resort site is selected, the tank should probably be 1.5 MG in size. The 980-foot tank is the recommended choice.

IV. Village Distribution System

A. Problems Posed by Projected Growth

1. Until Waikoloa Water Well No. 2 (WW No.2) is brought on line, all water to the system will be supplied from the existing well field via the 17,000-foot long, transmission pipeline of 16- and 14-inch diameter. Its capacity has already been reached; low pressures occur in the highest elevations in the Village during peak use.

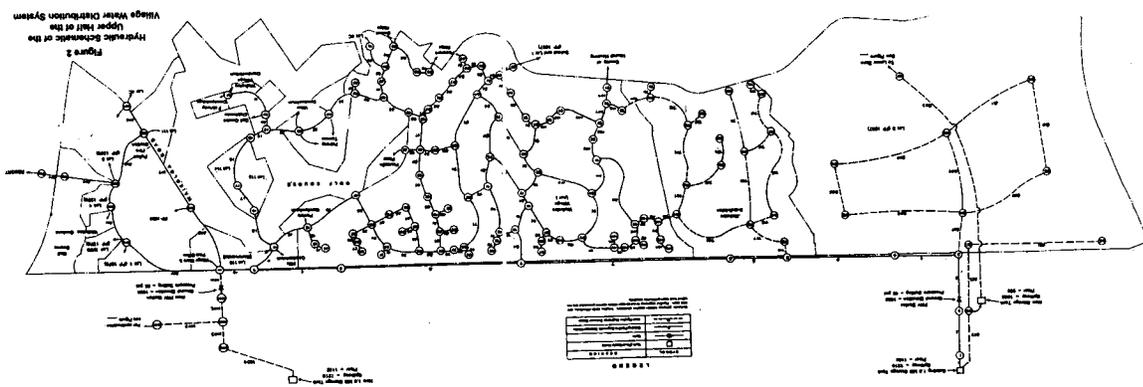
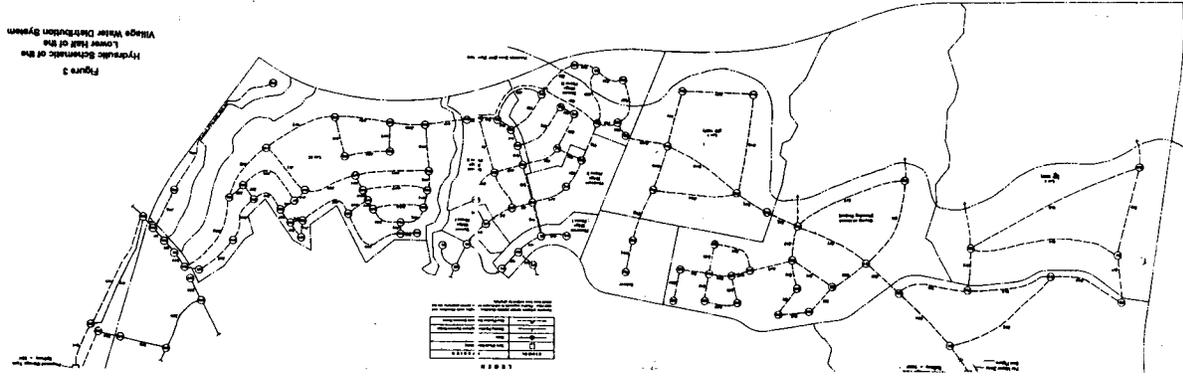
2. Wells WW No. 2 and the tank next to it are on line, the system will preferentially draw water from this new tank rather than from the existing well field's tank. To offset this unbalanced draft, the flow from the new tank will have to be controlled.

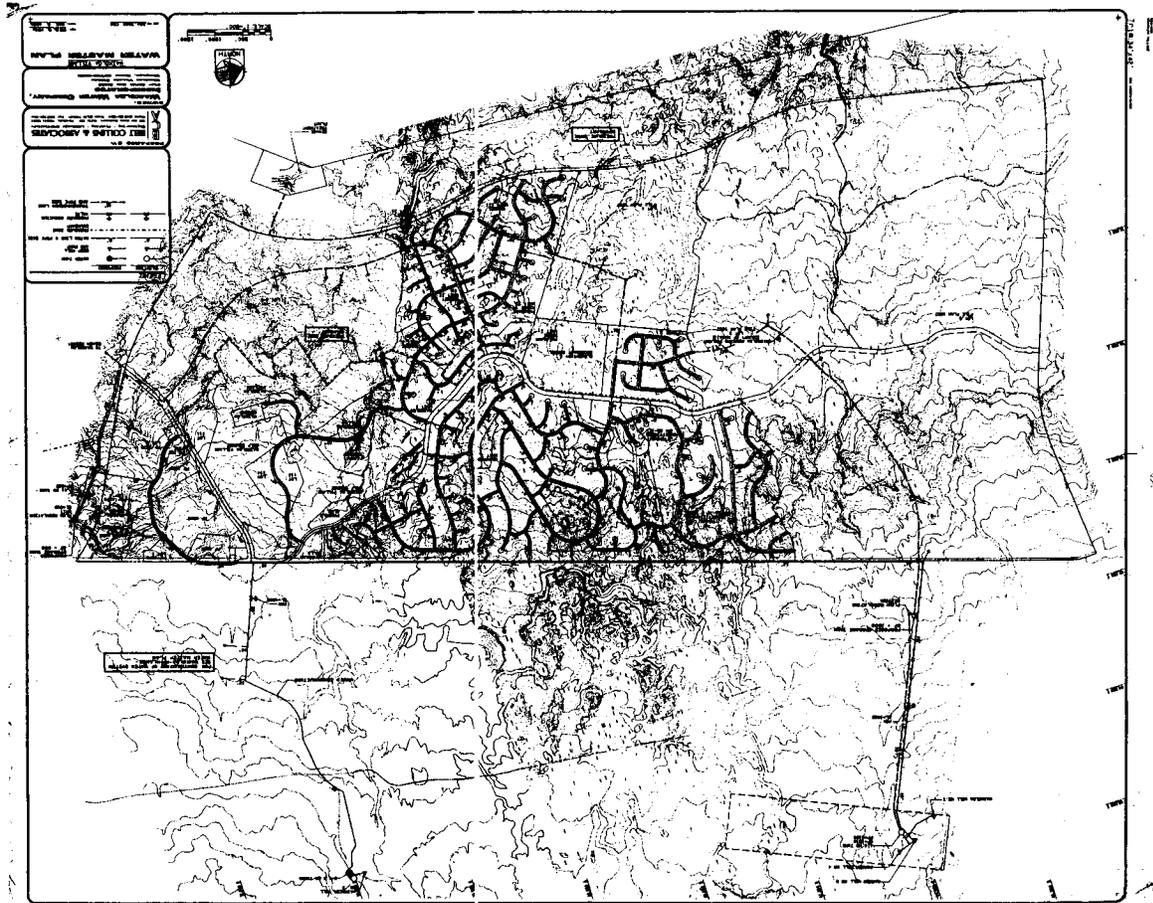
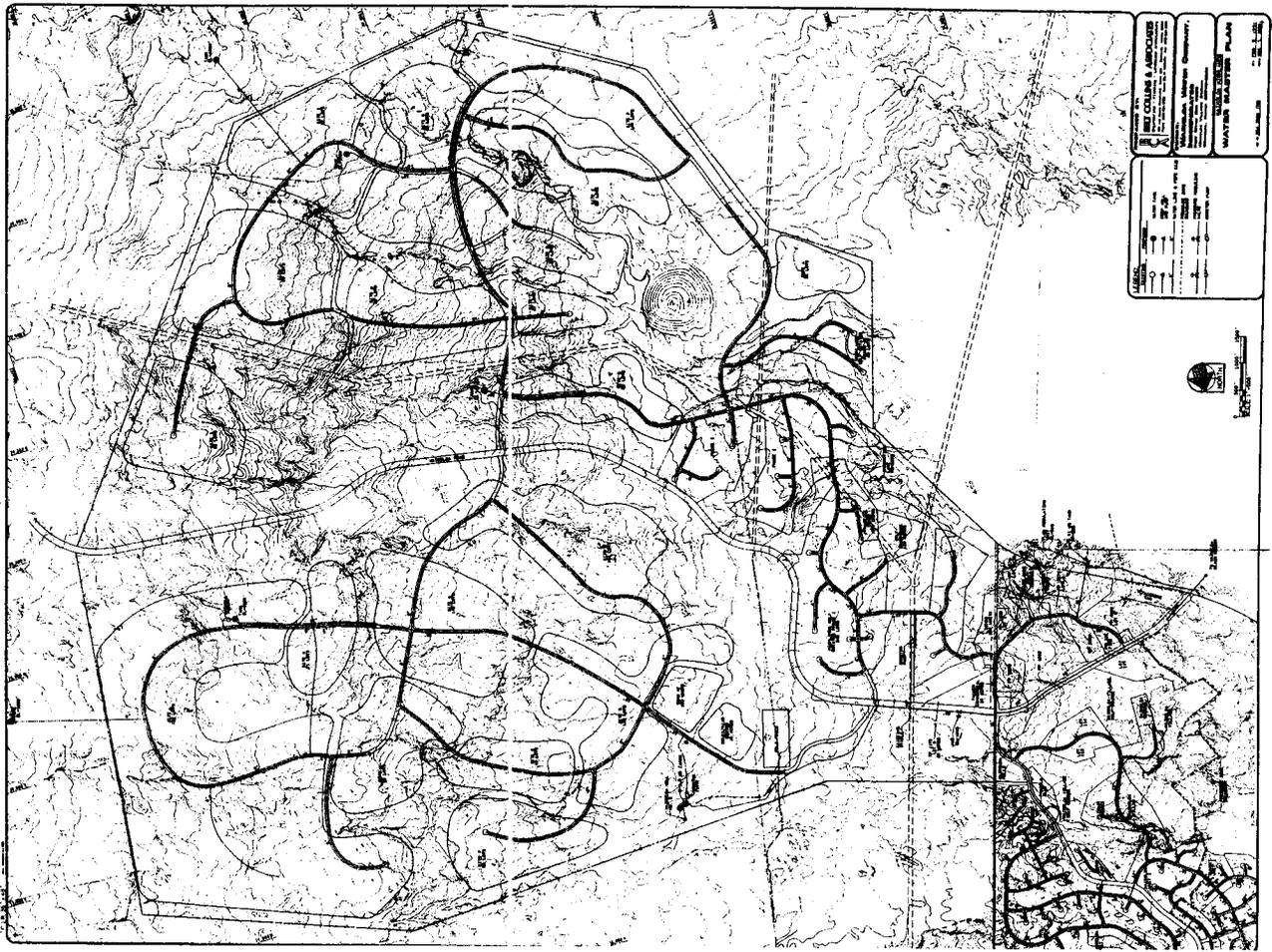
3. If the Highlands golf course irrigation is to be supplied from the potable system, it would diminish the beneficial effect of the new tank and well to an almost negligible level.

4. The Village encompasses several pressure zones. Until the proposed 1000- and 980-foot tanks and related pipelines are constructed, its lower zones will have to be served through a succession of pressure reducing stations.

B. Hydraulic Model of the Village Pipe Network

1. The analytical model of the system used for analysis is shown on Figures 2 and 3. Uses within the system are simulated as draft rates from the various nodes. The Kentucky Pipe Network computer program then computes resulting flowrates and residual pressures.





C. Results and Recommendations

1. There are three basic options to meet projected pressure, transmission, and distribution requirements to move water from well sources to projected water use throughout the system:
 - a. A parallel pipeline could be installed from the existing well field to the intersection of Waikoloa Road and Paniolo Avenue. The pipeline length would be approximately 17,000 feet. While this line would solve the immediate low pressure problems at high elevation locations in the Village, it would have more limited long-range benefit.
 - b. Well supply and storage could be developed at the south end of the system. Some of this is presently underway with the outfitting of WW No. 2 and construction of the adjacent 1.0 MG tank.
 - c. Pipelines through projects in the lower pressure zone of the Village could be oversized to provide transmission as well as distribution capability.
2. A combination of well development at the south end of the system and oversized through the lower half of the Village is recommended. Exhibit A (separate map) illustrates this solution. Some of its features and benefits are discussed below.
 - a. Based on computer analysis to simulate the transmission potential of an oversized pipeline through the lower half of the Village, the following is recommended:
 - (i) A 1.0 MG tank should be located above Waikoloa Heights (Lot 3 of FP 1967) with a 1000-foot spillway elevation.
 - (ii) The pipeline from this tank through the lower half of the Village should be 20-inch through Lot 3 and the County Housing Project and 16-inch the rest of the way to Waikoloa Road.

(iii) Another 1.0 MG tank with a 960-foot spillway should be located above the control valve and head tank at 900 feet at the south end of the system.

(iv) When these additions are completed, all development below the 1210-foot pressure zone of the Village would be served from the 1000- and 960-foot tanks, all interim use PRV stations could be deactivated, and substantial additional transmission capacity to the Resort would have been created.

3. Until the recommended pipeline through the lower part of the Village is completed, pressure problems at the upper end of the Village may become more severe. This potential problem can be avoided by adding additional supply at the south end of the system, either in the existing well field or within the Highlands. If these improvements or the pipeline through the lower part of the Village take longer to implement than expected, an interim solution to alleviate the pressure problem is available with the pipeline additions shown on Figure 4. Most of these lines would be incorporated in the ultimate system build-out in any event. However, the 16-inch, 2800-foot line between nodes 3 and 5 on Figure 4 would not actually be needed in the system's ultimate configuration. This segment would cost approximately \$0.45 million. It should be compared against the cost of accelerating the schedule of the system build-out.

V. Highlands Distribution System

- A. Problems to be Dealt With During its Development
 1. The Highlands encompasses a wide range of elevation which must be divided into multiple service pressure zones.
 2. The development will be extensive rather than intensive. Long pipelines will be required to supply relatively modest water use.
 3. Unless well sources are developed within the area, water will have to be lifted to successive service pressure zones by booster pump stations.

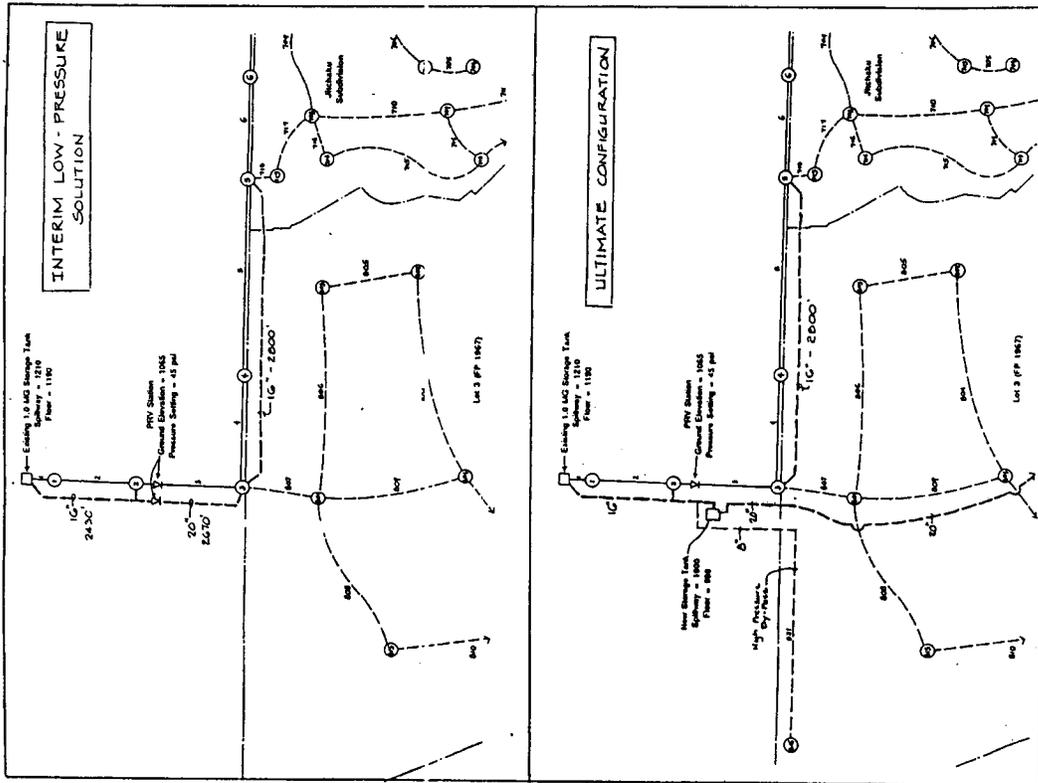


Figure 4
Recommended Interim Pipeline
Addition in the Village

B. Hydraulic Model

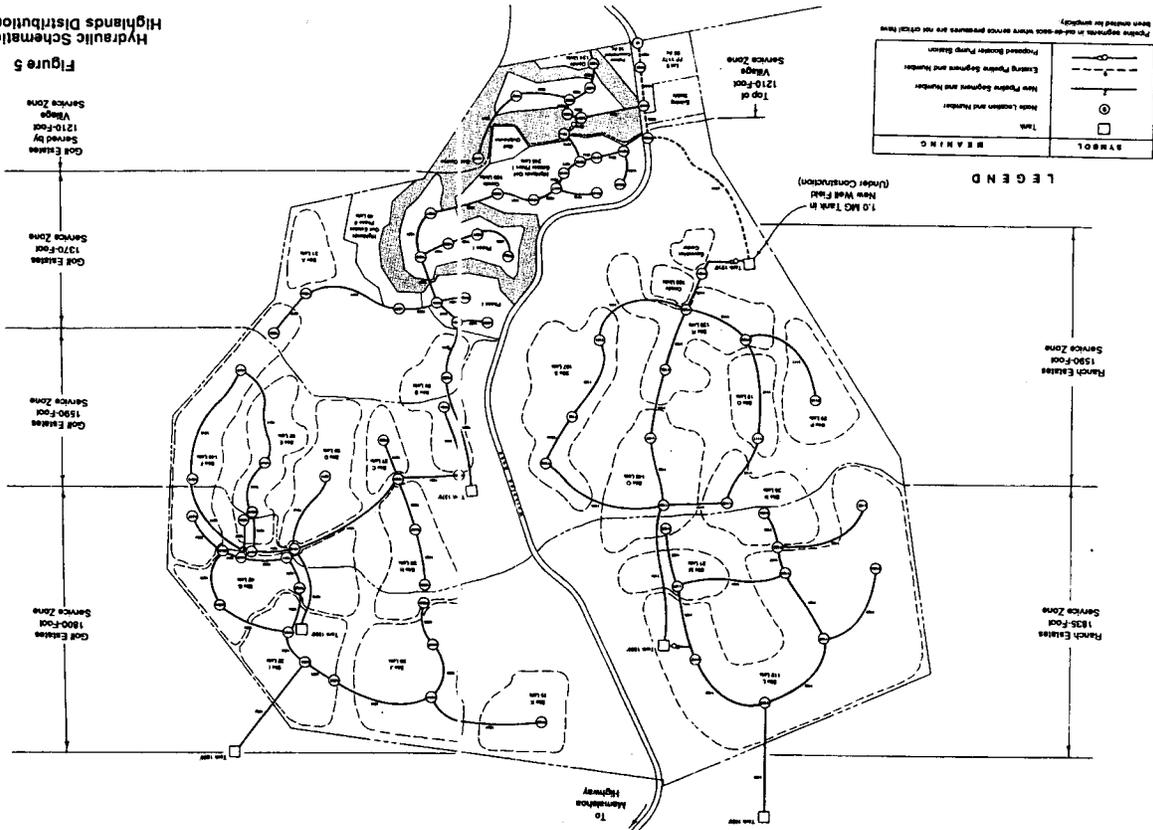
1. Figure 5 depicts the hydraulic model used for analysis. The several significant features to note are as follows:

- a. Areas north and south of Walkoloa Road are to be served by two independent pipe networks (Golf Estates to the south and Ranch Estates to the north).
- b. Golf Estates will have four service pressure zones. Its lowest portion will be served from the 1210-foot Village tank and the three upper service zones will be supplied from tanks at 1370, 1590, and 1800 feet.
- c. There are two pressure zones in the Ranch Estates which will be served from 1590- and 1835-foot tanks. Pressures at the lower end of the 1590-foot zone will be higher than desirable and require PRVs. However, water use at this end will be too small to justify another storage tank.

C. Results and Recommendations (see Exhibit B)

- 1. Well development next to the Golf Estates tanks at 1370 feet initially and 1800 feet subsequently is recommended. It would provide the following advantages:
 - a. It would help meet overall system well supply requirements and distribute the draft on groundwater resources over a wider area.
 - b. It would avoid construction of several booster pump stations within the Golf Estates.
 - c. It could deliver supply to the 1210-foot pressure zone of the Village system at an optimal location to balance drafts from the respective 1210-foot tanks and thereby alleviate present transmission capacity limitations.

Figure 5
Hydraulic Schematic of the
Highlands Distribution System



2. Golf Estates and Ranch Estates should be supplied by separate sets of tanks. This would avoid extremely long pipelines crossing Waikoloa Road and provide maximum flexibility for development phasing.

IV. Conceptual Distribution Plan for the Future Urban Expansion Area

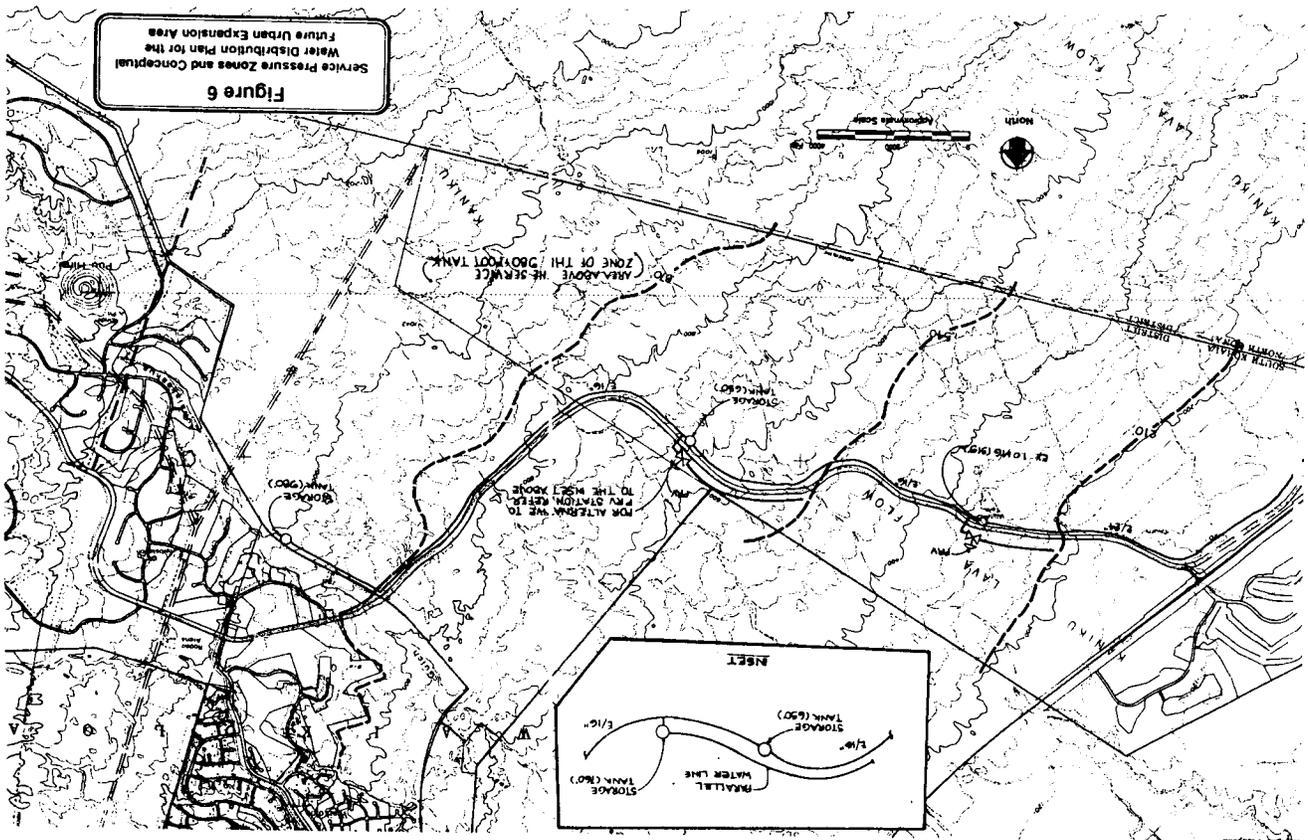
A. Service Pressure Zones

1. Figure 6 presents a logical separation of service pressure zones between the proposed 980-foot tank in the Village and the existing 310-foot tank above the Resort.
2. Depending on the type and size of development, tanks or PRV stations could be used to create these service pressure zones.
3. Due to its elevation, the upper portion of this area could not be served from the proposed 980-foot tank and existing 16-inch transmission line. A separate pipeline, most logically to be brought down from the Highlands, would be required.

B. Pipeline Capacity

1. Relative to the Resort's ultimate transmission requirements, the 16-inch pipeline down Waikoloa Road no additional capacity to serve this area unless the 7.0 feet per second maximum pipeline velocity criterion is relaxed. Due to the elevation drop along the road, it would be physically to move more water through the line than allowed by this velocity criterion.
2. Distribution lines for development can be designed to augment the 16-inch pipeline's capacity so as to avoid a parallel transmission pipeline.

Figure 6
Service Pressure Zones and Conceptual
Water Distribution Plan for the
Future Urban Expansion Area



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APPENDIX B

**A Survey of Botanical, Avian and Terrestrial Mammalian Species for the
Waikoloa Highlands Subdivision
Rana Productions, Ltd. and AECOS Consultants, May 2006.**

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**A Survey of Botanical, Avian and Terrestrial
Mammalian Species for the Waikoloa Highlands
Subdivision Project, South Kohala District,
Island of Hawai'i.**

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May 25, 2006

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Introduction

The Vitool Corporation is seeking a State Land Use Boundary Amendment from Agricultural to Rural, so as to be able to develop a residential subdivision consisting of 400+ lots, in two phases, on approximately 700-acres of land identified as TMK (3) 6-8-002-0016 and 6-8-003-032 located adjacent to the existing Waikoloa Village in the South Kohala District, Island of Hawaii (Figure 1).

This report summarizes the findings of the botanical, avian and mammalian surveys that were conducted on the subject property to determine the potential effects of the proposed development on biological resources present on the site, and within the general project area.

The primary purpose of the survey was to determine if there were any botanical, avian or mammalian species currently listed as endangered, threatened, or proposed for listing under either the federal or the State of Hawaii's endangered species programs on, or within in the immediate vicinity of the site. Federal and State of Hawaii's listed species status follows species identified in the following referenced documents (Division of Fish and Natural Resources (DLNR) 1998, Federal Register 2005, U. S. Fish & Wildlife Service (USFWS) 2005, 2006). Fieldwork was conducted on May 11, through the 13, 2006.

Avian phylogenetic order and nomenclature follows *The American Ornithologists' Union Check-list of North American Birds 7th Edition* (American Ornithologists' Union 1998), and the 42nd through the 46th supplements to *Check-list of North American Birds* (American Ornithologists' Union 2000; Banks et al. 2002, 2003, 2004, 2005). Mammal scientific names follow *Mammals in Hawaii* (Tomich 1986). Plant names follow *Hawaii's ferns and fern allies* (Palmer, 2003) for ferns, *Manual of the Flowering Plants of Hawaii* (Wagner et al. 1990, 1999) for native and naturalized flowering plants, and *A Tropical Garden Flora* (Staples and Herbst, 2005) for ornamental plants. Place names follow *Place Names of Hawaii* (Pukui et al. 1976).

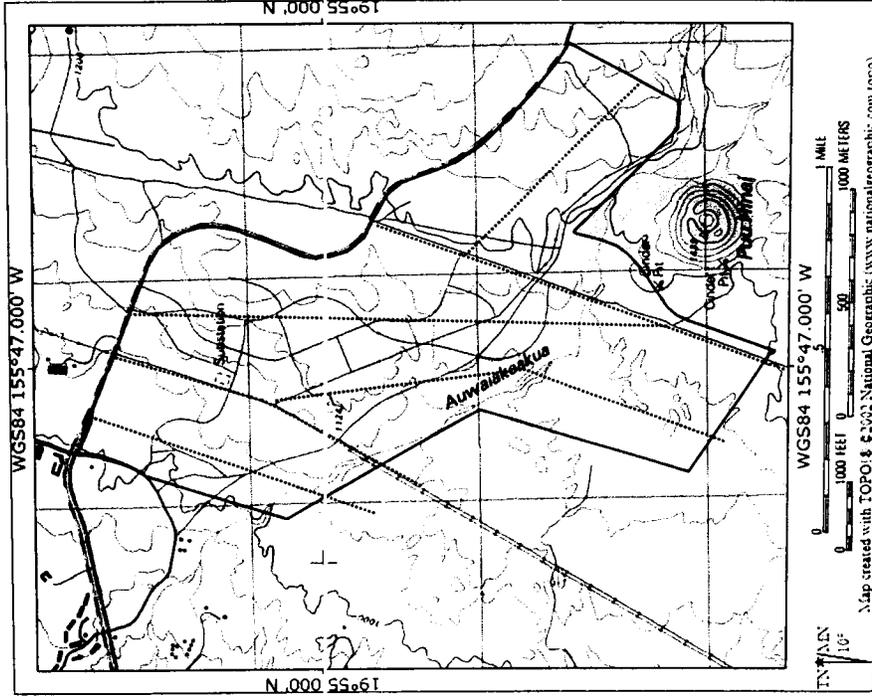
Hawaiian and scientific names are italicized in the text. A glossary of technical terms and acronyms used in the document, which may be unfamiliar to the reader, are included at the end of the narrative text on Page 19.

General Site and Project Description

The approximately 700-acre site is bound to the north by Waikoloa Road, to the west by Paniolo Avenue and to the south and east by undeveloped grassland. There is a large active quarry on Pu'u Hina'i, a scoria cinder cone dating to the Pleistocene Age which is located immediately southeast of the proposed development (Figure 1).

The project site gently slopes from east to west, from an elevation of ~1,340-feet above mean sea level (MSL), at the northeastern terminus of the project, adjacent to Waikoloa

Figure 1 Waikoloa Highlands Subdivision Project Site and Wildlife Transects:
Site is Outlined in (Red) – Transects in Dotted (Blue)



Road, down to ~ 1,000-foot MSL at the western edge of the property along Auwāiakeakua Gulch, which transects the site from southeast to northwest along the southern edge of the property (United States Geological Survey 1997). The terrain is composed of a mix of 'a'a and pāhoehoe lava flows, the bulk of which were disgorged from Mauna Kea between 65,000 and 250,000 years ago during the Pleistocene Age, this in turn is overlain on the southern portion of the site below Auwāiakeakua Gulch, with newer flows deposited between 14,000 and 65,000 years ago (Wolfe and Morris 1996).

Mammalian Survey Methods

With the exception of the endangered Hawaiian hoary bat (*Lasiurus cinereus semotus*), or 'ōpe'ape'a as it is known locally, all terrestrial mammals currently found on the island of Hawai'i are alien species. Most are ubiquitous. The survey of mammals was limited to visual and auditory detection, coupled with visual observation of scat, tracks, and other animal sign. A running tally was kept of all vertebrate species observed and heard within the project area. Visual and electronic scans, using a Broadband AnaBat II[®] ultrasonic bat detector, were made for bats during crepuscular periods on the evening of May 13, 2006.

Mammalian Survey Results

A total of eight mammalian species were detected during the course of this survey. A lone European house mouse (*Mus domesticus*) was seen crossing a four-wheel drive road adjacent to the Hawaiian Electric Light Companies substation located east of the Waikoloa Post office. Several dogs (*Canis f. familiaris*) were heard barking from within the Waikoloa Stables, located just north of the project site. One small Indian mongoose (*Herpestes a. auropunctatus*) was seen walking down the Pu'u Hina'i Quarry access road. A litter of cats (*Felis catus*) were heard within Waiakeakua Gulch, west of the quarry. Several herds of goats (*Capra h. hircus*) were seen within the project site on all three days that we were on the property. Additionally, scat, tracks, and sign of dog, cat, horse (*Equus c. caballus*), pig (*Sus s. scrofa*), goat, and sheep (*Ovis aries*) were encountered at numerous locations within the study site. All mammals recorded are considered to be alien to the Hawaiian Islands. Hawai'i's sole endemic terrestrial mammalian species, the endangered Hawaiian hoary bat, was not detected during the course of this survey.

Avian Survey Methods

Twenty-one avian count stations were sited along linear transects within the project site (Figure 1). Count stations were placed at approximately 300-meter intervals equally spaced along these transects. Six-minute point counts were made at each of the 21-count stations. Each station was counted once. Field observations were made with the aid of Leitz 10 X 42 binoculars and by listening for vocalizations. Counts were concentrated between 07:00 a.m. and 11:00 a.m., the peak of daily bird activity. An additional two hours were spent within the project area on the evenings of May 13, 2006, and on the

morning of February 13, 2006, in an attempt to detect nocturnally flying seabirds overflying the project area. Time not spent counting was used to search the remainder of the project site for species and habitats that were not detected during count sessions.

Avian Survey Results

A total of 115 individual birds of nine different species, representing seven separate families, were recorded during station counts (Table 1). All nine species detected are alien to the Hawaiian Islands.

Avian diversity and densities were extremely low. Three species, Black Francolin (*Francolinus francolinus*), Sky Lark (*Alauda arvensis*), and African Silverbill (*Lonchura canians*), accounted for more than 90% of the total number of birds recorded during station counts. The most common avian species recorded was Black Francolin, which accounted for 38% of the total number of individual birds recorded. A remarkably low number of five individual birds were recorded per station count.

Botanical Survey Methods

Botanical resources in the project area were investigated by conducting wandering "transects" over the terrain and noting species as they were encountered. Surveys were conducted on May 11-12, 2006. Photographs were taken and, in some cases, specimens collected, to verify field identifications. As the survey progressed, a total of 72-waypoints (intermittent position locations) were entered into a hand-held GPS unit (Garmin eTrex "Vista"®). These 72-points were later downloaded into a computer-mapping program (TOPOL®) and a map produced showing the general route of the survey (Figure 2; waypoints shown as blue diamonds with red centers). Because only waypoints of the botanists were recorded, the actual ground covered during the survey was more extensive, in addition to the fact that the actual route taken by the botanist was more convoluted than shown. This survey was conducted following a relatively wet period on Hawai'i. Consequently, most of the plants encountered (including annuals) were growing well and were in flower and/or fruiting, making positive identifications relatively easy.

A plant checklist (Table 2) was compiled from the observations, with entries arranged alphabetically under family names. Included in the list are scientific name, common name, and status (whether native or not-native) of each species. In addition to identifying the plants present within the study site, qualitative estimates of plant abundance were made. These are coded in the table as explained in the Legend to Table 2 and apply to observations made during the present survey. For some species, a two-level system of abundance is used: the letter-number codes indicating species that have a limited distribution (e.g., found in only one small area of the property), but where present occur in numbers exceeding just a few individuals. For example, an abundance rating of "R" indicates a plant encountered only one to several times during the entire survey. A "R1"

indicates a plant encountered in just one or two places, but with several individuals present in that place.

Table 1 Avian Species Detected, Waikoloa Highlands Subdivision Site

Common Name	Scientific Name	ST	RA
	GALLIFORMES		
	PHASIANIDAE – Pheasants & Partridges		
Gray Francolin	Phasianinae – Pheasants & Allies	A	0.05
Black Francolin	<i>Francolinus pondicerianus</i>	A	2.01
	<i>Francolinus francolinus</i>		
	COLUMBIFORMES		
	COLUMBIDAE – Pigeons & Doves		
Zebra Dove	<i>Geopelia striata</i>	A	0.10
Mourning Dove	<i>Zenaidura macroura</i>	A	0.10
	PASSERIFORMES		
	ALAUDIDAE – Larks		
Sky Lark	<i>Alauda arvensis</i>	A	1.62
	ZOSTEROPIDAE – White-Eyes		
Japanese White-eye	<i>Zosterops japonicus</i>	A	0.05
	MIMIDAE – Mockingbirds & Thrushes		
Northern Mockingbird	<i>Mimus polyglottos</i>	A	0.10
	STURNIDAE – Starlings		
	<i>Acridotheres tristis</i>		
Common Myra	ESTRIDIDAE – Estrildid Finches	A	0.14
	Estrildinae – Estrildine Finches		
African Silverbill	<i>Lanchara cantans</i>	A	1.24

KEY TO TABLE 1

- ST Status
- A Alien Species
- RA Relative Abundance: Number of birds detected divided by the number of count stations (21)

Figure 2 Waikoloa Highlands Subdivision Project Botanical Survey Transects:
Site is Outlined in (Red) – Botanical Survey Routes in (Blue)

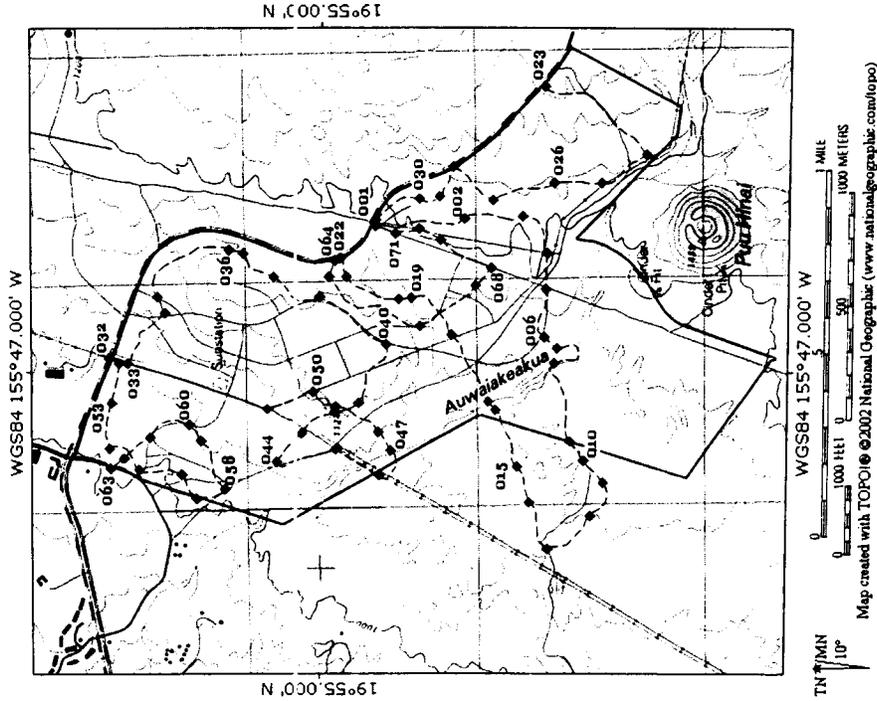


Table 2. Flora Listing, Waikoloa Highlands Subdivision Site

Species listed by family	Common name	Status	Abundance	Notes
PTERIDACEAE				
<i>Pellaea ternifolia</i> (Cav.) Link		Ind.	R1	(1)
<i>Pteris hillebrandii</i> Copel.	<i>kalamoho lau ii'i</i>	End.	R1	(1)
FERN AND FERN ALLIES				
AMARANTHACEAE				
<i>Amaranthus spinosus</i> L.	spiny amaranth	Nat.	R	(1)
ANACARDIACEAE				
<i>Schinus molle</i> Radl.	California pepper tree	Orn.	R	
ASCLEPIADACEAE				
<i>Crotalaria gigantea</i> (L.) W. T. Aiton	crown flower	Orn.	R	
ASTRACAEAE (COMPOSITAE)				
<i>Ageratum conyzoides</i> L.	<i>maile honohono</i>	Nat.	O3	
<i>Conyza bonariensis</i> (L.) Cronq.	hairy horseweed	Nat.	U	
<i>Gnainosoga cf. parviflora</i> Cav.	---	Nat.	U2	(1)
<i>Emilia fosbergii</i> Nicholson	<i>pualele</i>	Nat.	O	
<i>Pseudognaphalium</i> sp.	---	???	U	
<i>Senecio madagascariensis</i> Poir.	---	Nat.	C	
<i>Sonchus oleraceus</i> L.	sow thistle	Nat.	R	
<i>Verbena encelioides</i> (Cav.) Benth. & Hook.	golden crown-beard	Nat.	U2	(1)
<i>Xanthium strumarium</i> L.	<i>kikiana, cocklebur</i>	Nat.	R	(1)
<i>Zinnia peruviana</i> (L.) L.	Peruvian zinnia	Nat.	R	
Indet. sp. resembling <i>Hypochoeris glabra</i>	---	Nat.	R	(1)
BRASSICACEAE				
<i>Lepidium</i> sp.	---	Nat.	R	(3)
CARYOPHYLLACEAE				
<i>Pterorhagia velutina</i> (Guss.) P. Ball & Heyw.	childing pink	Nat.	O	
CHENOPODIACEAE				
<i>Atriplex semibaccata</i> R. Br.	Australian saltbush	Nat.	R	
<i>Chenopodium carinatum</i> R. Br.	---	Nat.	R	
<i>Chenopodium oahuense</i> (Meyen) Aellen.	<i>'aheueha</i>	End.	O2	
CONVOLVULACEAE				
<i>Ipomoea indica</i> (J. Burm.) Merr.	<i>kodi'awa</i>	Ind.	U	
<i>Jacquemontia ovalifolia</i> (Choisy) Hallier	H. <i>pa'u-o-Hi'iaika</i>	Ind.	U2	
CUCURBITACEAE				
<i>Momordica charantia</i> L.	balsam pear	Nat.	R	

Table 2 (continued).

Species listed by family	Common name	Status	Abundance	Notes
EUPHORBIACEAE				
<i>Chamaesyce hirta</i> (L.) Millsp.	garden spurge	Nat.	R3	
<i>Chamaesyce hypericifolia</i> (L.) Millsp.	graceful spurge	Nat.	R	
<i>Euphorbia lactea</i> Haworth	mottled-candlestick tree	Orn.	R	
<i>Ricinus communis</i> L.	castor bean	Nat.	U2	
FABACEAE				
<i>Chamaecrista nictitans</i> (L.) Moench	partridge pea	Nat.	C	
<i>Crotalaria incana</i> L.	fuzzy rattlegod	Nat.	C	
<i>Crotalaria pallida</i> Aiton	smooth rattlegod	Nat.	U	
<i>Leucaena leucocephala</i> (Lam.) deWit	<i>koa haole</i>	Nat.	A	
<i>Erythrina sandwicensis</i> Degener	<i>wiliwili</i>	End.	R	
<i>Indigofera suffruticosa</i> Mill.	indigo	Nat.	C3	
<i>Macropitium lahyroides</i> (L.) Urb.	cow pea	Nat.	R	
<i>Medicago lupulina</i> L.	black medic	Nat.	U2	
<i>Prosopis pallida</i> (Humb. & Bonpl. ex Willd.) Kunth	<i>kiawe</i>	Nat.	O2	
<i>Ocimum basilicum</i> L. var. <i>thrysiflorum</i> (L.) Benth.	Thai basil	Orn.	R	(2)
MALVACEAE				
<i>Malva parviflora</i> L.	cheese weed	Nat.	R	(1)
<i>Sida citiaris</i> L.	---	Nat.	R	
<i>Sida fallax</i> Walp.	<i>'itina</i>	Ind.	A	
<i>Sida rhombifolia</i> L.	---	Nat.	R	(2)
MOLLUGINACEAE				
<i>Mollugo cerviana</i> (L.) Ser.	threadstem carpetweed	Nat.	C	
PORTULACACEAE				
<i>Portulaca pilosa</i> L.	---	Nat.	R	
SAPINDACEAE				
<i>Dodonaea viscosa</i> Jacq.	<i>'u'ali'i</i>	Ind.	O2	
SOLANACEAE				
<i>Nicotiana glauca</i> R.C. Graham	tree tobacco	Nat.	O3	
<i>Solanum americanum</i> Mill.	<i>popolo</i>	Ind.	R	
STERCULIACEAE				
<i>Waltheria indica</i> L.	<i>'uhaloa</i>	Ind.	A	
THYMELAEACEAE				
<i>Wikstroemia pulcherrima</i> Skotarb.	<i>'akia</i>	End.	U3	
VERBENACEAE				
<i>Verbena litorea</i> Kunth	<i>owi</i>	Nat.	R	(1)

Table 2 (continued).

Species listed by family	Common name	Status	Abundance	Notes
POACEAE				
<i>Cenchrus ciliaris</i> L.	buffelgrass	Nat.	AA	
<i>Eleusine indica</i> (L.) Gaerth.	beach wiregrass	Nat.	U	
<i>Eragrostis variabilis</i> (Gaud.) Steud.	<i>kawela</i>	End.	AA	(2)
<i>Melinis repens</i> (Willd.) Zizka	Natal redtop	Nat.	U	
<i>Pennisetum maximum</i> Jacq.	Guinea grass	Nat.	U3	
<i>Pennisetum setaceum</i> (Forssk.) Choisy.	fountain grass	Nat.	AA	
<i>Setaria gracilis</i> Kunth	yellow foxtail	Nat.	U3	(1)
Indet. grass	small three-awn	???	R2	

MONOCOTYLEDONES

Legend to Table 2

STATUS = distributional status for the Hawaiian Islands:
end. = endemic, native to Hawaii and found naturally nowhere else.
nat. = naturalized, exotic, plant introduced to the Hawaiian Islands since the arrival of Cook Expedition in 1778, and well-established outside of cultivation.
unt. = exotic, ornamental or cultivated; plant not naturalized (not well-established outside of cultivation).
pol. = Polynesian introduction before 1778.
ABUNDANCE = occurrence ratings for plants by area:
R - Rare
U - Occasional
U3 - Occasional, seen in only one or perhaps two locations
C - Common
AA - Abundant
AA - Abundant, found in some regularity
AA - Abundant, found in large numbers during the survey
AA - Very abundant, abundant and dominant, defining vegetation type.
Numbers following an occurrence rating indicate clusters within the survey area. The ratings above provide an estimate of the likelihood of encountering a species within the specified survey area; numbers modify this where abundance, where encountered, tends to be greater than the occurrence rating.
1 - several plants present
2 - many plants present
3 - locally abundant
(1) - Seen only along the bottom of Auwaikeakua Gulch (riparian) or a tributary stream
(2) - Seen only along the highway shoulder area
(3) - Plants lacking important diagnostic characters (e.g., no flowers or fruit)
NOTES:

Botanical Survey Results

The flora in the project area is listed above in Table 2. The site is nearly completely covered with grassland and the terrain becomes increasingly stony to the south of Auwaikeakua Gulch (Figure 3). An exception is the riparian zone along Auwaikeakua Stream beside Pu'u Hina'i, where an open *kiawe* forest with grassland understorey is present on moderately thick soil and alluvial bed deposits of sand and gravel. In the deeper soils all along the gulch bottom several different grasses predominate in large patches, with buffelgrass (*Cenchrus ciliaris*) and yellow foxtail (*Setaria gracilis*) most

conspicuous (Figure 4). Note in Table 2, that a number of mostly weedy species were observed on the property only along the bottom of the gulch, reflecting germination of seeds encouraged by the recent wet season flows.

Figure 3. View towards Pu'u Hina'i



The above figure illustrates the predominance of open grassland within the site with the exception of the bottom of Auwaikeakua Gulch where *kiawe* trees form an open forest. Elsewhere, three species of grasses form extensive monotypic stands or are variously intermixed: *kawela* grass (*Eragrostis variabilis*), buffelgrass, and fountain grass (*Pennisetum setaceum*). The later two are non-natives that are extremely abundant on undeveloped lowlands of West Hawai'i. Figure 4 illustrates a portion of Auwaikeakua Gulch which is characterized by deep soil with a dense growth of non-native grasses.

The Kāwelu Grassland forms a nearly monospecific grass stand over a wide area near the center of the property, but is mixed with other grasses towards the margins and heavily invaded by these non-native grasses wherever roadways have been cut through the *kawela* stand. Several shrubs are associated with the Kāwelu Grassland: *'itiina* (*Sida fallax*), *'a'ali'i* (*Dodonaea viscosa*), and *koa haole* (*Leucaena leucocephala*) (Figure 5). Buffelgrass predominates in most other areas, although fountain grass is increasingly dominant on the very stony pāhoehoe flow south of Auwaikeakua Gulch.

Shrub species that are common to abundant on the property include fuzzy rattlegod (*Crotalaria incana*), indigo (*Indigofera suffruticosa*; especially in the area of pāhoehoe lava flow), and *koa haole*. A small cluster of perhaps three dozen native *'akia* (*Wikstroemia pulcherrima*) occurs east of the quarry entrance road not far in from Waikoloa Road. *'Uhaloa* (*Waltheria indica*) is ubiquitous over the area, whereas tree

tobacco (*Nicotiana glauca*) is more common over the *pāhoehoe* flow on the south. *Aheuea*, (*Chenopodium oahuense*), another native shrub, is limited in its distribution in the survey area to the northwest corner nearest Waikoloa Village.

Figure 4. *Auwaiuakua* Gulch Characterized by Deep Soil and Alien Grasses



Figure 5. *Kāwela* Grassland and Low Stature Shrubs: *ʻilima* and *koa haole*.



The *kiawe* is the most abundant tree species on the property, but is sparse outside of the riparian zone in the vicinity of Pu'u Hīna'i (Figure 3). A very few and widely scattered native *wiliwili* (*Brythria sandwicensis*) trees are present within the site.

Discussion

Mammalian Resources

The findings of the mammalian survey are consistent with at least one other faunal survey conducted on lands immediately adjacent to the subject property (David 1999), as well as with other surveys conducted within similar habitat in the South Kohala District within the recent past (David 1996, 2000a, 2000b, 2002, 2004, 2005a, 2005b, 2006a).

Although not detected during the course of this survey, it is likely that Hawaiian hoary bats over-fly the site occasionally, as they have been recorded hawking for insects over at least one water feature within the Waikoloa Golf Course, and in as skeletal remains within a cave system found south of Pu'u Hīna'i (David 2006b).

Ulnix nocturnally flying scorpions, which often collide with man-made structures, bats are uniquely adapted to avoid collision with most obstacles, man-made or natural. They navigate and locate their prey primarily by using ultrasonic echolocation, which is sensitive enough to allow them to locate and capture small volant insects at night.

Very little research into the life cycle, distribution, or population estimates of this species, has been conducted; and much of what has been studied, were small, disconnected, or anecdotal studies as opposed to coherent controlled experiments. Fundamental research into this species distribution and life cycle has just begun (Bonaccorso et al. 2005).

Although we only recorded one rodent, a European house mouse, it is likely that the other three naturalized rodents present in Hawai'i, roof rat (*Rattus r. rattus*), Norway rat (*Rattus norvegicus*), and possibly Polynesian rats (*Rattus exulans hawaiiensis*) utilize resources found within the project site.

Avian Resources

Avian diversity and densities were in keeping with the habitat present within the project area. The findings of the avian survey are consistent with at least one other faunal survey conducted on lands immediately adjacent to the subject property (David 1999), as well as with other surveys conducted within similar habitat in the South Kohala District within the recent past (David 1996, 2000a, 2000b, 2002, 2004, 2005a, 2005b, 2006a).

A total of nine avian species were detected during the course of this survey (Table 1). All nine species are alien to the Hawaiian Islands. Between late July and the end of April it is likely that one indigenous migratory species, Pacific Golden-Plover (*Pluvialis fulva*) use resources within the project site. This species is a commonly encountered migratory shorebird, which nests in the high Arctic during the summer months, but returns to

Hawai'i and the Tropical Pacific to spend the winters. Additionally, it is probable that the endemic Hawaiian sub-species of the nearly cosmopolitan Sort-eared Owl (*Asio flammeus sandwicensis*) uses resources within the general project area, as this species has been regularly documented within the South Kohala grasslands (David 2002, 2005a, 2005b, 2005c, 2006b).

Although not detected during this survey, it is possible that small numbers of the endangered endemic Hawaiian Petrel (*Pterodroma sandwicensis*), and the threatened Newell's Shearwater (*Puffinus auricularis newelli*), over-fly the project area between the months of May and November (Banko 1980a, 1980b, Harrison 1990, Day et al. 2003a). Recent surveys using ornithological radar have recorded both species flying inland from Kawaihae (Day et al. 2003a)

Hawaiian Petrels were formerly common on the Island of Hawai'i (Wilson and Evans 1890–1899). This pelagic seabird reportedly nested in large numbers on the slopes of Mauna Loa and in the saddle area between Mauna Loa and Mauna Kea (Henshaw 1902), as well as at the mid-to-high elevations of Mount Hualālai. It has, within recent historic times, been reduced to relict breeding colonies located at high elevations on Mauna Loa and, possibly, Mount Hualālai (Banko 1980a, Banko et al. 2001, Cooper and David 1995, Cooper et al. 1995, Day et al. 2003a, Harrison 1990, Simons and Hodges 1998). The United States Fish & Wildlife Service listed Hawaiian Petrels as an endangered species in 1967 and by the State of Hawai'i in 1973 (Federal Register 1967, DLNR 1998)

Newell's Shearwaters were formerly common on the Island of Hawai'i (Wilson and Evans 1890–1899). This species breeds on Kaua'i, Hawai'i, and Moloka'i. Newell's Shearwater populations have dropped precipitously since the 1880s (Banko 1980b, Day et al., 2003b). This pelagic species nests high in the mountains in burrows excavated under thick vegetation, especially *uluhe* (*Dicranopteris linearis*) fern. Newell's Shearwater was listed as a threatened species by the USFWS in 1975 and by the State of Hawai'i in 1973 (Federal Register 1975, DLNR 1998).

The primary cause of mortality in both Hawaiian Petrels and Newell's Shearwaters is thought to be predation by alien mammalian species at the nesting colonies (USFWS 1983, Simons and Hodges 1998, Ainley et al. 2001). Collision with man-made structures is considered to be the second most significant cause of mortality of these seabird species in Hawai'i. Nocturnally flying seabirds, especially fledglings on their way to sea in the summer and fall, can become disoriented by exterior lighting. When disoriented, seabirds often collide with manmade structures, and if they are not killed outright, the dazed or injured birds are easy targets of opportunity for feral mammals (Hadley 1961, Telfer 1979, Sincok 1981, Reed et al. 1985, Telfer et al. 1987, Cooper and Day 1998, Podolsky et al. 1998, Ainley et al. 2001). There is no suitable nesting habitat within or close to the project area for either of these pelagic seabird species.

Botanical Resources

The flora of the project area is comprised mostly of lichens on exposed rock surfaces and flowering plants. Over much of the area, alien plant species predominate. A total of 58-species of plants including two species of ferns, were observed during the plant survey (Table 2). The dry climate and well-drained soils are not conducive to supporting most fern species found in Hawai'i, and the two species observed occurred in small numbers on exposed rock areas in a normally dry wash. However, both species (*Pelaea ternstrofia* and *Pteris hillebrandii*) are natives, the latter is an endemic.

Of the 56-species of flowering plants listed in the table, ten (10 or 17.9%) are known to have been present in the Hawaiian Islands prior to the arrival of James Cook in 1778. Of these 10, four are endemic, and the remaining six are indigenous species. If we consider the abundance estimates for these native species, several are very abundant in the project area: notably *kāwele* (*Eragrostis variabilis*) and 'ilima (*Sida fallax*). Both were most abundant in the central part of the property.

Although the property is mostly covered by non-native grasslands, and these grasslands were developed along the low areas of Auwāiakeakua gulch, a native *Kāwele* Grassland occupies the more central part of the property roughly between the highway (Waikoloa Road) and the gulch and the quarry entrance road and the powerline road. Close to the highway and close to the gulch, non-native grasses dominate, and within the *kāwele* stand, non-native grasses dominate all areas of previous grading, as has occurred for access roads and fire suppression. This distribution suggests that a *kāwele* grassland is capable of excluding the prolific non-native grasses—such as bufflegass and fountain grass that now dominate the landscape of West Hawai'i—until a disturbance and then non-natives invade and are effective at preventing reestablishment of *kāwele*.

Potential Impacts to Protected Species

Hawaiian Hoary Bat

As previously discussed, it is likely that Hawaiian hoary bats over-fly the general project area on a seasonal basis. There is no suitable vegetation on the site for bats to roost in, so it is unlikely that the clearing of the current vegetation, and the development of a subdivision on this property will result in deleterious impacts to this species. The planting of trees and ornamental vegetation following development may increase the presence of prey items for this insectivorous bat, and thus may in fact enhance foraging resources for this species in the area.

Hawaiian Petrel and Newell's Shearwater

The principal potential impact that the development of the proposed Waikoloa Highlands Subdivision poses to Hawaiian Petrels and Newell's Shearwaters is the increased threat that birds will be downed after becoming disoriented by street lights associated with the new development.

Botanical Resources

No plant species currently listed as endangered, threatened, or proposed for listing under either the federal or the State of Hawai'i's endangered species programs were recorded within or close to the proposed project site.

Conclusions

It is not expected that the development of the proposed Waikoloa Highlands Subdivision will result in deleterious impacts to native avian or mammalian resources present within the South Kohala District. There will be adverse impacts to the native plant assemblages present within the site.

Recommendations

If streetlights are installed in conjunction with the various new roads planned for this new subdivision, it is recommended that lights be shielded to reduce the potential for interactions of nocturnally flying Hawaiian Petrels and Newell's Shearwaters with external lights and man-made structures (Keed et al. 1985, Ietter et al. 1987). This mitigation would serve the dual purpose of minimizing the threat of disorientation and downing of Hawaiian Petrels and Newell's Shearwaters, while at the same time complying with the Hawaii County Code § 14 - 50 *et seq.* which requires the shielding of exterior lights so as to lower the ambient glare caused by unshielded lighting to the astronomical observatories located on Mauna Kea.

Use of plants indigenous to the area is encouraged for landscaping of public areas following development. The '*akia*' found here (*Wikstroemia pulcherrima*) is an especially attractive plant that has potential to be a signature plant for the development. *Wilivili* trees, increasingly rare in the Waikoloa area, are likewise deserving of consideration for wider planting in the area. Native plantings would have a distinct advantage over more typical landscape schemes of not requiring irrigation once the plants become established.

Glossary:

'A'a - Clinker lava formed by slow moving lava flows
Alien - Introduced to Hawai'i by humans
Crepuscular - Twilight hours
Endangered - Listed and protected under the Endangered Species Act of 1973, as amended as an endangered species.
Endemic - Native and unique to the Hawaiian Islands
Indigenous - Native to the Hawaiian Islands, but also found elsewhere naturally
Nocturnal - Night-time, after dark
Pāhoehoe - Sheet lava formed by relatively fast moving lava flows
Pelagic - An animal that spends its life at sea - in this case seabirds that only return to land to nest and rear their young
Threatened - Listed and protected under the ESA as a threatened species
Volant - Flying, capable of flight, as in flying insect

DLNR - Hawaii State Department of Land & Natural resources.
MST - *Map Sheet Title*
TMK - Tax Map Key
USGS - United States Geological Survey
USFWS - United States Fish & Wildlife Service

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APPENDIX C

**Social Impact Assessment
SMS Research, September 2006.**

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**SOCIO-ECONOMIC IMPACTS
WAIKOLOA HIGHLANDS**

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September 18, 2006

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SOCIO-ECONOMIC IMPACTS WAIKOLOA HIGHLANDS

1. INTRODUCTION

Waikoloa Highlands is designed to include 398 improved lots, covering a total of 700 acres, upon which buyers will build homes within the limits of the deed restrictions. A percentage of the remaining 1,300 acres will become areas for passive recreation and open space, complete with trails and other appropriate amenities.

The following section discusses the socio-economic context within which the project is located, specifically the South Kohala region and Hawaii Island as a whole; as well as the socio-economic impacts this project will have on South Kohala and the specific community of Waikoloa. This section will also present the concerns of community representatives and members, and public officials, as they related to the project as a whole and some of the anticipated socio-economic impacts. It concludes with a discussion of possible measures, which can be taken to address some of these concerns.

2. THE SOCIO ECONOMIC CONTEXT

When first proposed for development by Boise Cascade in the 1960's, The Village of Waikoloa showed promise as an entirely new town in the South Kohala region. In reality, except for its initial growth spurt in the 70's and 80's, the growth of Waikoloa has been modest. The area has settled nicely as a suburban community with its residents being employed primarily in Kamuela and in the visitor industry plant along the Gold Coast. Although the Waikoloa Village Golf Course does attract some external business, for the most part Waikoloa Village basically services its residents and the travelers who pass through in transit between Kamuela and the Coastal areas.

All of this is changing as Hawaii County and the South Kohala region experience strong growth pressures, and the visitor plant along the Coast continues to expand and enjoy record business. This pressure has resulted in record low unemployment, record low residential vacancy rates and record high housing costs. None of this phenomenon is good for sustainable growth in a region. In a response to these factors, Waikoloa is experiencing a resurgence in residential development proposals, and possibly an increase in development activity. Projects that have progressed far beyond the talking stages include Waikoloa Heights (1,000 units), the County's Affordable Housing Project (1,000 units) and Waikoloa Highlands (398 units). Given that there are only 1,750 units in Waikoloa today, these three projects alone will more than double the size of the village.

2.1 Economic Context

2.1.2 Hawaii Island

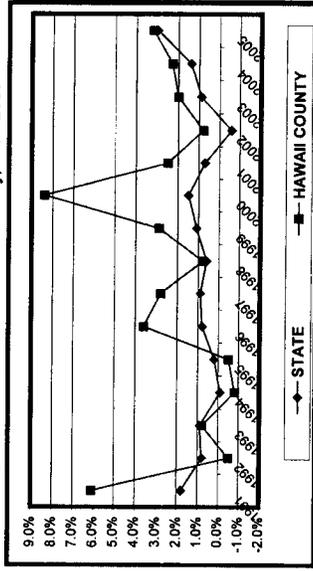
From the early 1980's to 1990 the State's economy grew quickly. In the 1990's that growth began to stagnate and it has, only in recent years, begun to return to a healthier stable growth rate. By the end of 2005, the State's unemployment rate of 2.8 was the lowest in the United States.

Somewhat contrary to Statewide trends, Hawaii County's economy has been experiencing wide scale growth for the last decade. In terms of job growth, Hawaii County has exceeded the states growth since 1996 (See Exhibit 2.1). Although the civilian labor force has also increased significantly, it has not kept pace with employment opportunities, resulting in an unemployment rate that has been steadily shrinking since the mid 90's.

The visitor industry has been the backbone of that economic growth. Visitor arrivals and hotel occupancy have risen steadily over that period as each indicator rose sharply in 2005. In 2005, Hawaii County's share of the statewide visitor count was at its highest level, 15 percent, since 1998, up from 12 percent in the previous year (see Exhibit 2.4). Interestingly, Hotel Occupancy rates have risen more modestly than visitor counts, thereby supporting the contention that it is the expanding cruise ship market that is triggering much of this growth. Whether true or not, it portends further visitor count increases in the near future and greater pressure on the island's housing infrastructure to accommodate the employment demand increases.

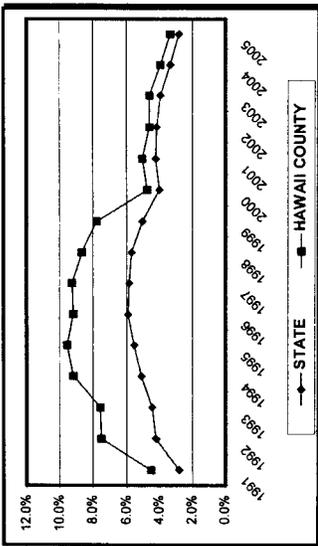
The leisure and hospitality industry accounts for the largest proportion of jobs, 22 percent, followed by government, which accounts for 18 percent of Hawaii County jobs. County officials believe that diversifying the economy is crucial to the economic health of the county and have been working at accomplishing that objective. In fact, since the early 1990's, Hawaii County has witnessed annual job growth in virtual every industry. They have not yet, however, achieved the economic diversification they would prefer.

Exhibit 2.1: Job Growth, State of Hawaii and Hawaii County, 1991-2005



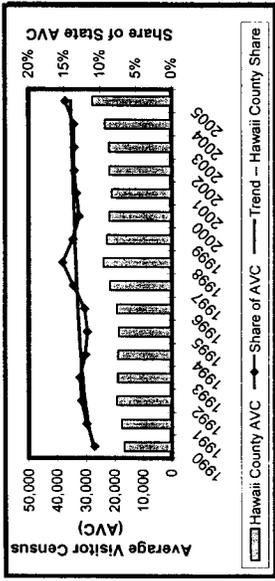
Source: DBEDT Quarterly Statistical and Economic Report 2006

Exhibit 2.2: Unemployment Rate, State of Hawaii and Hawaii County, 1991-2005



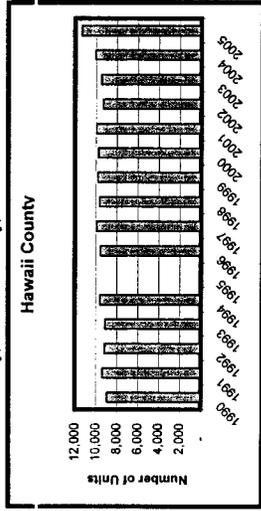
Source: DBEDT Quarterly Statistical and Economic Report 2006

Exhibit 2.4: Average Visitor Census, Hawaii County, 1990-2005



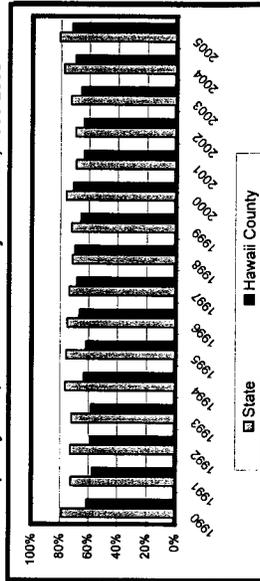
Source: DBEDT Historical Visitor Statistics, DBEDT Annual Visitor Research Report, 2005

Exhibit 2.5: Visitor Plant Inventory, Hawaii County, 1990-2005



Source: DBEDT Visitor Plant Inventory 2005

Exhibit 2.6: Hotel Occupancy Rate, State and County of Hawaii, 1990-2005



Source: DBEDT Quarterly Statistical and Economic Report, 3rd Quarter 2006

Exhibit 2.8: Job Count, Hawaii County, 2006 2nd Quarter

Category	2006 2 nd Quarter	2006 3 rd Quarter	% Change
Total wage and salary jobs	65,950	621,300	99%
Total non-agriculture wage and salary jobs	63,800	615,050	97%
Natural Resources, Mining, Constr.	5,050	35,600	8%
Manufacturing	1,550	15,300	2%
Wholesale Trade	1,750	18,050	3%
Retail Trade	9,050	70,500	14%
Transp., Warehousing, Util. Information	3,050	32,750	5%
Financial Activities	650	11,250	2%
Professional & Business Services	2,650	29,750	4%
Educational Services	5,000	76,350	8%
Health Care & Social Services	1,000	13,950	2%
Leisure and Hospitality	6,000	57,000	9%
Arts, Entertainment & Recreation	14,250	107,800	22%
Accommodation	1,600	11,800	2%
Food Services & Drinking Places	7,150	39,200	8%
Other Services	5,500	56,800	9%
Government	2,000	25,550	4%
Federal	11,900	121,350	20%
State	1,250	31,500	5%
Local	8,200	72,550	12%
Agricultural wage and salary jobs	2,450	17,300	3%
	2,200	6,200	1%

Source: DBEDT Quarterly Statistical and Economic Report, 3rd Quarter 2006

2.1.2 South Kohala

South Kohala's economy has seen dramatic changes since the completion of Queen Kaahumanu Highway in the late 1970's. This two-lane highway made the South Kohala area much more accessible to visitors and residents alike. Thus, the area has seen an increase in population, visitation, and the number of jobs. Since the completion of the Highway, many resorts, including the Hilton Waikoloa Village, Marriott Waikoloa Beach Resort, and others, have been added to the visitor plant along South Kohala coastline. Recent trends suggest that the South Kohala region will soon surpass other West Hawaii areas in terms of its economic contribution.

Unfortunately, except for the employment associated with the Kawaihae Harbor, employment in South Kohala is almost entirely oriented to, and dependent upon the visitor industry. With the exception of construction activity, this imbalance is not expected to change in the years ahead.

2.1.3 Waikoloa

In the early 1970's the Waikoloa Village Golf Course was opened and development of the surrounding community, Waikoloa Village, commenced. Since that time, Waikoloa Village has grown to house over 4,800 residents in 1,750 homes. It is the only village of comparable size in the region, for at least 15 miles.

The Waikoloa Village community has several commercial and residential amenities in addition to its golf course. Within the Waikoloa community there is a shopping center with a gas station, grocery store, and other retail and service businesses. The Village has a community park, tennis courts and other recreational facilities to service the growing population. Its retail/commercial areas primarily service its residential population and do not represent a major employer.

Unlike most of the recently completed homes along the Coast, Waikoloa homes are primarily built for long term, local residency.

2.2 Population Context

2.2.1 Hawaii County

Hawaii Island is by far the largest of the Hawaiian island in terms of land area with approximately 4,028 square miles of land area, and it continues to grow. However, despite its size it is only the second most populous county with a population of over 164,400¹ residents, 13.3% of the state population. Exhibits 2.7, 2.8 and 2.9 show present estimates of Hawaii County's population growth, based primarily on Census data, using interim data to modify extrapolations. The 2005 American Community Survey shows the estimated growth for the state and counties of Hawaii. During the last five years, Hawaii County population has increased markedly by 12.7 percent, the largest growth rate of all the counties during this period.

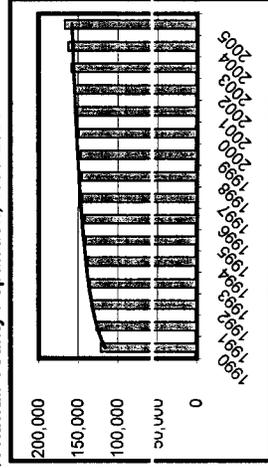
¹ Does not include those living in group quarters.

More important, these projects suggest that Hawaii County will grow at a rate well beyond that of the other counties. In fact, Hawaii County is the only county projected to have consistent appreciable growth beyond 2003. With these population increases will come increases in the demand for housing.

2.2.2 South Kohala

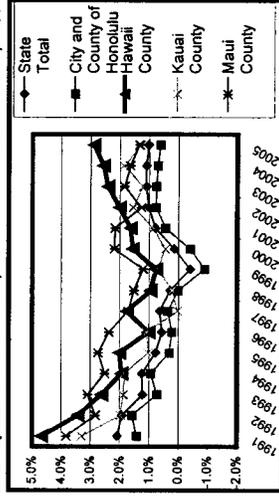
South Kohala is one of the nine districts that make up Hawaii County. The major areas in South Kohala include Waimea, Puako, and Waikoloa. Census figures show South Kohala with a total resident population in 2000 of 13,079 in 4,648 households.

Exhibit 2.7: Hawaii County Population, 1990-2005



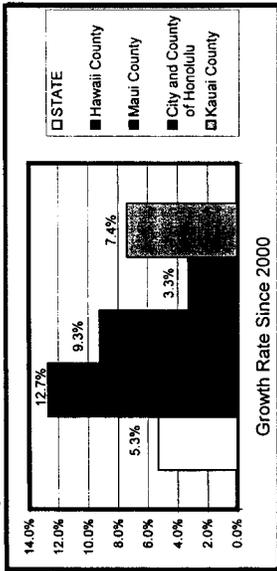
Source: DBEDT State of Hawaii Data Book, 2005

Exhibit 2.8: Projected Population Growth Rate, State and Counties of Hawaii, 1990-2005



Source: DBEDT State of Hawaii Data Book, 2005

Exhibit 2.9: Actual Population Growth Rate, State and Counties of Hawaii, 2000-2005

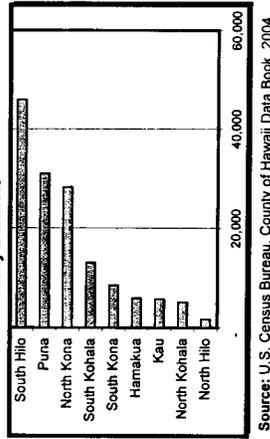


Source: US Census Bureau, 2005 American Community Survey

As seen in Exhibit 2.11, South Kohala is the fourth most populous district accounting for approximately 9 percent of the County population. South Kohala has experienced the greatest wide scale growth since 1990, as the population has increased by more than 140 percent over that period of time.

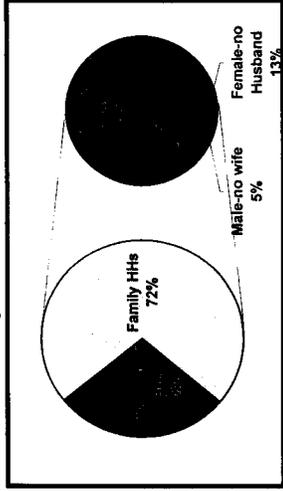
Most South Kohala households are family households and of these, most families are married couples (See Exhibit 2.12). Non-family households most often consist of a householder living alone (See Exhibit 2.13). Of those living alone, about one-quarter are over the age of 65.

Exhibit 2.11: Population of Hawaii County Districts



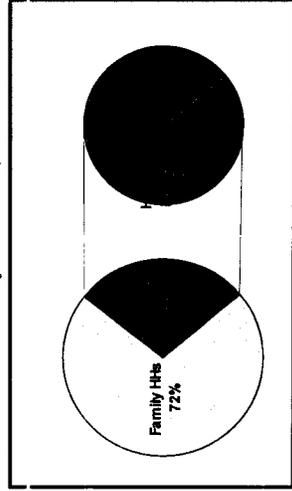
Source: U.S. Census Bureau, County of Hawaii Data Book, 2004

Exhibit 2.12: Characteristics of Family Households, South Kohala District



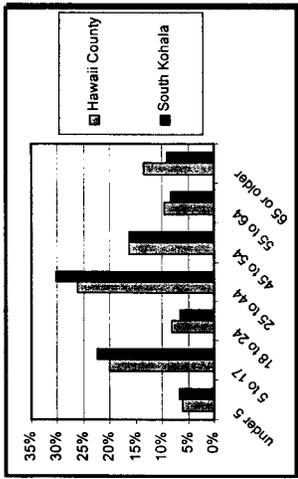
Source: U.S. Census Bureau, County of Hawaii Data Book, 2004

Exhibit 2.13: Characteristics of Non-Family Households, South Kohala District



Source: U.S. Census Bureau, County of Hawaii Data Book, 2004

Exhibit 2.14: Age Distribution, County of Hawaii and South Kohala

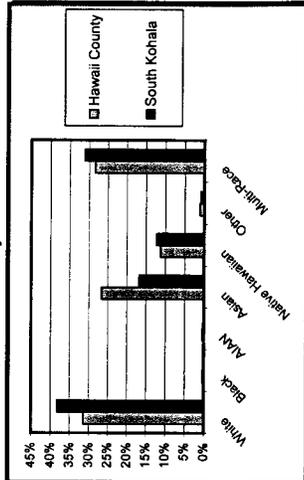


Source: U.S. Census Bureau, County of Hawaii Data Book, 2004

In terms of gender, the resident population of the South Kohala is comprised of approximately 50 percent males and 50 percent females, which is similar to the distribution in the County and State. There is a slightly higher concentration of children under the age of 18 in South Kohala, with 29 percent compared to 26 percent in Hawaii County (see Exhibit 2.14); but not nearly as many residents over the age of 55 in South Kohala with only 18 percent in this category compared to 23 percent County-wide. As a result, the median age for South Kohala residents is 36.2, lower than the County median of 38.6.

Hawaii is one of the most racially diverse states in the U.S. Exhibit 2.15 shows that Hawaii County and South Kohala contribute greatly to this diversity. Nearly one third of County residents and 28 percent of South Kohala residents classify themselves as mixed or multi-raced. South Kohala has a slightly higher concentration of Caucasians than the County with 38 percent compared to 32 percent respectively and fewer Asians (17 percent compared to 27 percent).

Exhibit 2.15 Racial Distribution, Hawaii County and South Kohala

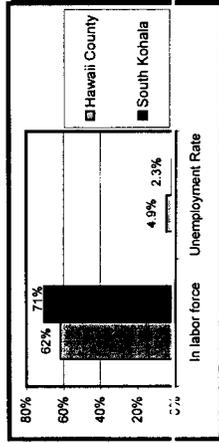


Source: U.S. Census Bureau, County of Hawaii Data Book, 2004

From an economic perspective South Kohala is one of the strongest districts in the County. Census 2000 showed that South Kohala has the highest proportion of employed adults in the County at 70.7 percent and the lowest unemployment rate of 2.3 percent. Exhibit 2.16 shows a comparison between 2000 South Kohala and Hawaii County employment figures.

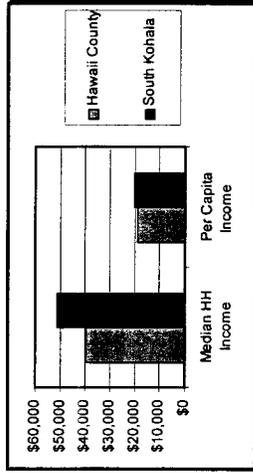
Among all the districts in Hawaii County, South Kohala residents have the highest median income at \$51,379 and the per capita income of \$23,194 second only to the North Kona District. (see Exhibit 2.17).

Exhibit 2.16: Employment Statistics, Hawaii County and South Kohala, 2000



Source: U.S. Census Bureau, County of Hawaii Data Book, 2004

Exhibit 2.17: Household and Per Capita Income, Hawaii County and South Kohala



Source: U.S. Census Bureau, County of Hawaii Data Book, 2004

2.2.3 Waikoloa Village

Demographically, Waikoloa Village residents are slightly younger than Hawaii County residents as a whole with a median age of 34.6 compared to 38.6 respectively. More than 75 percent of the eligible Waikoloa workforce is currently employed. This employment rate is the highest of all Big Island neighborhoods. Similarly, Waikoloa Village boasts an extremely low unemployment rate, charted at 2.5 percent in 2000.

Waikoloa Village residents have a relatively high median household income, which in 2000 was at \$50,040 more than 25 percent higher than the County median. Very few Waikoloa families, 8.6 percent, were living below the poverty level in 2000.

2.3 Social Service Context

2.3.1 Hawaii County

As nearly every student of Hawaii knows, Hawaii Island is twice the size of all remaining major Hawaiian Islands combined. That makes for more than interesting trivia; it makes for an island that is very difficult to service with adequate public infrastructure. Although ever growing, the population base is also simply not large enough to financially support its public service needs.

The problem is not one of providing the basic services. The problem is driven by the size of Hawaii Island and the accessibility of services. For example, there are certainly enough schools on the island to service a population of 164,400 people, but the widely dispersed communities make it difficult to ensure that schools are adequately accessible. Some communities are short of school services simply because they are too far from other communities or they are too small to justify a new school in their community. That problem is repeated in health care, police, emergency medical facilities and in other public services.

With the notable exceptions of Hilo, Kailua-Kona and Kamuela, Hawaii Island is characterized by small towns built to service what were once rural, agrarian based communities. There always seemed to be an ever evolving balance between the economies of those communities and the population size, such that there was a sufficiently population to service the industry of the area. This is no longer the case, especially on the west side of the island where the tourism industry has grown to such an extent so as to overwhelm the capacity of the local population to service the industry. Local infrastructure, including roads and medical services are sorely taxed. And if one considers affordable housing as a basic infrastructure for housing the labor force, that service is in significant difficulty.

In July 2006, in response to a survey fielded by SMS Research, 42 percent of the Hawaii Island respondents felt they and their families were better off today than they were five years ago, while only 35 percent felt they were worse off. That situation switched when asked to foresee the future: 34 percent felt they would be better off five years from now, while 40 percent felt they would be worse off. When asked to describe the critical problems of their communities, Hawaii Island residents invariably mentioned the lack of affordable housing and traffic congestion as among their responses.

2.3.2 Waikoloa Village

As a relatively new community, Waikoloa Village is adequately serviced. However, like other Hawaii Island communities, its relative isolation does raise issues as to future services. Residents of Waikoloa Village are so concerned with the necessity of traveling great distances for some services that it is a goal of theirs to become a self-sufficient location with medical services, auto mechanics, and so on.

2.3.2.1 Education

Currently there are three public schools typically utilized by Waikoloa students: Waikoloa Elementary School (K-5) located in Waikoloa Village, Waimea Middle School (6-8) located in Kamuela and Kealahou High School (9-12) located in North Kona, just north of Kailua-Kona. The Department of Education class size policy states that for grades K-3, the schools should maintain a 20:1 ratio with a maximum of 25:1, while the optimum class size for grades 4-12 is 26:1. Currently, according to statistics found in the DOE's School Status and Improvement Report for 2004-05 School Year, each of these three public schools currently have an average of 18-20 students per classroom, well in line with DOE standards. In addition to these three public schools, there are six schools in the region ranging from church daycare to private high schools.

2.3.2.2 Police

The South Kohala Police's main station is in Waimea. The staff of 32 policemen covers an area of 688 square miles, an area larger than the island of Oahu. Although 4 - 5 officers short of a full complement, the staff, with appropriate overtime, can adequately handle the service area. There are two substations in the service area, one at the Mauna Lani Resort and one at the Waikoloa Golf Club, although the Waikoloa substation is typically unattended.

2.3.2.3 Fire

There is currently a Fire Station located on Waikoloa Road near the entrance to Waikoloa Village. According to the Regular Meeting Minutes of the Fire Commission for June 14, 2006, the Waikoloa Fire Station which opened as a one man station, recently became a two man station. With the added support of the volunteer firemen in the region, the area is adequately serviced.

2.3.2.4 EMS

EMS services are located within the Waikoloa Fire Station. In addition, an emergency helicopter is located on Queen Kaahumanu Highway about one mile from the main intersection to Waikoloa Village. The accessibility to these services more than meets the requirements for Waikoloa Village.

2.3.2.5 Parks

There is one County maintained park located in Waikoloa Village; with a second park location undeveloped. The current park is 2.3 acres in size, and is used primarily for baseball and soccer, with a small jungle gym for tots. There are numerous beach park locations within five miles of the main intersection to Waikoloa Village. There is also considerable open space surrounding the Village.

Given the County of Hawaii standards of 5 acres of park area per 1,000 residents, Waikoloa is currently under serviced in park space. Unfortunately much of the land available for development received its zoning before park dedication were required. Bringing this feature of the community up to standards may require that the community raise funding, as was done for the first park, or that the County fund the improvements.

2.3.2.6 Hospitals

Although there are emergency services at the Fire Station, currently there are no emergency medical facilities located in Waikoloa Village or its immediate surrounding area. The nearest medical facility is located 18 miles away in Kamuela, the North Hawaii Community Hospital. There are four other hospitals within 40 miles that have emergency services, as well as acute and long term care: Kona Community Hospital (40 miles), Kohala Hospital (35 miles) and Hale Ho'ola Hamakua (32 miles). County acute care hospitalization has decreased 7 percent since 1995, while long-term care admissions have increased from 23 percent in 1993 to 54 percent in 2003. In 2003, there was an average of 1.5 beds per 1,000 population. Given current occupancy rates of the four facilities, the 2004 SHPDA statistics indicates that there is sufficient space for more patients.

2.3.2.3 Resident Attitude Toward Level of Service

SMS Research conducted individual interviews with residents of Waikoloa, including many of the officers of the Association. Their comments as to the levels of public service in Waikoloa today include:

- Waikoloa Road has simply too little capacity to handle the resident and through traffic today. The combined resident populations of Waikoloa and Pānaoia Estates (somewhere between 6,000 and 7,500) currently burden the road. Add to that the non-resident traffic with construction trucks, through traffic, and army vehicles and the movement during peak parts of the day is very slow. If nothing else, we need another lane in each direction.
- Having just one road in and out of the Village invites troubles. There is no other access through the area. There have been proposals and discussions about an alternate route connecting the Village makai to Queen Kaahumanu Highway and mauka to Mamalahoa Highway, but nothing has happened. We at least need an alternative exit route for emergency purposes.
- The through traffic in the mornings can get so bad that it is dangerous exiting the Village onto Waikoloa Road. We need a traffic circle or a stoplight exiting the Village.
- The middle and high school students have to go so far each day for schooling. It makes for a long day being bused such long distances.
- The only library in Waikoloa is at the elementary school and, as such, its collection is primarily for children up to the 5th grade. Other readers or those requiring a library for research must travel to Kamuela to get to an adequate public library.
- There is not a lot to do in Waikoloa: no theater, no community center, no gymnasium, no place for younger people (or older people for that matter) to get together. On weekend young people go to the beach, specifically Beach 69, Hapuna, and Mauna Kea.
- There is currently one park that was financed and built by the residents and turned over to the County for maintenance. The park, however, is poorly maintained. Today its one field is used for both baseball and soccer, and it has a small jungle

gym for tots. It is simply not enough. We need bike trails, hiking trails, a play structure and more playing fields.

- Both the police substation and the fire/EMS services are understaffed, but the entire island is understaffed, it's not just this area.
- Nearly every person interviewed noted that this community is in desperate need of a community center for meetings and for gatherings. They noted that the various developers should pull their resources and impact fees to develop ONE community center with ONE major park. They seem to imply that the Village today has more families than was originally envisioned, and those families need more services targeting families.
- Although the current commercial center is adequate today, respondents believe that specific other services are needed, including a theater, a library, a hardware store, more doctors and dentists, new restaurants, another gas station and maybe even their own transfer station.

2.4 Emerging Socio-Economic Trends

2.3.3 Economy

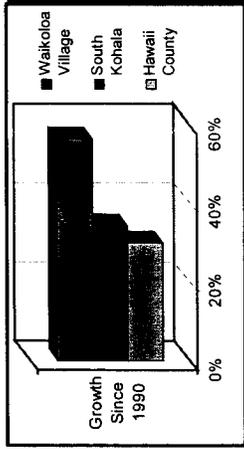
The economy of the South Kohala continues to show strong steady growth. The visitor plant has enjoyed record years and given its high end attractiveness, is less likely to experience some of the fluctuation that other more diverse visitor areas. The only foreseeable barrier to further growth is the difficulty of the hotels face in attracting median to lower end labor due to the shortage of affordable and accessible housing.

As the only deep draft harbor in west Hawaii, Kawaihae Harbor continues to be the only port of call for goods and cruise ships in the fast growing west Hawaii market. Although there have been proposals for a port closer to Kona Village, there are no real plans to deliver on that discussion. Every indication is that the cruise line industry will continue to grow; if so, South Kohala's economy will likely enjoy the fruits of that growth, while South Kohala's communities will bear the brunt of the impacts in terms of congestion and demand for housing.

2.4.2 Housing

As of 2000 there were 5,348 residential units in South Kohala, a 34 percent increase in housing units since 1990. This growth is larger than that of the County as a whole (30 percent), and given the economic health of the region, it is expected to continue.

Exhibit 2.18: Number of Housing Units by Area, 1990 to 2000



Source: US Census 2000, County of Hawaii Data Book 2004

Several new developments are planned in the district that will add to the growing community. Communications with officials at the County of Hawaii Department of Housing and Community Development and developers indicate that approximately 2,000 to 4,000 units (excluding this project) are planned in South Kohala between present and 2010. It is impossible to estimate how many of these units will actually be built, and it is quite possible that a great deal less of these planned units will actually come online by 2010. However, it is clear that the South Kohala district will continue to experience future residential growth.

2.4.1 Population

Growth in population and Big Island visitation has created uncertainty regarding the available infrastructure and housing. Most notably, there is concern regarding the availability of affordable housing and escalating housing costs. In response, the County has developed affordable housing requirements for new developments and much research and planning is underway to address insufficient infrastructure.

The State's short-term forecast anticipates annual growth in the state product and personal income reaching 5.2 and 2.4 percent by 2010. Population growth is forecasted at about 1.0 percent per year. Wage and salary jobs are also forecasted to grow at the rate of a little more than one percent per year. It is unlikely that Hawaii County will experience such modest population and economic growth, as indicators suggest that the County will contribute a greater share to the state population and economy.

3. SOCIO-ECONOMIC IMPACTS

3.1 Economic Impacts

In this economic impact analysis, impacts that this project will contribute to the economic environment are reviewed. Technical terms are used here to distinguish impacts of several sorts. First, in economic analysis, a distinction is made between impacts of the actual construction and operations of a project, and the effects of project-related spending throughout the local economy. In discussions of jobs, earnings, and taxes, three broad types are distinguished:

- Direct jobs are immediately involved with construction of a project or with its operations. Direct jobs are not necessarily on-site: construction supports construction company personnel in offices and base yards, as well as on-site.
- Indirect jobs are created as businesses directly involved with a project purchase goods and services in the local economy.
- Induced jobs are created as workers spend their income for goods and services.

Indirect and induced employment in Hawaii can be estimated using multipliers from a model of input-output relations in Hawaii's economy developed and refined by State researchers.

3.1.1 Employment and Income Impacts Due to Construction

For this project estimates are made on a 10-year full build-out schedule with 3 years allocated toward infrastructure construction and 9 years allocated toward the construction of new homes.

Construction of Waikoloa Highlands is expected to take 10 years to complete. The construction period for the infrastructure is estimated at 30 months. The construction of the subsequent single-family homes will begin in second construction year and will take three years to complete 398 homes.

Pending the receipt of final engineering figures, the construction of the infrastructure has been estimated at \$150,000 per lot or a total of \$59.7 million for 398 lots. Construction of Waikoloa homes is estimated at \$300 per square foot applied to a 2,100 square foot home² plus an additional \$75,000 per home for minor utility and land development. The total construction costs for single-family homes is estimated at \$280.6 million.

Total construction for this project is estimated at \$340.3 million. This construction spending will have a positive impact on economy by creating jobs and spending in related industries. Exhibit 3.1 shows that the direct workforce as a result of this project will include some 2,011 person-years of employment³. Direct jobs are not necessarily located on-site. As a rule of thumb, about 20% of direct construction jobs are off-site (in base yards, offices, and the like).

Indirect and induced jobs are also created throughout the state. These are likely to be concentrated in commercial and/or industrial centers, rather than near a job site. In addition this project will support some 3,280 indirect and induced person-years of employment. In total approximately 5,291 person-years of employment will be created through the infrastructure and single-family home construction.

Not all of these indirect and induced jobs will be created on the Big Island. Many industries that support Hawaii-based construction efforts are not located in the Islands or on the Big Island. SMS's experience with this matter suggests that approximately 4,470 person-years will be located on the Big Island⁴.

² Homes in this development will vary in size this figure represents the estimated median square footage.
³ Person years of employment is the number of full time equivalent positions required to complete the work defined by the estimated cost of construction during the specific period of time.
⁴ Includes all direct construction work, and 75 percent of indirect and induced work.

Exhibit 3.1: Construction Employment

	19.7	25.1	14.9	-	-	-	-	-	-	-	-	-	58.7
Infrastructure spending 1	194	247	147	-	-	-	-	-	-	-	-	-	589
Direct workforce 2	86	162	18	-	-	-	-	-	-	-	-	-	265
Indirect workforce	188	239	142	-	-	-	-	-	-	-	-	-	568
SF Home													
Construction spending	-	24.7	28.2	35.3	35.3	35.3	28.2	23.3	23.3	23.3	23.3	23.3	280.6
Direct workforce	-	125	143	179	179	179	143	118	118	118	118	118	1,422
Indirect workforce	-	98	129	193	193	193	129	85	85	85	85	85	1,406
Induced workforce	-	92	105	131	131	131	105	86	86	86	86	86	1,041
Total (Infrastructure and SF)	468	684	684	502	502	502	377	289	289	289	289	289	5,291

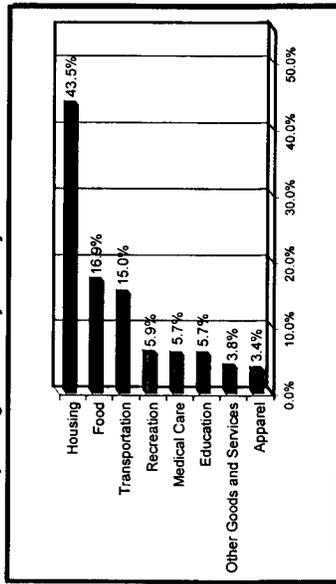
	13.7	22.5	16.2	7.3	7.3	7.3	7.3	7.3	5.6	4.6	89.2
Construction Spending 1	3.3	7.5	6.3	4.7	4.7	4.7	4.7	3.6	3.1	47.5	
Direct earnings	5.9	10.2	7.6	3.9	3.9	3.9	3.9	3.1	2.6	48.8	
Indirect earnings	22.9	40.2	30.0	15.9	15.9	15.9	12.7	10.5	10.5	185.5	
Total											

Source: DBEDT, State Input - Output Study, 2002

These earnings will boost the local economy, as many of these dollars will be used to purchase goods and services from other industries. Exhibit 3.3 shows Honolulu consumer spending patterns to illustrate how earnings may be used.

Housing costs such as shelter payments and utilities account for more than 43 percent of consumer expenditures. Food and transportation also account for a large amount of consumer spending (17 and 15 percent respectively). It can be expected that these patterns will continue in the future creating economic growth in several industries as a result of this project.

Exhibit 3.3: Consumer Spending Patterns by Industry



Source: US Census 2000, County of Hawaii Data Book 2004

3.1 Fiscal Impacts

Fiscal impacts consist of new tax revenues accruing in the state government and county government as a result of this project.

3.1.2 State of Hawaii

No major new commitment of County or State funds is needed to support this project. For this reason, the construction spending results in a net increase in state tax revenues. Exhibit 3.4 displays estimated state tax revenues as a result of the Waikoloa Highlands project.

Exhibit 3.4: State Tax Revenues

State Taxes 1	0.73	1.85	1.61	1.33	1.33	1.33	1.33	1.06	0.88	12.77
Direct	0.54	1.51	1.35	1.18	1.18	1.18	1.18	0.95	0.78	11.03
Indirect	1.12	1.98	1.48	0.78	0.78	0.78	0.78	0.63	0.52	9.62
Total	2.39	5.34	4.44	3.29	3.29	3.29	3.29	2.63	2.17	33.42

in millions of 2006 constant \$
Source: DBEDT, State Input - Output Study, 2002

This project involves development of 398 parcels of raw land and construction of subsequent homes. The level of construction is estimated at \$340.3 million and this level of construction will result in \$12.8 million in direct state tax revenues. The indirect and induced impact of this project will result in \$20.7 million in state tax revenues. In total, this project will result in an estimated \$33.4 million in state tax revenues. These state tax revenues will stimulate the state economy and no negative fiscal impacts are anticipated.

3.1.2 County of Hawaii

The new units developed in the Waikoloa Highlands will result in County tax revenues via property taxes. Some of these property taxes will come from new residents of Hawaii County and result in-migration while other tax revenues will come from residents relocating from other Big Island areas. For this reason, it should not be assumed that 100 percent of these property taxes represent new tax revenues.

In total, the 398 new homes could result in approximately \$600,000 to \$750,000 in property tax revenues. These estimates are based on the value per square foot of neighboring Waikoloa Village homes applied to 398 2,100 square-foot units. This amount of property taxes would represent approximately one percent of the total property taxes collected.

5 High-end Waikoloa Village homes (estimated value \$800,000+) have an estimated range \$366 to \$504 per square-foot and the property tax assessed between \$1,500 and \$1,900. (Source: Zillow.com)
6 Based on fiscal year 2005. (Source: County of Hawaii, Comprehensive Annual Financial Report 2005)

The Waikoloa Highlands project will result in property taxes that will be assessed on land and homes that are more valuable than the surrounding Waikoloa Village homes. The trend is that property taxes are higher for more valuable units. As a result, the amount of property taxes could be even higher than the figures estimated here.

It is clear that this development will result in relatively high property taxes, which will stimulate the local economy. Other tax revenues will also be generated via taxes on utilities and other taxable services provided to local residents by the local government. This project requires no significant government contribution to complete and will have a positive fiscal impact on both the State and Hawaii County.

3.2 Social Impacts

The Waikoloa Highlands project of 398 lots is small enough that it will have minimal regional impact, but of large enough scale that its impacts will certainly be felt in the village of Waikoloa.

3.2.1 South Kohala

As noted earlier, Waikoloa was originally intended to be a town of much larger size, designed as a complete community. After a relatively slow growth period in its first 30 years, current proposals may push the Village to its original intentions.

If only half of the proposed plans were to become reality, Waikoloa would more than double in size. As a community significantly off the coastline, it is unlikely that Waikoloa would develop into a community dominated by tourism investment. Rather it will, in all likelihood, develop into a diverse community whose members work throughout the region, from Kamuela to the Kailua-Kona, both in and out of the visitor industry. As a mid-point between the established community of Kamuela and the bustling coastline, Waikoloa will probably continue in its suburban character, perhaps with a more defined town center offering a wider array of commercial and public services.

The lots of Waikoloa Highlands are not a unique product to the region. Similar lots have been and are available in various parts of Kamuela and along the coast. This project will not change the regional pattern of growth or significantly affect the character of the region.

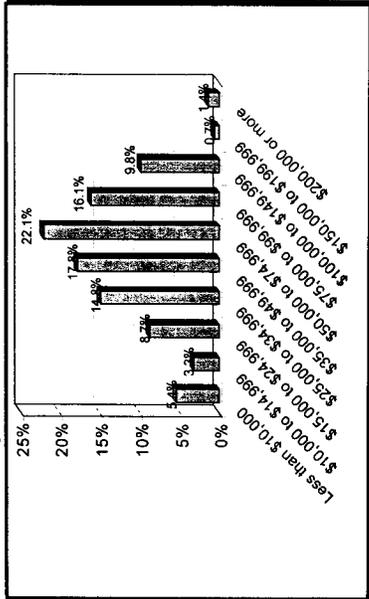
3.2.2 Waikoloa Village

Waikoloa Highlands will, however, significantly impact the existing community fabric of Waikoloa Village. If homes were built and occupied on every lot in Waikoloa Highlands, this project alone would increase the current size of the village by 23 percent. On the one hand, this will result in increased pressure on traffic and public services; but on the other hand, as some Waikoloa residents noted in interviews, its development would help support the current resident pleas for additional services.

3.2.2.1 Community Balance

While median incomes in Waikoloa Village are higher than those of the County as a whole, the median incomes in Waikoloa Village are highly concentrated around the mean. Only eight percent of the households have incomes below the poverty line, but only 2.1 percent have incomes in the higher incomes of the County, \$150,000 and over.

Exhibit 3.5: Waikoloa Village 2000 Income



Source: US Census 2000, County of Hawaii Data Book 2004

The lots at Waikoloa Highlands will sell for \$768,600 to \$1,058,400. At that level and assuming a 2,100 square foot home constructed at \$366 to \$504 per square foot, families will need incomes in the range of \$192,000 to \$264,000³. This project will bring to Waikoloa Village a segment of the population that is not highly represented there today.

This creates a more balanced community with not just a wider range of incomes, but a wider range of interests, a wider range of experiences, a wider range of contributions to the community's fabric.

In addition, as one public official noted, "this creates a more balanced community. Families in these income brackets demand and often get more public services. That's not a judgment of government or of families in differing income brackets. It's just how things happen all over this country."

3.2.2.2 Public Services

The development of Waikoloa Highlands will also result in greater pressure on public services. As noted earlier, Waikoloa is adequately serviced given its current population. For the most part, Waikoloa Highlands will not change that picture. All public services reviewed have adequate capacity to absorb the anticipated increases created by the Waikoloa Highlands project.

³ Annual incomes was calculated with a mortgage calculator, and assume a \$768,600 to \$1,058,400 mortgage with a 30-year fixed rate of the state's current rate of 6.2%. This calculation assumes that mortgage payments should be no more than 7% of a homeowner's monthly income.

However, as resident after resident noted in individual interviews, it is not a question of service levels, it's a question of accessibility. And on that score, for the residents of Waikoloa Highlands, although they may not add significantly to the problem, they will also experience the inconvenience of being "under serviced".

Education. The public schools that service Waikoloa are operating at class sizes lower than the maximum optimal class size. The additional 233 students that Waikoloa Highlands is estimated to add, can be adequately serviced without exceeding the maximum optimal class size. The project will have to contribute its incremental share to education services in the region, but it will not, in and of itself, trigger the development of a new school.

Education, however, is a good example of accessibility. Students in grades 6 through 8 travel 20 miles to Waimea Middle School, while high school students travel nearly 40 miles to Kealahou. A middle/high school in the Waikoloa Village would ease the burden of travel on these students, and create an important amenity to a growing community.

Police. All indications are that the police will continue to be served from the South Kohala District utilizing its substations. Responses from the Police Department indicate that with a full staff, Waikoloa Highlands will be adequately serviced. The residents of Waikoloa are additionally hopeful that the presence of a new subdivision at Waikoloa Highlands will lead to the current substation at the Waikoloa Golf Course being manned on a more frequent basis.

Fire. With the expansion of the Waikoloa Fire Station from a one-man to two-man station, and with the addition of volunteer firemen, there is sufficient service to both service the existing community and accommodate the 398 new homes at Waikoloa Highlands.

EMS. The current EMS location in the Waikoloa Fire Station and the proximity of emergency helicopter service, are adequate to absorb the anticipated additional needs of Waikoloa Highlands.

Parks. Waikoloa Highlands is estimated to general 398 families with 233 school age children. The finished park area in Waikoloa Village is not adequate to service it current residents. Waikoloa Highlands will add to this shortage.

Hospitals. Given the bed occupancy rates for the four surrounding hospitals, there is sufficient capacity to adequately handle the needs of Waikoloa Highlands. Like the schools hospitals are a great distance away (between 18 and 41 miles). However, whereas students travel each weekday to school, families have much lower requirements for hospital service and the distances do not appear to be a barrier to service.

3.2.2.3 Community Comments

For the most part, all respondents were positive in their reaction to the project. Although some had reservations, as with any development, and others had a problem with the intended higher income buyers, nearly everyone expected more development in Waikoloa and were more interested in discussing the energy that new development could bring rather than the negative impacts of a project of this scale. Among their comments regarding the specifics of the project:

- Don't build a gate to the community. Don't isolate yourselves.
- It is important that the people of Waikoloa Highlands become a part of and participate in the Village community. Pay dues and enjoy the amenities.
- Build a safe, controlled intersection wherever the community merges onto Waikoloa Road. This is especially important at the intersection of Waikoloa Road and Paniolo Avenue.
- Don't change the terrain; build on it. The Village is not a flat grid like other subdivisions; it flows with and fits into the landscape.
- Build in some recreation amenities. This community needs park space for bike trails, hiking trails and active games.
- Don't just use electric power. The location is always sunny and windy, perfect for solar and wind power.
- Try to mix the incomes a little bit. The development community should be building more affordable housing.

4. MITIGATION MEASURES

From the socio-economic perspective, Waikoloa Highlands will not generate any significant negative impacts. The one notable shortfall is that the development will further tax a park shortage that already exists.

Waikoloa Highlands will contribute to the economic base of the Hawaii Island community, it will provide needed balance to an ever growing Waikoloa Village, and it may add critical mass to the need for additional services.

Interviews with residents of the community and a review of Association minutes did not register any significant opposition to the project. Growth in Waikoloa Village is expected and anticipated.

This report would be remiss, however, if it did not point out that there are necessary improvements that would enhance the creation of a sound, well-balanced community in Waikoloa; improvements to which the developers of Waikoloa Highlands might consider contribution. These include;

- A new middle and high school in Waikoloa Village.
- A substation that is staffed on a more frequent basis by the County Police Department.
- Additional active park space in Waikoloa Village.
- Affordable housing as a part of the total development package.

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APPENDIX D

**Market Study, Economic Impact Analysis and Public Cost/Benefits Assessment
The Hallstrom Group, Inc., May 2006.**

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May 31, 2006

**Market Study, Economic
Impact Analysis and Public
Costs/Benefits Assessment
of the Proposed**

WAIKOLOA HIGHLANDS

**to be located at
Waikoloa Village, South Kohala, Hawaii**

Mr. Chester Koga, AICP
Project Manager
R. M. Towill Corporation
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Honolulu, Hawaii 96817

**Market Study, Economic Impact Analysis
and Public Costs/Benefits Assessment of the
Proposed Waikoloa Highlands Subdivision
Waikoloa Village, South Kohala, Hawaii**

Dear Mr. Koga:

At your request, we have completed a defined-scope market study, economic impact analysis and public costs/benefits assessment of the Waikoloa Highlands master plan, a 398-lot rural subdivision proposed for a 700 acre site located southeasterly adjacent to the existing Waikoloa Village core, approximately 22 miles northeast of Kona International Airport, South Kohala, Hawaii. The project will offer homesites ranging from about 25,000 square feet to two acres, as well as parks/open space, archeological preserves, landscaped parkways and pedestrian/bike paths.

The subject property, identified on State of Hawaii Tax Maps as Third Division Tax Map Key 6-8-2, Parcel 16 and 6-8-3, Parcel 32, has a gently to moderately sloping, rolling terrain, and extends along the southerly frontage of Waikoloa Road, just east of Puu Melea Street. It is at the circa 900 to 1200 foot elevation, some seven miles upslope from Queen Kaahumanu Highway and the shoreline resort communities.

The focus of our assignment was embodied in seven tasks:

1. To quantify the demand for single family residential inventory (lots and house/lot packages) in the subject area and the competitive West Hawaii market using a variety of demographic, economic and other analytical techniques.
2. To identify the existing inventory in the effective market areas, and their construction, pricing, marketing and absorption histories.

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3. To identify current and long-term proposed competitive residential inventory additions, with concern given to timing, likelihood of actualization, anticipated characteristics and other relevant traits.
4. To assess the appropriateness of the subject holding for the proposed use and ascertain whether it has sufficient attributes to obtain a competitive market share.
5. To identify the most probable purchasers for the subject inventory and estimate the speed of product absorption.
6. To estimate the direct and indirect, on and off-site benefits flowing to the local economy as a result of undertaking the subject development, including job and wage creation, business profits, discretionary expenditures, resident/de facto populations, and public school attendance.
7. To quantify the impact of the project on the public purse over time in regards to primary revenues generated (real property, income, and excise taxes) and costs of providing governmental services from actual and per capita perspectives.

The function of our assignment was to provide market data, analysis of market supply/demand factors, projections of economic outcomes, and an informed opinion of the anticipated level of market success the subject inventory can expect to achieve and contribute to the larger community, for use in the entitlement petitioning process, other land use regulatory submissions and internal decision making.

The pertinent results from our study are contained in the following summary report, focusing on tabular presentation with brief narrative conclusions.

In completing this assignment, we visited the subject property, environs, and competitive projects in the study area; interviewed developers, brokers and other parties regarding current sales and market conditions; utilized published and on-line databases; reviewed governmental land use designations, entitlements and policies in the region; and, identified proposed competitive developments and their attributes.

This study was prepared for the Vitoil Corporation and the RM Towill Corporation, with Chester Koga being the primary client contact. The purpose of this assignment is to provide market analysis and conclusions regarding the proposed subject development for use in land use entitlement petitions for the property, and for internal planning purposes. The effective date of the study is April 29, 2006.

All conclusions presented herein are subject to the identified limiting conditions, assumptions and certifications of The Hallstrom Group, Inc., in addition to any others set forth in the text or tables. All work has been completed in conformance with the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute, and the Uniform Standards of Professional Appraisal Practice (USPAP).

Based on our investigation and analysis we conclude:

- The residential housing market continues in a demand cycle throughout the state and in the Waikoloa Village and West Hawaii study areas, despite a recent drop from the record activity achieved in 2005. Absorption remains high, product is still relatively scarce, and prices are near all-time levels.
- An estimated 5,600 dwelling units (mid-point) will be required in Waikoloa Village during the next two decades. Fewer than 3,700 units are currently proposed apart from Waikoloa Highlands; less than two-thirds the total necessary to adequately service the sector.
- The property is well-suited for the proposed subdivision and will achieve market acceptance by providing larger lots in a less intense, high quality, well-located, rural residential subdivision; providing currently unavailable purchase opportunities for residents and second-home buyers in the village. The subject product-type, while not offered in the existing community core, has been long-envisioned for the Waikoloa area.
- Complete market absorption of the 398 rural house lots will require an estimated four to six years from the commencement of presale offerings.
- The construction of Waikoloa Highlands and its on-going use and maintenance will create some 2,296 on- and off-site, direct "worker years" of employment on the Big Island during the first decade of its construction and use, with wages of circa \$113.1 million. On a stabilized basis, home and unit maintenance will support about 40 full-time equivalent on-site jobs and contribute to another 16 off-site, with total wages of \$1.6 million annually.
- The average daily de facto population at build-out of the project is projected at 1,068 persons, including 907 full-time residents, with total annual discretionary expenditures by owners and guests of \$39.0 million per year. Total resident household income is forecast (in 2006 dollars) at a stabilized \$47.8 million annually. Public school enrollment is calculated at a maximum of 233 students. The project will infuse \$340.3 million in development and construction capital and \$7.2 million in annual business operations into the West Hawaii economy.
- The State of Hawaii will receive \$41.5 million in primary tax receipts during the first decade of subject development and operation, and a stabilized amount of \$4.4 million annually. The county of Hawaii will receive \$24.4 million during the first ten years of the project, and \$3.5 million per year thereafter. In no year does the state or county suffer a revenue shortfall (costs exceeding receipts) relative to the project.

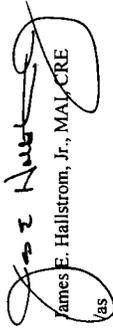


Mr. Chester Koga, AICP
May 31, 2006
Page 4

We appreciate the opportunity to be of service in regards to this holding. Please contact us if further detail or discussion in the matter covered herein is required.

Respectfully submitted,

THE HALLSTROM GROUP, INC


James E. Hallstrom, Jr., MAJ, CRE
(as

Market Study, Economic Impact Analysis
and Public Costs/Benefits Assessment
of the Proposed

WAIKOLOA HIGHLANDS

to be located at

Waikoloa Village, South Kohala, Hawaii

Prepared for

Mr. Chester Koga
RM Towill Corporation

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May 2006

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ASSIGNMENT AND SUMMARY OF CONCLUSIONS

Assignment

Waikoloa Highlands will be a rural residential subdivision containing 398 single family house lots ranging in size from about one-half to over two acres. It is southeasterly adjacent to the existing Waikoloa Village core.

The purpose of our assignment was to analyze the proposed subject project in light of competitive, regional, prevailing and base forecast economic/market conditions in order to answer four foundational study questions:

1. Is there sufficient market demand to absorb the 398 lots of the subdivision during a reasonable exposure period given village growth trends, the availability of competing developments and statewide/regional economic trends?
2. From a market perspective, will the subject project be a favorable use of the site relative to governmental land planning objectives, accepted master plan design characteristics, and the area environs?
3. What will be the general/specific and direct/indirect economic impacts on the Big Island resulting from the undertaking of the subject development through capital investments, jobs, wages, business revenues and profits, de facto population characteristics, and resident/guest discretionary expenditures?
4. What will be the impact on the state and county "public purse" from the project in regards to costs of services required versus increased tax/fee receipts?

These issues were addressed through a comprehensive research and inquiry process utilizing data from market investigation, governmental agencies, various Hawaii-based media, industry spokespersons/sources, on-line databases, and published public and private documents.

The pertinent results of our assignment are highlighted in this narrative report. Our study findings are divided into seven chapters as follows:

- Study Conclusions
- The Subject Property and Proposed Development
- Environs – West Hawaii, South Kohala and Waikoloa
- The Waikoloa Village Single Family Residential Market
- Subject Site Appropriateness and Absorption Conclusions
- Economic Impact Analysis
- Public Cost/Benefit Assessment

For this analysis, we have been provided with Waikoloa Highlands conceptual master plans, project descriptions, timetables and other analytical data prepared by the owner/developer and RM Towil. Additional source information regarding the subject was taken from the files of our past studies regarding the effective market areas.

Study Conclusions

Based on our inspection of the subject site, its environs and analysis of the historic and forecast Waikoloa Village real estate market, we have reached the following conclusions about the proposed Waikoloa Highlands subdivision:

The Waikoloa Village Residential Market

Waikoloa Village has been the focal point of residential growth in the South Kohala District over the past two decades; a trend that is anticipated to continue into the long term. Over the last 20-plus years, about half the new residential units in the District were built in the village. And, given the scarcity of zoned lands and infrastructure limitations elsewhere, around 60 percent of non-resort housing development in South Kohala is projected to be located there over the next twenty years.

Based on federal census, state population forecasts, county planning projections, the availability of services, entitled lands, and market indicators, we have forecast the number of new residences that will be required in the village to meet anticipated demand through 2025 at from 4,188 to 7,038 total units; with a mid-point of 5,613. In addition to the acute need for resident housing opportunities, which the village has helped meet, the total demand figures also account for the rapidly increasing non-resident buyer segment which strongly moved into the village upper-end lot and home market during the recent up-cycle. The formula additionally provides for a nominal vacancy allowance to

facilitate household movement, units under repair and short-term fluctuations.

Single-family homes and lots, such as proposed at Waikoloa Highlands, will comprise some 89 percent of the total market. Multi-family sites are becoming increasingly scarce in the village.

An estimated 27.7 percent of the demand to 2025 will be for homes/units having a 2006 equivalent sales price of \$750,000 or more; the envisioned subject target range. And, they will constitute 30 percent of the market by the end of the study period. Purchase opportunities for the lower segments will be limited, but it is probable that some/many will either "stretch" into the focal range or become renters for investor-owned homes in the subdivision.

Annualized gross sales data for Waikoloa Village homes and house lots from 2001 through 2006 depicts a dramatic upsurge in both segments, with total "sales volume" and "average sales prices" up several-fold. Although there has been a measurable downturn from the hyper-levels which peaked during 2005; activity and prices remain well-above past norms. The "sag" is primarily from appreciating prices and interest rates combining to make purchase more difficult for some local households and less attractive to the investor segment.

However, overall demand remains high, with many "new home" projects throughout West Hawaii still requiring lotteries for each inventory release (just fewer participants), with all of the higher-quality product (better view, larger lot) being immediately snapped up. The foundational trends in the full-time resident and second-home owner segments remain favorable, and are expected to expand within the village over the mid to long-term.

Apart from the subject's 398 lots (which will become single family homes over time), there are only some 3,681 units firmly proposed/moving forward at this time; fewer than the 4,000 to 7,000+ needed in the community over the coming two decades.

We conclude our analyses provide strong market support for the proposed Waikoloa Highlands subdivision.

Subject Appropriateness and Absorption Estimates

The 700 acre subject parcel, a large holding fronting Waikoloa Road southeasterly upslope of Waikoloa Village, is a highly appropriate and favorably competitive location for the proposed Waikoloa Highlands

rural subdivision. The physical, functional, scope, and amenity characteristics of the property are desirable from a market perspective, and will enhance the salability of the finished single family lot inventory.

Primary contributing factors to this conclusion include:

- Waikoloa Village has evolved into a major, comprehensive, moderate to marginally upscale, suburban community (with growing second-home owner and investor components) that is planned to be the focal point of South Kohala residential development over the coming decades. The village has achieved its long-awaited full acceptance in the market, and is primed for growth.
- The subject property is a natural village expansion site being on the only access road, nearby the main entrance to the existing community. The westerly (makai) growth of the village core is underway at Wehiani and Sunset Ridge; to the north will be Waikoloa Heights; with, the subject lands representing the primary development opportunity to the southeast.
- Though a widening spectrum of village product diversity has been envisioned for many years, the existing single family inventory of some 2,000 homes remains in its original "cookie cutter" stage; with virtually all houses and lots falling into a rather tight product range. Normal maturation of the community will require providing additional alternatives outside the in-place sector; with larger lots and less intense, more-amenitized development being of prime interest to prospective purchasers.
- The holding has access to necessary utility and roadway systems to support subdivision of the subject property.
- The parcel is of sufficient size, shape, view panoramas, and terrain to support a competitive/residential project.

We have quantified absorption rates using three techniques, all of which point to a reasonable sell-out period of four to six years for the 398 subject lots.

The gross analysis method indicates there are insufficient competitive single family "units" (lots and lots/homes) apart from the subject to meet demand regardless of other factors. The residual method demonstrates that the proposed competing developments could all achieve a reasonable absorption level and there would still be remaining timely demand for the subject product. And the market shares method indicates the Waikoloa Highlands lots would be absorbed in a relatively rapid manner based on their competitive penetration in the market.

Economic Impact of the Subject Development⁽¹⁾

The project will generate some \$340.3 million in direct, new capital investment and spending into the Big Island economy during a ten-year modeling period depicting the build-out of the subdivisions. This will create an estimated \$47.7 million in profits for local contractors and suppliers. On a stabilized basis after completion, some 56 maintenance/renovation/repair workers and other on- and off-site positions will earn \$1.6 million in wages each year, and residents/guest users of the project will spend \$38.9 million annually in the local economy.

A total of 1,640 worker/years of direct on-site employment will be created during the 10-year construction and operation study timeframe, along with an additional 656 worker/years in associated and indirect off-site employment. The total wages paid during the initial decade of development and use will be \$113.1 million.

The full-time resident population at the subject is estimated to reach 907 persons, with a maximum of 233 children in public schools. Second-home owners and guests are expected to add a daily average of 161 persons to the community, resulting in a de facto population of 1,068 persons for the project at build-out. The total household income of full-time residents is forecast to reach a stabilized level of \$47.8 million per year.

The expenditure of employee wages, business profits, and resident/guest discretionary funds into the Big Island market will enhance hundreds of additional off-site, secondary/indirect jobs on the island, and generate several million dollars in additional wages.

The total direct, local economic impact to the county of Hawaii (dollars flowing into the island market) is estimated to be \$409.3

(1) All dollar amounts contained in this report are based on constant, uninflated 2006 dollars.

million during the initial decade construction and operation study period, and stabilize at \$47.7 million annually thereafter. As these dollars move through the island market, they will have a multiplier effect increasing the economic impact of the Waikoloa Highlands subdivision to the Big Island during its first 10 years to some \$818.6 million.

Public Cost/Benefit of the Subject Development

The county of Hawaii will receive \$24.4 million in real property tax receipts from the project over the 10-year modeling period, and an estimated \$3.5 million per year thereafter. The county government operating costs associated with serving the subject, using a per capita basis, will total \$7.8 million for the initial decade timeframe, and be some \$1.6 million on a stabilized basis. The county will enjoy a net revenue benefit (taxes less costs), totaling \$16.6 million during the first 10 years of construction and use, and \$1.9 million each year after build-out.

The State of Hawaii will also show a positive net revenue benefit from Waikoloa Highlands under the conservative per capita perspective. The total gross tax revenues flowing to the state during the 10-year modeling period will reach \$41.5 million from income and gross excise taxes, and will stabilize at \$4.4 million annually following build-out. State costs associated with the project on a per capita basis will be \$16.7 million during the projection timeframe and \$3.4 million per year subsequently. The state will experience a net profit of \$24.9 million in the 10 years and a stabilized benefit of \$1.0 million annually after build-out.

In no year does either the county or the state suffer a revenue shortfall due to the subject project.

THE SUBJECT PROPERTY AND PROPOSED DEVELOPMENT

Land

The 700 acre subject tract is an irregularly-shaped, multi-lobed expansive holding stretching along, and extending from, the southerly frontage of upper Waikoloa Road; just upslope from the existing Waikoloa Village community, approximately 22 miles northeast of Kona International Airport. The property, identified on State of Hawaii Tax Maps as Third Division Tax Map Key 6-8-2, Parcel 16

and 6-8-3, Parcel 32, runs from approximately 900 feet above sea level, along Puu Melia Road (its makai boundary), to circa the 1200 foot elevation along its mauka border.

The site has a maximum north/south width of some 8,800 feet and mauka/makai dimension of 8,000 feet, with some 11,500 lineal feet of frontage along winding Waikoloa Road. The overall slope is moderate and relatively consistent, with the terrain being slightly undulating to rolling hills.

At present, the land use designations of the subject are predominantly agricultural-oriented. The State Land Use Map designates portions of the site as being within the Urban and Agricultural Districts. The county of Hawaii General Plan identifies the property for Agriculture uses, and the county zoning overlay includes RA-1 and Open classifications. The in-place classifications would permit a limited agricultural subdivision with minimum lot sizes of one acre.

Primary access to the holding is from Waikoloa Road, a two-laned macadam-surfaced street which is the only access into the Waikoloa Village community. The thoroughfare extends some 13 miles from Queen Kaahumanu Highway near the coastline to Mamalahoa (Hawaii Belt) Highway at circa the 2000 foot elevation.

Secondary access is available from Puu Melia Road, which extends south from Waikoloa Road at the main intersection (with turn pockets) providing entrance to the village, which lies northerly of Waikoloa Road. The junction of Waikoloa and Puu Melia Roads forms the northeastern corner of the subject property.

Many points on the holding offer panoramic makai views over the shoreline resort developments to the ocean; considered the most desirable attribute for house lots in the area. Expansive mauka views are also available from most subject areas, incorporating the Kohala mountains, Hualalai, and the upper slopes of Mauna Kea.

The property has mostly rocky soil, with some loamy pockets. It is generally covered with grasses, scattered shrubs and some small trees. It is vacant and unimproved except for some wire perimeter fencing and graded access tracks.

Apart from a small realty office building on the southwest corner of its intersection with Puu Melia Road, there is no development along either side of Waikoloa Road in the area of the subject. Nor is there any immediately mauka, makai, or south of the property. Waikoloa Village extends in a northerly/makai direction from the Puu Melia/Waikoloa intersection less than a quarter mile from the subject.

Much of the land in the subject "neighborhood" is still owned by the Waikoloa Land/Development Company; the original master developers of the 30,000-acre Waikoloa plan. However, there are ongoing attempts to sell much of the remaining lands in either bulk or as separate sites.

Proposed Development

Waikoloa Highlands will be a rural large-lot subdivision containing a total of 298 single family house lots ranging in size from circa 25,000 square feet to two-plus acres. The project will also contain significant open space corridors, a trail system, landscaped entry/drives and buffers spread throughout the community.

The subject project will have the lowest densities ever offered in Waikoloa Village for single family inventory at an average of only 1.76 lots per acre of the bulk holding. This will promote a needed evolution in the existing "cookie cutter" community, which currently has lots and homes only within a relatively narrow range of product types, and help the village achieve its long-envisioned status of appealing to a broad range of West Hawaii purchasers.

The subdivision is intended to attract buyers from resident, investor and second-home purchaser groups. The latter two segments have significantly expanded as a percentage of village purchasers in the recent upcycle; the result of diversification in the market, limited inventory, and the ultra-pricing structure of the resort inventory.

The main entrances to the subdivision will be from Waikoloa Road, approximately 4,000 and 9,500 feet mauka of its intersection with Puu Melia Road; from which secondary access will be provided. The main drive extends from one entrance through three of the four "nodes" comprising the project to the other entrance.

The lots are double-loaded off the interior roadway system which includes side-streets and cul de sacs. Over half of the lots will "back" to green belts, open space corridors or adjoining vacant lands. Views will range from limited/territorial to expansive/ocean; with those along the mauka frontages of the open spaces and/or steeper terrain having the best panorama potentials.

The spread of lot sizes and shapes are fairly standard throughout the subdivision, with most being (near) rectangular and between 30,000 and 45,000 square feet. Those on the perimeter or having atypical topography tend towards larger size and more varied shape.

Overall, the proposed subject development embodies modern rural subdivision planning concepts from a market perspective and contains the fundamental characteristics necessary for its product to be competitive in the regional market.

ENVIRONS

The subject holding is situated within the Waikoloa ahupua'a nearby Waikoloa Village, a primary residential community in South Kohala which is situated upland approximately seven miles inland from queen Kaahumanu Highway and eight miles from the coastline.

The purpose of this section is to provide a reasonably detailed overview of the subject environs, moving from the general to more specific. The review opens with the county of Hawaii, then moves to a discussion of West Hawaii, then the South Kohala District, and finally Waikoloa Village.

This information and analysis provides a foundation for the much more specific and macro and micro market study which follows.

We note, this less time sensitive overview utilizes data compiled through year-end 2004. Complete figures for full year 2005 had not all been released by state and county agencies as of the study date. We would not anticipate the 2005 data to have a meaningful impact on this general, long-range environs description.

Hawaii County Description

The county of Hawaii consists of the island of Hawaii (Big Island), the southernmost major island in the Hawaiian chain. Hawaii County is the second most populous of the four counties that make up the State of Hawaii, with the 2004 census update figures estimating a resident population of 161,480, representing just over 12.5 percent of the total state population. By far the largest island in the chain, land area of Hawaii is 4,038 square miles.



The island is characterized by many small towns dispersed along the coastline. The island has been divided into nine districts--Puna District, the North and South Hilo Districts, Hamakua District, North and South Kohala Districts, North and South Kona Districts, and Ka'u District.

Two volcanic mountain peaks, the 13,796-foot Mauna Kea and the 13,679-foot Mauna Loa, dominate the central portion of the island. Three other major volcanic emergences combine with Mauna Kea and Mauna Loa to form the island of Hawaii. The Kohala Volcano, which is more commonly referred to as Kohala Mountain, is the oldest volcanic land mass on the island that forms the extreme northern portion of Hawaii. Hualalai, in the west, is located northeast of Kailua-Kona. The final volcanic presence is Kilauea Crater, with its associated and yet active East Rift Zone at the far southeastern end of the island.

Hilo, located along the eastern coast, is the principal population, administrative, and civic center on the island. Other population centers include Kailua-Kona on the island's west coast and Waimea situated inland within the northern saddle between Mauna Kea and the Kohala Mountain.

West Hawaii Region

The West Hawaii Region consists of North and South Kohala as well as North and South Kona Districts. The principal towns that service this region are Kailua-Kona, North Kona; Waimea, South Kohala; Captain Cook, South Kona; and Hawi, North Kohala. The principal core area of the region is comprised of North Kona and South Kohala. The coastline of these two districts are known for their numerous high-end destination resort properties, including Mauna Kea Beach Resort, Mauna Lani Resort, Waikoloa Beach Resort, Kona Village/Hualalai Resort, Kukio, and Keauhou Resort.

The subject property is situated within the South Kohala district, a leader in the region, trailing only North Kona in overall importance among the four districts comprising West Hawaii. The following section describes this general market area for the proposed subject inventory. The circle on the subsequent map defines the larger study region.

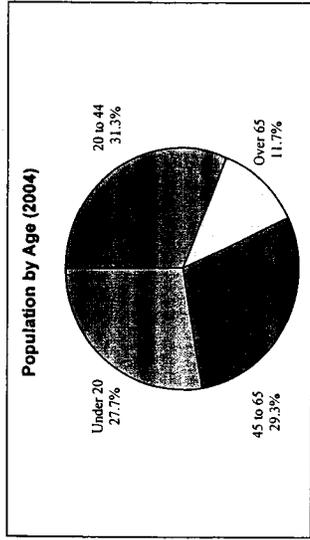


Key Demographic Factors

	West Hawaii	Hawaii County
Total Population (2004)	51,718	161,480
Male	50%	50.0%
Female	50%	50.0%
Median Age	38.7	38.1
2004 Households (HH)	19,288	58,557
Estimate 2009 HH (11%)	21,541	65,112
Average HH Size	2.7	2.7
1990-2000 HH Growth	35.2%	27.8%
Median Income	\$50,953	\$42,558
Per Capita Income	\$25,222	\$20,525
Average HH Income	\$67,632	\$55,871
Vacant Housing Units	21.6%	15.4%

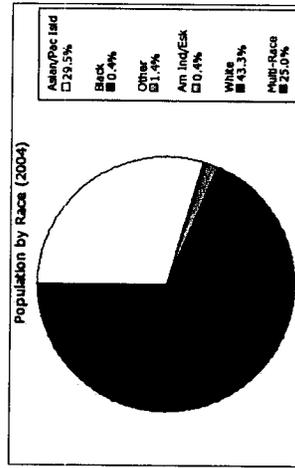
Source: STDOnline.com

The general subject market is well-established and expanding community which comprises about 30 percent of the county population. A decade of development in west Hawaii has resulted in the significant household growth reported in 2000, which outpaced the overall county and is expected to expand by 11 percent by 2009. There is a variety of mixed ages and races as seen in the graphs below.



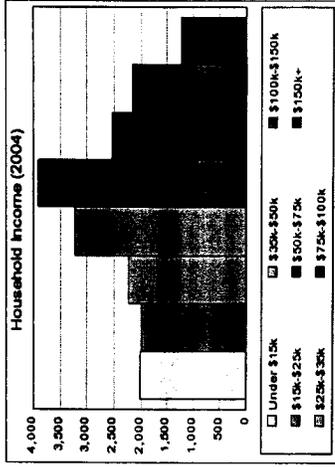
Half of all adults are married, 28 percent never married and 60 percent are divorced. Approximately 36 percent of households include children.

Education levels range from graduate degrees to kindergarten. The majority of the population, 57 percent, has attended some college, with 34 percent of the population achieving an Associates Degree or higher.



Source: STDOnline.com

As stated previously, the average household's mean income in 2004 is \$67,632 in the West Hawaii study area, and \$55,871 in Hawaii County.



Source: STDOnline.com

Spending Profile

Average Household Expenditure	West Hawaii	Hawaii County
2004	\$52,659	\$46,168
2009	\$56,687	\$49,656
Change	7.7%	7.6%

Average Retail Expenditure

2004	\$21,916	\$19,186
2009	\$23,584	\$20,630
Change	7.6%	7.5%

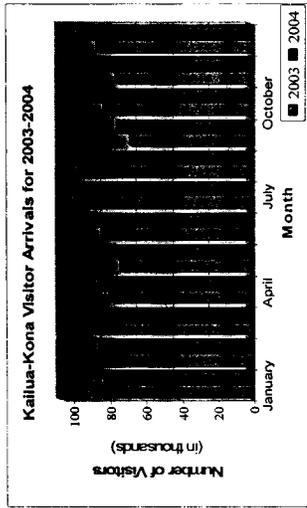
Source: STDOnline.com

In the immediate market area, the average household annually spent circa \$11,000 on transportation (21.2 percent), \$9,000 on shelter (17.1 percent), \$8,700 on food and beverages (16.7 percent) and \$5,200 on food at home (9.9 percent). Other expenditures included rental costs, health care, mortgage interest, apparel and entertainment. The local demographics depicted support a viable commercial opportunity.

Visitor Industry

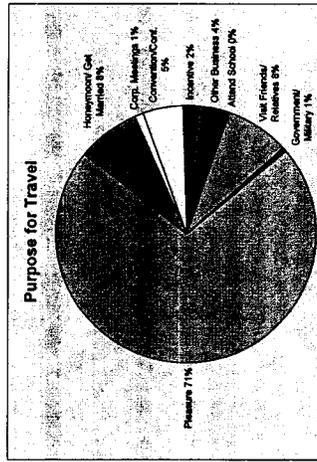
2004 Visitor Data	West Hawaii	Hawaii County
Total Visitors	1,035,114	1,278,713
Visitor Days	6,655,783	8,401,144
Average Party Size	2.13	2.10
Length of Stay	6.43	6.57

Source: DBEDT



Source: Hawaii.gov

Visitors spent an average of \$141 per day in the west Hawaii area, of which approximately \$48 went to restaurants and shopping centers.



Source: Hawaii.gov

Key Economic Indicators of the State

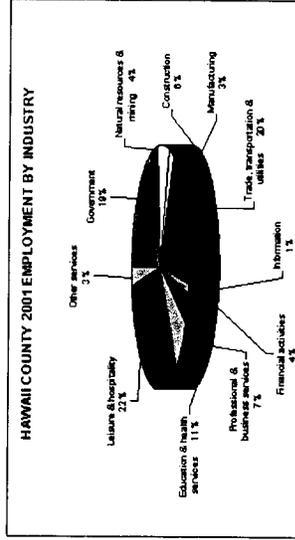
Economic indicators point to a recovering economy led by the state's largest sector, the visitor industry. Short-term inflation is expected to be in control, while personal income will rise at moderate rates. Overall, the outlook for the state is positive in terms of total output and job creation.

Economic Indicators	2003 (Actual)		2004 (Forecast)		2005 (Forecast)		2007 (Forecast)		2009 (Forecast)	
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Total population (thousands)	1,249	1,263	1,276	1,292	1,306	1,321	1,336	1,351	1,366	1,381
Visitor arrivals (thousands)	6,442	6,986	7,228	7,627	7,812	8,048	8,284	8,520	8,756	9,000
Visitor days (thousands)	59,228	63,921	66,173	67,538	69,348	71,158	72,968	74,778	76,588	78,398
Visitor expenditures (million dollars)	10,055	10,726	11,200	11,764	12,250	12,736	13,222	13,708	14,194	14,680
Household CPU (1992=100)	184.5	190.8	196.7	202.4	207.9	213.3	218.7	224.1	229.5	234.9
Personal income (million dollars)	38,479	40,766	43,212	45,632	48,004	50,405	52,836	55,297	57,788	60,309
Total personal income (\$1996 million)	35,553	36,510	37,500	38,484	39,414	40,345	41,276	42,207	43,138	44,069
Total wage & salary jobs (thousands)	574.4	589.2	599.8	607.6	615.5	623.3	631.2	639.1	647.0	654.9
Gross state product (million dollars)	46,638	49,343	52,106	54,816	57,556	60,319	63,082	65,845	68,608	71,371
Real gross state product (\$1996 million)	39,831	41,114	42,399	43,681	44,963	46,245	47,527	48,809	50,091	51,373
Gross state product deflator (1996=100)	117.1	120.0	122.9	125.7	128.6	131.4	134.2	137.0	139.8	142.6
Annual Percentage Change										
Total population	1.2	1.1	1.2	1.1	1.1	1.1	1.1	1.1	1.1	1.1
Visitor arrivals	-0.2	8.5	3.4	2.8	2.5	2.3	2.1	2.1	2.1	2.1
Visitor days	0.5	7.9	3.5	2.1	2.1	2.1	2.1	2.1	2.1	2.1
Visitor expenditures	4.8	6.7	4.4	5.0	4.5	4.4	4.4	4.4	4.4	4.4
Household CPU	2.3	3.3	3.2	2.9	2.7	2.6	2.6	2.6	2.6	2.6
Personal income	4.7	6.0	6.0	5.6	5.2	5.0	5.0	5.0	5.0	5.0
Total personal income	2.3	2.6	2.7	2.6	2.4	2.4	2.4	2.4	2.4	2.4
Total wage & salary jobs	1.9	2.6	1.8	1.3	1.3	1.2	1.2	1.2	1.2	1.2
Gross state product	8.9	6.0	5.8	5.8	5.4	5.0	4.8	4.8	4.8	4.8
Real gross state product	3.8	3.2	3.1	2.8	2.6	2.6	2.6	2.6	2.6	2.6
Gross state product deflator	2.1	2.1	2.4	2.3	2.3	2.3	2.3	2.3	2.3	2.3

1/ Preliminary

Source: Hawaii State Department of Business, Economic Development & Tourism, February 21, 2005

Employment Outlook By Industry



Source: Covered Employment & Wages, Research & Statistics Office, HI State Dept. of Labor & Industrial Relations.

Leisure and hospitality is the leading source of employment at 22 percent in Hawaii County. This is also the leading industry in the state. Retail trade and transportation follow closely behind at approximately 20 percent. Other industries such as government (19 percent) and education (11 percent) are also top industries. The other quarter of the work force consists of construction, which is on the rise, business and other services.

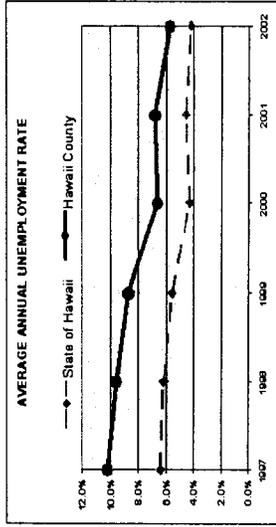
	Monthly Job Count (in thousands)				Change From	
	04/05	03/05	04/04	1 Mo. Ago	1 Yr. Ago	
Hawaii County						
Total Nonfarm	60.8	60.7	58.7	0.16%	3.58%	
Natural Res., Mining & Constr.	4.7	4.6	4.4	2.17%	6.82%	
Manufacturing	1.5	1.5	1.4	0.00%	7.14%	
Trade, Transportation, Util.	13	12.9	12.7	0.78%	2.36%	
Government	11.7	11.7	11.5	0.00%	1.74%	
Financial Activities	2.5	2.5	2.5	0.00%	0.00%	
Professional & Business Svcs	4.3	4.5	4.3	-4.4%	0.00%	
Educational & Health Svcs	6.9	6.7	6.4	2.99%	7.81%	
Leisure & Hospitality	13.8	13.9	13.3	-0.72%	3.76%	
Other Services	1.7	1.7	1.7	0.00%	0.00%	

Source: hawaii.org

Unemployment Rate

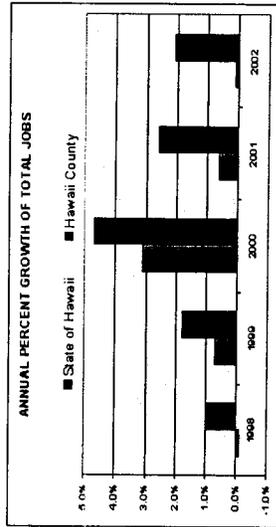
	April 05	March 05	April 04
Hawaii County	3.4	3.2	3.9
State	2.8	2.6	3.2
U. S.	4.9	5.4	5.4

Source: <http://www.hawaii.org/>



Source: 1) Local Area Unemployment Statistics, Research & Statistics Office, HI State Dept. of Labor & Industrial Relations; 2) Current Population Survey, Bureau of Labor Statistics, US Dept. of Labor.

Employment in the state continues to outpace the national average and reported the lowest unemployment rate in the nation in 2004. Hawaii County unemployment rates are slightly higher than the state average, but continue to be well under the national level. As seen below, the number of jobs in Hawaii County has been on the rise, and the gap between the state levels of unemployment has narrowed since 1998.



Source: Current Employment Statistics, Research & Statistics Office, HI State Dept. of Labor & Industrial Relations.

The South Kohala District

Stretching from sea level to a height of 7,000 feet, the South Kohala District encompasses a majority of the west and northwestern slopes of Mauna Kea and the Kohala Mountains in the north-central portion of the island of Hawaii. The 2000 Census estimated South Kohala's

population at 13,131, an increase of 43.7 percent over the intervening ten-year period. These figures indicate a growth of 185 percent between 1980 and 2000 or an average growth rate of 5.38 percent per annum.

The district of South Kohala has two distinct physical environments--the upper elevation areas (2,000 to 7,000 feet above sea level), centered in Waimea, and characterized by grass-matted rolling hills with cooler temperatures and emphasis on agricultural and residential land uses; and the coastal plain stretching from the shoreline up-slope to Waikoloa Village, which is typified as an arid region with kiawe trees, sparse vegetation, and scattered resort-oriented development.

The coastal areas have an average temperature range of 73 to 90 degrees, with less than ten inches of rainfall per year. Temperatures decrease and rainfall increases at higher elevation levels, with Waimea receiving 40-plus inches of rain per year, and having an average temperature range of 62 to 67 degrees.

The watershed of the area is similarly divided. The Waimea Village watershed extends to the Kohala Mountains, which have high rainfall figures. Intermittent streams from this range flow into the Waimea area where they then turn westerly and dissipate into the permeable lava flows of Mauna Kea, which run down the arid western slope to the Kawaihae-Anaehoomaluu shoreline. This area has few defined channels and infrequent stream flows. The Waimea region is generally more susceptible to flooding than the lower slopes and coastal plain; however, high intensity storms periodically flood Mamalahoa Highway from Kawaihae to Puako, with the beachfront areas subject to inundation. The entire coastline of South Kohala is susceptible to tsunami (tidal wave) action.

The primary economic activities in the area are cattle ranching, diversified agriculture, and the rapidly expanding tourism industry. Cattle interests utilize a majority of the district's acreage, with pastures located along the upper slopes of Mauna Kea stretching seaward. The largest holding in the area is Parker Ranch, with approximately 230,000 acres of grazing land supporting roughly 45-50,000 head of cattle.

Additional farming is centered around Waimea, considered one of the Big Island's most productive areas. Cabbage, celery, lettuce, and other vegetables are grown in abundance, as well as melons and floral

products. Experimentation using other diversified crops is widespread. The state maintains an agricultural research facility in the Lalamilo Agricultural Subdivision near the Waimea Airport. The agricultural industry is viewed as a potential economic growth sector for the mauka or upcountry areas of the district; however, the competition for resources and land, brought about by tourism and residential development, the inconsistency of historic supply and demand levels for agricultural products in the state, and the lack of sufficient inexpensive water supply, hampers the general large-scale expansion of farming.

According to state officials, there are approximately 1,800 acres currently cultivated in the Waimea area. This represents just over one-half of the potential for arable production farming in the region.

Commercial activity in South Kohala is centered in Waimea and Waikoloa Villages, with lesser development in Kawaihae and within the resorts. Major projects in Waimea include the Parker Ranch Shopping Center, Parker Square, the Waimea Shopping Center (completed December 1989), and numerous strip-commercial developments along the main highways servicing the town. In Waikoloa Village, the Waikoloa Highlands Center, a 70,300-square-foot neighborhood shopping center and office complex, was completed in July 1990.

Kawaihae is the third largest community in the district (following Waimea and Waikoloa Village). The residentially oriented village has limited commercial facilities, with the interisland port of Kawaihae and an adjacent industrial park being the major industrial land use in the district and focal point in this small community.

The two major transportation facilities in the district are the deep-water port at Kawaihae and an interisland commuter airport at Waimea. A secondary, minimally used commuter helipad/airstrip serving the Waikoloa Beach and Mauna Lani Resorts was opened in 1984 along Queen Kaahumanu Highway near the vacation areas.

Public and private facilities located in South Kohala include the Lucy Henriques Medical Center in Waimea (private), fire stations near Puako on Queen Kaahumanu Highway and in Waimea, additionally several public and private schools service the area. The North Hawaii Community Hospital is currently under construction and is located adjacent to the Lucy Henriques medical center.

Recreation in the district is geared toward public and private facilities along the coast, maximizing the recreational potential of the ocean. The limited number of other quality beach facilities in the county places a premium on South Kohala's available parks, particularly Hapuna Beach State Park, considered one of the finest in the state. State and county parks are found at various elevations throughout the district with several hunting preserves in the upper elevations.

Tourism, which is rapidly becoming the primary employer and economic force in the district, is geared toward the highly desirable warm, dry climate prevalent at lower elevations along the coast.

The residential/resort community of Waikoloa Village is located approximately eight miles inland and upslope from the oceanfront development. The 2000 US Census indicated that the village had a resident population of 4,806 up 113.8 percent over the 1990 population of 2,248. The village consists of approximately 4,795 acres with zoning in place for thousands of home sites and multi-family units, commercial center, schools, parks, and recreational amenities. About one-third of the potential residential product master planned for the village has been constructed to date.

Waikoloa Village

Waikoloa Village was first conceived and developed by Boise Cascade. Residential development commenced with the 1972 opening of the Waikoloa Village Golf Course. The Waikoloa area first became readily accessible with completion of Queen Kaahumanu Highway in the early 1970s. The residential community has developed incrementally over the past 30-plus years.

Today, Waikoloa Village is centered around its 18-hole Robert Trent Jones, Jr. golf course with clubhouse and swimming pool. The village also contains tennis courts, riding stables, community park, and shopping center. The community's several residential subdivisions include some 1,600 residential lots with over 1,350 completed homes. There are 15 multi-family parcels with 11 projects totaling 1,040 completed residential units.

THE WAIKOLOA VILLAGE RESIDENTIAL MARKET

Our analysis of the Waikoloa Village residential market is divided between two perspectives:

- Macro Analysis -- Assessing the overall, long-term demand and supply trends in the competitive sector; and
- Micro Analysis -- Focusing on the current demand/supply levels in the subject segment.

The study opens with a brief overview of residential development in the primary study area followed by an analysis quantifying the demand for additional housing units in Waikoloa Village based on population, market factors, and real estate trends. Existing and proposed inventory supply is then identified in regards to number of units, development timing and product type. To the extent mid to long-term demand exceeds supply in the study area, the general (or macro) climate for the proposed subject subdivision is favorable.

The second part of the study reviews recent/current market activity in the region, including the status of the market cycle, availability of inventory, pricing and appreciation levels, and exposure time required for sale. This aids in determining whether sufficient near to mid-term demand exists relative to potential supply to support a new project and successfully absorb the subject product. If the market cycle is generally up, new and available units are being absorbed, and inventory is fairly limited, the micro conditions are favorable for the Waikoloa Highlands subdivision.

Waikoloa Village was master-planned in the late 1960s to become a "new" suburban support community providing needed housing for local residents working in the shoreline resorts. Long-term projections called for upwards of 8,000 to 10,000 housing units spread over some 3,000 acres.

After an initial spurt of interest, the population grew rather slowly for the first two decades, stymied by sluggish resort construction, the availability of desirable housing elsewhere in West Hawaii, and the lack of supporting commercial uses in the village. By 1985, there were just some 2,000 residents and about 800 total units in the community.

Major changes began emerging in the late 1980s which have resulted in a tripling of both full-time/de facto populations and in the number of housing units in Waikoloa. These factors are expected to generate similarly extensive growth in the community over the coming 20 years.

Six primary driving forces in the past 15 years that are behind the evident evolution of the residential market in the village have been:

1. The surge in economic expansion along Queen Kaahumanu Highway between Kailua-Kona and Kawaihae has been unprecedented. The resorts have achieved an exceptionally high market status and aggressively pursued development, resulting in increasing numbers of operational, construction, retail/service and maintenance jobs. Plus, the industrial parks near the airport have become a focus of commercial activity in West Hawaii.

2. Traffic congestion throughout the region has meaningfully worsened making commuting from outside the Kailua-Kona/Kawaihae (QK Hwy) Corridor to the employment and services inside increasingly difficult. Waikoloa Village, which was considered "isolated" a generation ago, has had its "proximity" enhanced by land use and traffic conditions. The village is now readily viewed as a viable alternative housing location by a ever-broadening segment of the market.

3. West Hawaii has long had a tight housing market, which became increasing so through the 1990s and into this century due to the insufficiency of zoned and serviced building sites in the face of rapidly expanding demand. The "scarcity" has resulted in rapidly appreciating prices and limited purchase opportunities during the extended upcycle (often resulting in lotteries for new offerings). Waikoloa Village is one of the major "reservoirs" of zoned, serviced lands in the region.

4. A 74,000 square foot shopping center (45 tenants and 300 parking stalls) was opened in Waikoloa Village in 1991. This filled a crucial need for community residents who were previously limited to a small "general store" for all commercial goods or had to drive upwards of 25 miles round trip to go to a true grocery. Moreso than any other single improvement, the

center transformed the village into a reasonable resident housing location.

5. Sales prices and rents in Waikoloa remain below that of comparable residential product in either Waimea or Kailua-Kona. Similar new single family homes in Waimea sell for circa \$50,000 to \$100,000 more than in Waikoloa, and in central Kona for up to \$150,000 more. Given the high price of homes in the region, and the difficulty many local families have in qualifying for market-level mortgages, this creates a critical advantage for village inventory.

6. Second-home (vacation) purchasers have moved strongly into mauka residential projects throughout West Hawaii during the current upcycle; mimicking trends previously seen on Maui. Waikoloa Village offers a favorable climate, superior views, a championship golf course, proximity to the coastal resorts, and competitive pricing; attributes which are highly desired among the moderate to lower end of the vacation unit buying segment.

As a result of these forces within a vibrant regional market, Waikoloa Village was the location for more than half the total number of new residential homes/units constructed in South Kohala since 1990, and now has a resident population estimated at 6,300 persons with a total housing inventory of 2,400 units.

As the cited favorable factors will continue to funnel demand into the village over the mid to long-term, and it remains the largest reservoir of developable residential holdings in the District, it is expected to more than double in size again over the coming twenty-plus years. From 50 to 70 percent of the resident population growth in South Kohala is expected to occur in the subject community.

Macro Analysis

Projecting the probable mid to long-term regional demand for the subject residential product ("rural" single family home sites) is a three-step process:

1. Quantification of Waikoloa Village Housing Unit Demand -- Estimating the need for additional housing units in the study area based on population, demographic, vacancy and income characteristics.

2. Identification of Current and Proposed Projects -- Overview of recent/in-sales and proposed/potential residential development in the study area units in regards to unit types and sales activity.
3. Indicated Conclusions -- Correlation of quantified market demand and supply indicators.

We have assumed the subject lots would be appropriately priced at general market levels consistent with the scale for other new single family product in the study area and attract a spectrum of buyer types.

**Quantification of
Waikoloa Village
Housing Unit Demand**

We have projected the demand for residential units in Waikoloa Village area using standardized formulae employing population forecasts, household size trends, and other market-based factors as follows:

$$RP/AHS = TRUR \times (1 + (VA + NRPA)) = TMUD$$

Where:

RP is the Resident Population
AHS is the Average Household Size
TRUR is the Total Resident Units Required
VA is a Vacancy Allowance
NRPA is a Non-Resident Purchaser Allowance
TMUD is a Total Market Unit Demand

Each of the variables in the formula is based on historic statistics compiled by the Federal Home Loan Bank, U.S. Census Bureau, State of Hawaii DBEDT, County Planning Department, other recognized governmental sources, and researched market data.

These past and current indicators were translated into estimates based on temperate trending interpretations moving forward from existing conditions. Our emphasis was on producing forecasts in sync with the historic data. We have not assumed there will emerge any meaningful market evolutions overriding prevailing demographics and tendencies; such as either anti or unbridled growth extremes, West Hawaii becoming a major retirement locale, or large-scale adjustments in resident lifestyles.

In this regard, our forecasts are representative of moderate future housing requirements for the study area, and could be understated if there is a "spike" in trends towards smaller household sizes, a greater influx of non-resident purchasers into the market, or a more pronounced pro-development governmental perspective.

The "Total Market Unit Demand" conclusions resulting from equation application are intended to quantify the total number of residential housing units which will be needed in Waikoloa Village over the 20-year projection period (2006 through 2025) in order to manifest a reasonably stable market with all purchaser/tenant demand segments adequately served.

Currently, the village housing market is in a slightly to moderately undersupplied condition. This is demonstrated both via housing demand models and the absorption of recently offered product.

While there has been, and continues to be, large inventory additions to the community, it is still experiencing low vacancy rates, high market interest, and rapidly appreciating prices over the last several years. Additionally, greater numbers of second-home owners have been purchasing in the study area "residential" sector.

The Waikoloa Village housing market is not as dysfunctional as found in other neighbor island locations, wherein major numbers of new units are immediately required, but it will be under continuing stress over the near and into the long-term as the focal point for residential construction in the South Kohala District.

Established governmental policy is to address the West Hawaii regional housing unit shortage via appropriate development of existing urban and urban-expansion areas at as rapid a pace as the infrastructure and community will bear. Waikoloa Village is one such focal development location.

The factors comprising our housing demand equation can be summarized as follows:

Resident Population (RP) -- This variable utilizes population and distribution forecasts made by the state, county and ourselves for the island and/or study area. The DBEDT 2030 series of forecasts calls for the Big Island's resident population to increase by more than 35 percent and nearly 60,000 persons

over the coming quarter of a century (1.21 percent compounded annual growth rate), with the daily tourist population to be up by more than half and 10,554 additional daily visitors (1.91 percent annually).

The County of Hawaii General Plan resident projections through 2020 are somewhat more aggressive than state figures; forecasting a range of 213,452 to 237,323 persons by the end of next decade versus 203,050 by the state. The county various modeling estimates equate to a compounded annual growth rate range of 1.33 to 2.25 percent from today's totals.

The county is similar to the state in regards to tourism growth, with their models projecting a one to three percent compounded annual growth in total visitor arrivals through 2020.

The General Plan also indicates that Waikoloa Village has been and will continue to be a focal point of the new residential construction necessary in South Kohala to serve the increasing population. Excerpts include:

Since the previous general plan was adopted, "Slightly more than half of the newly created parcels in the district occurred at Waikoloa". And,

"Waikoloa Village contains a sizable amount of undeveloped, residential-zoned lands that will eventually contribute significantly to the district's housing inventory"

The current (Spring 2006) resident population of Waikoloa Village is an estimated 6,300 persons; a gain of some 4,052 persons and a compounded annual growth rate of 7.1 percent since 1990.

At present, there are circa 16,000 residents in South Kohala, a figure the county projected in 2000 would reach between 23,947 and 26,625 by 2020. Given the strong population growth of the past five years of about 3,000 persons, it is likely the actual count in 15 years will be at or beyond the upper-end of the forecast range.

Therefore, in making our study area population forecasts we have tested District-wide growth rates commensurate with the County General Plan "Series B" (considered to be "Minimum") and at a "market based" rate that is minorly above the "Series C" models (considered "Maximum").

Our forecasts also assume that upwards of 60 percent of the increase in South Kohala full-time residents during the projection period will take place in Waikoloa Village; a marginally higher figure than in recent years due to the scarcity of developable lands elsewhere in the district.

We estimate the resident population of Waikoloa Village will expand to between 14,000 and 18,000 persons by the year 2025; more than double the current level, but at a lesser percentile growth rate than has been experienced in recent years.

Average Household Size (AHS) -- This factor was calculated using the data as provided by the above-cited sources and census figures. Extrapolating the 2000 US census indicators for the study area, we have estimated the current AHS in the study area is at about 2.80 persons. This is slightly above the island-wide level of 2.75 persons per household recorded in the last census, a function of the high proportion of single family homes (versus lower occupancy multi-family units), and the large number of middle-income families (which tend towards having more children and multi-generation households) in the village.

Most Hawaii-oriented sociologists contend the movement to smaller household sizes will continue into the future; forecasting longer life-spans, the influx of single persons attracted to the climate and employment opportunities, increasing numbers of retirees, and the tendency towards fewer children. However, given the current and expected demographics of the subject community, we do not believe the decline will be as significant in Waikoloa as elsewhere on the island.

We project the average household size in the study area will stabilize by the Year 2025 at between 2.67 and 2.72 persons; still slightly above most Big Island locales.

We note, this is a rather conservative assumption, and if the decline in household sizes more closely mirrors the state and county trends, a greater number of housing units will be necessary to meet demand.

Total Resident Units Required (TRUR) -- This figure is arrived at by dividing the subject area resident population (RP) by the average household size (AHS). It is indicative of the minimum number of residences which would be required to meet basic resident housing needs, assuming there were no vacant units, none uninhabitable due to on-going repair or deleterious conditions, and none occupied by non-resident persons.

For a market to be considered stable (and nominally operative) without spiking appreciation rates while maintaining quality lifestyle opportunities, allowances for such factors must be made.

Vacancy Allowance (VA) -- Governmental agencies are on record during the past 20 years calling the state and West Hawaii among the tightest residential markets in the nation, expressing fears of a deteriorating economy and community structure unless major steps are taken over the long-term to address the shortage. While major gains in addressing this need have been made during the recent up-cycle, the undersupply condition is still acute, and a primary reason West Hawaii housing prices are so high.

According to HUD, the Urban Institute, and other sources, a "healthy" market has a minimum vacancy level of five to six-plus percent of the total number of units in the inventory. This allows for uninhabitable units, units under repair, seasonal fluctuations, a transitional housing margin, a degree of mobility potential, and the ability to service periodic unanticipated population increases. A "slack" in unit occupancy also serves as a margin to cushion against hyper-appreciation during strong demand periods.

Given the history of the West Hawaii housing market and its inability to keep an acceptable vacancy pool available, we believe it will be exceptionally difficult for the desirable vacancy allowance of more than five percent to be achieved in the study area during the foreseeable future.

In our demand formula, we have therefore tested vacancy rate allowances of three and five percent of the Total Resident Units Required figure; at and below the minimum allowance considered healthy for a mainland market, but likely the best which could ever be achieved in West Hawaii.

Non-Resident Purchaser Allowance (NRPA) -- While many non-resident purchasers of non-resort housing units in the islands seek to rent them to residents in an effort to minimize debt service obligations, an increasing number are buying West Hawaii residential units for personal (family and friends) second-home use, business reasons, or for transient rentals.

These units are not available to meet resident housing demands and are effectively withdrawn from the inventory pool. An allowance must be made for these units in the general community, which are not to be confused with those specifically intended for tourist-oriented second home ownership and transient rentals (i.e., within a resort-classified area).

On the neighbor islands and in Waikiki, there are many units in complexes or subdivisions designed for general residential use, which are owned by non-residents that often sit vacant the vast majority of the time and provide no help in servicing local household needs.

Virtually no open market subdivision or project built on the neighbor islands in the past decade has not had a second-home ownership component. In newer West Hawaii developments, it ranges from about five percent in Waimea to slightly more than half in some Kailua-Kona projects.

While some developments have attempted to minimize the impact of second home and investor owners via owner/occupancy requirements or through lottery offerings, they still represent an increasingly major segment of the primary and general market residential sectors which must be allowed for in coming years. Otherwise, their demand, which is much less price sensitive than a local family, will gradually push more and more resident households out of the market.

The impact of these buyers on the market must be taken into consideration when projecting a region's housing unit needs, given the widespread interest in Hawaii real estate and typically greater financial resources of non-resident buyers. Failure to adequately account for their demand places extreme stress on island towns.

Apart from limited interest in the original development period during the early 70s, Waikoloa Village did not have a substantial second-home buyer component until the late 1990s; and it has mushroomed since. In the newer subdivisions, second-home/vacation purchasers have represented from circa 15 to 40-plus percent of total buyers.

This trend is expected to continue expanding over the coming decades as the Waikoloa community becomes an even more established buying alternative for the second-home segment, and the high prices of the luxury-class oceanfront resorts forces more of these purchasers into residential neighborhoods.

At present, between 10 and 20 percent of the housing units in Waikoloa Village are owned by non-resident buyers, we forecast this number will steadily increase over the projection period. We have therefore utilized a NRPA which grows to a stabilized level of 25 percent to 35 percent of quantified resident user demand in the "minimum" and "maximum" projection models, respectively.

Total Market Unit Demand (TMUD) -- The solution to our demand formula is quantified by adding the Vacancy Allowance (VA) and Non-Resident Purchaser Allowance (NRPA) to the Total Resident Units Required (TRUR) figure. The result is the total number of units which will be needed in Waikoloa Village in order to meet all reasonable market demand segments.

The application of the housing demand formula to the subject community using our conservative/minimum and optimistic/maximum forecasts are shown on Table 1. Extrapolation of 2000 census figures indicates there are some 2,400 existing housing units in the village as of the 2006 study date.

QUANTIFICATION OF HOUSING UNIT DEMAND FOR THE WAIKOLOA VILLAGE STUDY AREA 2006 TO 2025
 Study of Proposed Waikoloa Highlands Subdivision
 Includes Waikoloa Village Only

Additional Units Required by 2025 (1)

Scenario	Population Projection					
	2006	2010	2015	2020	2025	
Scenario One: Minimum Projection Using Conservative Allowance Factors and Conservative Population Projection	Resident Population	8,300	10,100	12,000	14,000	14,000
	Average Household Size	2.78	2.74	2.76	2.77	2.77
	Total Resident Units Required	2,980	3,659	4,360	5,117	5,117
	Vacancy Allowance	68	90	110	131	154
	Non-Resident Purchaser Allowance	225	448	732	1,095	1,287
	(From 10% rising to 25% of resident unit demand)					
	Total Market Unit Demand	2,543	3,533	4,501	5,606	6,588
	Additional Units Required					4,188
	Scenario Two: Maximum Projection Using Market-Based (High) Population Projection and Optimistic Allowance Factors					
	Resident Population	6,300	8,900	12,000	15,000	18,000
Average Household Size	2.80	2.71	2.72	2.70	2.72	
Total Resident Units Required	2,250	3,215	4,380	5,550	6,272	
Vacancy Allowance	113	161	219	278	337	
Non-Resident Purchaser Allowance	450	805	1,314	1,944	2,360	
(From 20% rising to 35% of resident unit demand)						
Total Market Unit Demand	2,813	4,177	5,912	7,778	9,438	
Additional Units Required					7,038	

CONCLUDED HOUSING UNIT DEMAND RANGE						
Scenario	Population Projection					
	Existing	2006-2010	2011-2015	2016-2020	2021-2025	
MINIMUM DEMAND	Period: Average Annual Demand (2)	143	981	1,105	982	4,188
	Cumulative	143	1,133	2,101	3,206	4,188
	Period: Cumulative	143	981	1,105	982	4,188
MAXIMUM DEMAND	Period: Average Annual Demand (2)	413	1,364	1,726	1,865	7,038
	Cumulative	413	1,777	3,512	5,378	7,038
	Period: Cumulative	413	1,364	1,726	1,865	7,038
MID-POINT DEMAND	Period: Average Annual Demand (2)	278	1,172	1,357	1,485	5,613
	Cumulative	278	1,450	2,807	4,292	5,613
	Period: Cumulative	278	1,172	1,357	1,485	5,613

(1) There are an estimated 2,400 housing units in Waikoloa Village as of year-end 2005
 (2) Existing (or latest) demand is assumed absorbed by 2010

Source: Various and The Hallstrom Group, Inc.

TABLE 1

Based on our analysis, the actualization of a healthy and stable housing market in Waikoloa Village will require the construction of about 4,188 to 7,038 additional housing units in the community by the Year 2025. The mid-point demand would be for 5,613 units, or more than twice the in-place inventory.

Conversion of this estimate of gross demand into pricing equivalents was completed using available data from the U.S. Census, Big Island Board of Realtors, statistical analysis and the U.S. Dept. of HUD.

Table 2 illustrates the stratification of Waikoloa Village regional housing requirements through 2025 into probable percentile demand by sales prices at current dollar levels. The figures correlate both historic/actual buying trends and theoretical "affordability" quotients derived using government pricing criteria.

Given anticipated subject lot prices and current income building costs, the eventual "finished homes" comprising the subject inventory will meet the "affordability" levels for approximately 27.7 percent of the prospective buyers in the village over the next two decades. This segment, priced at \$750,000 and up, equates to a demand for between 1,160 and 1,952 total new units by 2025, and will be 30 percent of the total market by the end of the projection period.

To date, there is very little of such priced inventory (above \$750,000). The subject and proposed Waikoloa Heights development plan on offerings in this range.

Table 3 displays the calculations of housing price affordability for Big Island residents based on HUD/state/county and conventional financing guidelines.

Using the governmental criteria, households in the "Low Income" grouping, earning 80 percent or less of the island median income, can afford a sales price, or rental equivalent, of \$196,800 (rounded) or less. "Low to Moderate Income" households, earning 80 to 120 percent of median income, can afford home prices up to \$246,000. And, "Moderate-Gap Group (or "low market") Income" households can afford prices up to \$358,400. Above this level, prices are considered "market".

Using conventional financing criteria, the affordable housing prices for the respective groups increase by about 15 to 18 percent.

TABLE 2

STRATIFIED PROJECTIONS OF HOUSING UNIT DEMAND BY SELLING PRICE IN WAIKOLOA VILLAGE 2006 TO 2025
Market Study of Proposed Waikoloa Highlands Subdivision
Waikoloa Village, South Kohala, Hawaii
Includes Waikoloa Village Only

Period	Periodic Demand (U)					Total Demand 2006-2025
	2006 to 2010	2011 to 2015	2016 to 2020	2021 to 2025		
1. Minimum Demand						
Less Than \$250,000	281	205	188	137		811
Percent of Total Demand	25.00%	21.00%	17.00%	14.00%		19.38%
\$250,000 to \$500,000	314	274	309	275		1,173
Percent of Total Demand	28.00%	28.00%	28.00%	28.00%		28.00%
\$500,000 to \$750,000	247	235	287	275		1,044
Percent of Total Demand	22.00%	24.00%	26.00%	28.00%		24.93%
\$750,000 to \$1,000,000	213	196	232	216		857
Percent of Total Demand	19.00%	20.00%	21.00%	22.00%		20.46%
Over \$1,000,000	67	68	88	79		303
Percent of Total Demand	6.00%	7.00%	8.00%	8.00%		7.23%
Total Market Demand	1,123	978	1,105	982		4,188
	100.00%	100.00%	100.00%	100.00%		100.00%
2. Minimum Demand						
Less Than \$250,000	444	365	317	232		1,358
Percent of Total Demand	25.00%	21.00%	17.00%	14.00%		19.30%
\$250,000 to \$500,000	498	486	522	465		1,971
Percent of Total Demand	28.00%	28.00%	28.00%	28.00%		28.00%
\$500,000 to \$750,000	391	417	485	465		1,757
Percent of Total Demand	22.00%	24.00%	26.00%	28.00%		24.97%
\$750,000 to \$1,000,000	338	347	392	365		1,442
Percent of Total Demand	19.00%	20.00%	21.00%	22.00%		20.48%
Over \$1,000,000	107	122	149	133		510
Percent of Total Demand	6.00%	7.00%	8.00%	8.00%		7.25%
Total Market Demand	1,777	1,736	1,865	1,660		7,038
	100.00%	100.00%	100.00%	100.00%		100.00%

Note: Estimates based on combination of resident household income analysis, median prices being paid for inventory, and evident trends in the Waikoloa Village residential market.

(1) Assumes existing latent demand is absorbed by 2010.

Source: Various and The Hallstrom Group, Inc.

Inherently, a large portion of the demand is generated by lower- to middle-income groups who can have difficulty competing in the high-priced West Hawaii marketplace. Upper-middle and above income households have more meaningful purchase alternatives.

About 19.3 percent of the Waikoloa Village units required through 2025 should be priced below a current level of \$250,000, which would be generally affordable to the "low" and "low-moderate" income groups; 28.0 percent of demand will have price limits between \$250,000 and \$500,000 (affordable to "moderate-gap group" and lower market categories); 25.0 percent of demand will be oriented towards homes having prices of \$500,000 to \$750,000 (moderate market pricing); and, 27.7 percent will seek properties having a price above \$750,000.

The atypically high percentage of demand oriented towards the top of the market is a function of the large number of upper-income non-resident buyers in the region, and that virtually all new development must have higher prices to economically support its construction.

Given long-term plans for the community, existing zoning/general plan classifications, and the strong preference among local families for single family purchase opportunities; the large majority of village inventory will continue to be single family lots and lot/home packages. Further, unlike in many neighbor island locales, a significant portion of the non-resident and investor buyer segment in the community has expressed a preference for homes, and not condominium units.

Of the 2,400 total currently existing residential units in Waikoloa, approximately 1,360 (or 57 percent) are single family or detached homes and 1,040 (43 percent) are condominiums (some of which are detached). In light of the large numbers of condominiums already in place, the availability of only a few remaining multi-family zoned development sites, and that several major proposed and on-going additions to the community will not include condominium components, there will be a major change in the unit mix from current levels, significantly leaning further and further towards single-family in coming years.

As shown on Table 4, we forecast that single family homes and lots will increase meaningfully in overall proportion to multi-family units within the new projects over the next 20 years. Over the last decade

Source: HUD, State of Hawaii, Hawaii County and The Hallstrom Group, Inc.

- (1) Based on standard governmental affordability criteria at 33%
- (2) Assuming 6.5% annual interest and 30 year mortgage.
- (3) Conventional financing with maximum monthly mortgage payment at 28% of gross income. No reserves of mortgage insurance required.
- (4) Assuming 6.5% annual interest and 30 year mortgage.
- (5) Conventional financing standard.

Note: Median household income for West Hawaii estimated at \$63,300 in 2006 based upon comparable figures for urban areas of Maui and Kauai. This is approaching 20% above county-wide averages.

1. Based on General HUD/State/Hawaii County Criteria		2. Based on Conventional Financing Criteria	
Grouping	Low Income	Low Income	Low-Moderate Income
Household Income as a Percent of County Median	80% or less	80% or less	80% to 100%
Gross Household Monthly Income	\$4,220	\$4,220	\$5,275
Maximum Allowable Housing Expense (1)	\$1,393	\$1,741	\$2,437
Less Tax and Insurance Reserve	(\$150)	(\$175)	(\$200)
Less Mortgage Insurance Payment	(\$50)	(\$75)	(\$100)
Net Amount Available for Debt Service	\$1,193	\$1,491	\$2,137
Maximum Mortgage Amount (2)	\$186,948	: 233,646	\$340,518
Down payment at 5% of Sales Price	\$9,839	\$12,297	\$17,922
Total Affordable Purchase Price	\$196,787	: 245,943	\$358,440
Grouping	Low Income	Low-Moderate Income	Moderate-Gap Group Income
Gross Household Monthly Income	\$4,220	\$5,275	\$7,385
Maximum Allowable Housing Expense (3)	\$1,182	\$1,477	\$2,068
Maximum Mortgage Amount (4)	\$185,224	: 231,452	\$324,064
Down payment at 20% of Sales Price (5)	\$46,306	\$57,863	\$81,016
Total Affordable Purchase Price	\$231,530	: 289,315	\$405,080

ESTIMATE OF HOUSING PRICE AFFORDABILITY FOR WEST HAWAII RESIDENTS
Market Study of Proposed Waikoloa Highlands Subdivision
Waikoloa Village, South Kohala, Hawaii

TABLE 4

DIVISION OF PROJECTED DEMAND BY UNIT TYPE FOR HOUSING UNITS IN WAIKOLOA VILLAGE 2006 TO 2025
Market Study of Proposed Waikoloa Highlands Subdivision
Waikoloa Village, South Kohala, Hawaii

	Periodic Demand (U)					Total Demand 2006-2025	Comments
	2006 to 2010	2011 to 2015	2016 to 2020	2021 to 2025	2006-2025		
1. Using Minimum Demand Projections							
Single Family Homes	674	616	740	668	2,698		As elsewhere in West Hawaii, this segment is increasing in market share, with the majority of recent developments and current/proposed projects featuring this type. As the Village evolves into a standard, well-established bedroom community (not just a lower cost or convenient alternative), this type will continue to expand.
Percent of Total	60%	63%	67%	68%	64%		
Multifamily Units	314	245	254	216	1,029		The initial phases of Village were overwhelmingly vacant lots. The high majority which have been built are over the age of 10 years. While some will be replaced, meaningful demand in this category is not expected to have as major role except for upper-end and larger "big" lots.
Percent of Total	28%	23%	23%	22%	23%		
Effective Subject Market Segment							
Sub-Total	988	861	995	884	3,727		Cyclically developed in Village. Numerous projects built at commencement of development, mainly in late 1980s, and are somewhat scarce, although some will be included in several under-way and long-term projects.
Percent of Total	88%	88%	90%	98%	89%		
Total							
	1,122	978	1,105	982	4,188		
	100%	100%	100%	100%	100%		
2. Using Maximum Demand Projections							
Single Family Homes	1,066	1,094	1,250	1,129	4,538		Apart from Waikoloa highlands, there are five major projects in development, approved or proposed in Waikoloa Village area at this time. A sixth holding of circa 600 acres considered as having long-term residential use potential is still held by the master developer (Waikoloa Development), but there have been no announced plans to pursue construction in the near to mid-term.
Percent of Total	60%	63%	67%	68%	64%		
Multifamily Units	408	434	429	365	1,726		All of the developments are in relatively close proximity to the subject property and are summarized on Table 6. We are aware of no other major developments preliminarily proposed, announced or otherwise making headway in the entitlement process at this time.
Percent of Total	28%	25%	23%	22%	23%		
Effective Subject Market Segment							
Sub-Total	1,528	1,528	1,679	1,494	6,284		The top of the table contains those projects which are "fully approved/moving forward". The first three developments shown were all in construction as of the study date. Waikoloa Heights anticipates commencement of its first phase in 2007. These projects will provide a maximum of 3,456 additional total residential units to the village
Percent of Total	88%	88%	90%	98%	89%		
Total							
	1,777	1,736	1,865	1,669	7,037		
	100%	100%	100%	100%	100%		
Mid-Point							
Single Family Homes	870	855	995	898	3,618		
Percent of Total	88%	88%	90%	98%	89%		
Effective Subject Market Segment							
Sub-Total	1,276	1,194	1,337	1,189	4,996		
Percent of Total	88%	88%	90%	98%	89%		
Total							
	1,450	1,357	1,485	1,331	5,623		

Source: The Halstrom Group, Inc.

inventory; 3,173 single family homes (91.8 percent of the total) and 283 multi-family units (8.2 percent).

The middle part of the table displays two projects which are proposed and currently seeking entitlements; the subject subdivision and a public "affordable" housing development. Together, they will add an additional 623 single family homes/lots to the community. However, the public agency project will not be a "market" offering; having selling prices established based on household income formulae and with purchase being limited to local resident families.

It is improbable that all of this inventory will be built, as master plans evolve over time and actual densities invariably fall short of utmost approvals. Further it is unlikely that all of the product will be built within the study time-frame; as Waikoloa Heights, the public project, and the Waikoloa Development holding could easily extend to circa 2025 or beyond.

Based on our investigation, we estimate the potential supply of new housing in the Waikoloa Village over the next 20 years, apart from the subject holding and assuming the other projects move reasonably forward into subsequent phases, will be about 3,681 total units; with an outside chance of an additional units on the Waikoloa Development Co. site toward the end of the time frame.

Comparison of Demand and Supply Indicators

The demand for new housing opportunities in the Waikoloa Village study area over the coming 20 years, 2006 through 2025, is estimated at from 4,188 to 7,038 total new units, with a mid-point of 5,613 units.

The probable level of new inventory additions during the same time frame will be a maximum of 3,681 units, if all approved developments are built to absolute top densities. However, it is likely a smaller number will be actualized.

Therefore, approved supply will fall short of projected demand by at least 507 (minimum) to 3,357 (maximum) housing units during the next two decades without Waikoloa Highlands. The mid-point shortfall of supply relative to demand in the study area is forecast at 1,932 total new residential units.

Micro Analysis

The Waikoloa Village residential real estate market, like most sectors throughout the state, is currently in the midst of a major up-cycle. The increasing activity began in the late 1990s, was set back briefly by 9/11, and has reached record levels in 2005 before experiencing a slight drop-off in the first quarter of 2006.

Despite the recent minor slow-down since late 2005, sales volumes remain well above historic levels, average prices are at/near all-time highs, market times are below long-term trends, appreciation in recent years has been substantial, and realtors report continuing purchaser interest from most sectors (although the "investor" segment has weakened of late).

Single family residential market activity data in the study area from 2000 through 2006 (based on extrapolation of data through March) are summarized on Table 7. We note, the statistics are extracted from the Big Island Multiple Listing Service database and do not include all original sales of new inventory; thus, there is a meaningful understatement in the number of sales and total sales volume, and likely in average sales prices.

During this period sales volumes of village homes more than tripled to \$80 million annually in 2005 and average sales prices have increased by 134 percent to \$566,877, an effective appreciation rate of 15.2 percent compounded annually over the past six years.

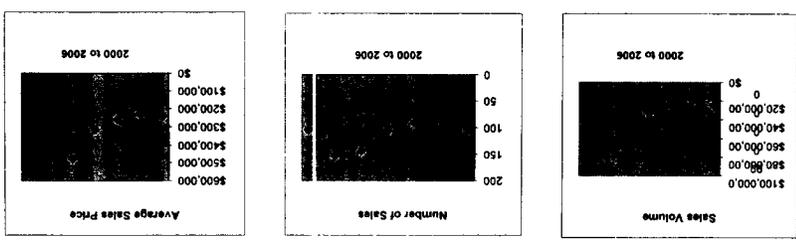
House lot activity for the same period is displayed on Table 8. The rate of expansion in this sector has also been exceptional, although it has been limited by a lack of inventory as finished home construction has become the primary goal of most developers. Sales volumes have grown nearly four-fold from 2000 to 2006 reaching \$12 million per year, and average sales prices are up more than five-fold reaching \$272,409 per lot, equating to an appreciation rate of 34.5 percent annually.

Despite the minor drop-off, 2006 will be among the strongest years in village residential real estate; below the record-setting heights of 2005, but still far above historic market trends. We uncovered no indicators in our research and interviews which demonstrated anything other than the subject area being in the midst of a continuing long-term up-cycle.

TABLE 7

SUMMARY OF SUBJECT AREA SINGLE FAMILY RESIDENTIAL MARKET ACTIVITY
 Market Study of Proposed Waikoloa Highlands Subdivision
 Waikoloa Villages, South Kohala, Hawaii
 Includes Waikoloa Village Only

Year	2000	2001	2002	2003	2004	2005	2006
Sales Volume	\$24,932,460	\$19,453,550	\$23,436,532	\$32,974,930	\$68,347,849	\$79,989,150	\$58,955,200
Percent Annual Change		-22.0%	20.5%	43.7%	107.3%	17.0%	-26.3%
Number of Sales	103	86	91	105	143	153	104
Percent Annual Change		-16.5%	5.8%	13.4%	36.2%	7.0%	-32.0%
Average Sales Price	\$242,063	\$226,204	\$257,544	\$314,009	\$477,957	\$522,805	\$566,877
Percent Annual Change		-6.6%	13.9%	21.9%	52.2%	9.4%	8.4%



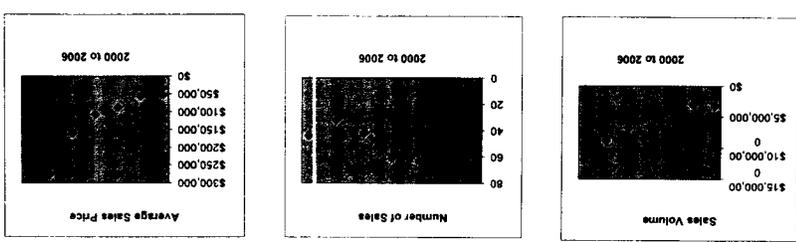
(1) Year-end estimate based on extrapolation of data through March.

Source: Hawaii Information Service, Big Island MLS and The Hallstrom Group, Inc.

TABLE 8

SUMMARY OF SUBJECT AREA VACANT LOT MARKET ACTIVITY
 Market Study of Proposed Waikoloa Highlands Subdivision
 Waikoloa Villages, South Kohala, Hawaii
 Includes Waikoloa Village Only

Year	2000	2001	2002	2003	2004	2005	2006
Sales Volume	\$3,154,650	\$2,955,800	\$5,525,779	\$6,474,500	\$6,658,500	\$8,803,513	\$11,986,000
Percent Annual Change		-6.3%	86.9%	17.3%	2.8%	32.2%	36.2%
Number of Sales	60	52	63	61	42	32	44
Percent Annual Change		-13.3%	21.2%	-3.2%	-31.1%	-23.8%	37.5%
Average Sales Price	\$52,578	\$56,842	\$87,711	\$104,221	\$158,536	\$275,110	\$272,409
Percent Annual Change		8.1%	54.3%	21.1%	49.3%	73.5%	-1.0%



(1) Year-end estimate based on extrapolation of data through March.

Source: Hawaii Information Service, Big Island MLS and The Hallstrom Group, Inc.

The primary concerns expressed were lack of product diversity, high prices and rising mortgage rates.

We conclude the micro analysis perspective also provides strong market support for the proposed Waikoloa Highlands project.

SUBJECT SITE APPROPRIATENESS AND ABSORPTION CONCLUSIONS

Appropriateness of the Subject Site for the Proposed Use

The 700-acre subject property presents a superior opportunity to meet the existing and projected shortfall in residential real estate in the Waikoloa Village, specifically addressing an expressed need for larger lots and increasing opportunities outside the "cookie cutter" single family inventory which presently dominates the community.

The availability of a more diverse product type is essential if the village is to reach its potential within the regional marketplace. A vibrant community requires a broad range of housing types, from affordable condominiums to upper-end single family homes, in order to reach its full "operating" potential.

Such diversity will bring a broader range of economic resources, creative energies, and public opinions to Waikoloa, and attract households which currently cannot find their desired level of product.

Further, the availability of some upper-end lots (and eventually homes) will attract the interest of non-resident buyers, who typically have more capital resources than local households, away from the village core; leaving the more moderately priced inventory for the housing of resident families. This is essential in lowering the ever increasing competition from outside purchasers for the scarcer, "more affordable" units.

Additionally, the Waikoloa Highlands site has the fundamental attributes to become a successful subdivision from a market perspective. It has/is:

- The necessary physical traits (size, shape topography) to support large-scale competitive residential development.

- Direct access onto the main arterial in the region (Waikoloa Road).
- Proximity to the Waikoloa Village community core.
- Access to existing utility systems.
- An expanding regional resident population nearby.
- Long been planned for large-lot residential use, as indicated by the land use classifications for portions of the holding and past announcements regarding the development of the site.
- It is nearby the primary retail/restaurant/service development in the community (Waikoloa Village Center) and major regional recreational amenity (Waikoloa Village Golf Course and Club).
- It will have extensive greenbelts, open spaces and view corridors within the subdivision; traits lacking in the existing village developments.

The proposed Waikoloa Highlands master plan embodies characteristics that will prove desirable to an expanding segment of rural/residential purchasers seeking larger lots in the subject study area.

A comparative matrix of the characteristics for the major in-development and proposed residential projects in Waikoloa Village (including the subject) is shown on Table 9.

Subject Absorption Estimates

Given the evident level of support for the proposed subject inventory from both macro and micro perspectives, as demonstrated by our market study, and that the underlying site is highly appropriate for the envisioned development, it can be readily opined the 398 lots of the Waikoloa Highlands subdivision will achieve reasonable market success upon offering.

This conclusion is supported through summary application of several techniques, as discussed following.

• **The Gross Analysis Method.** This is both the simplest and most fundamentally insightful method. It is a mere comparison between demand (for additional units) and supply (proposed units) indicators. If there is more potential demand than potential units, it can be asserted there will be sufficient demand to absorb portions or all of the proposed subject units.

As our market analysis demonstrated, the supply of proposed residential units (homes, lots and condominiums) in Waikoloa Village will be insufficient to meet forecast regional requirements. The estimated mid-point demand for study area dwelling units over the next 20 years (through 2025) is some 5,613 units. If all of the proposed non-subject units are built, the total would be a maximum of 3,681 units; nearly 2,000 less than demand.

Even with the 398 Waikoloa Highlands lots, the sector will still be underserved by more than 1,500 units during the projection period.

A 2,000-unit undersupply divided by 20 years, equals an average undersupply of 100 units per year. The 398 subject "units" (lots) represents about four years worth of needed supply to match forecast mid-point demand.

This gross analysis indicates the subject units could reasonably be absorbed, regardless of any additional competitive advantage the inventory may have.

• **The Residual Method.** In this technique, all of the identified competitive approved resort/residential projects in the study area are placed on a time-line depicting the sales absorption anticipated by the developers, as evidenced by our market survey, or as can be reasonably assumed through historic activity. To the extent these projects fall short of the forecast periodic demand for units in the study region, or exceed the total demand, an undersupply or oversupply situation respectively exists.

By accounting for the total of the units likely to be built in the competitive market during the projection period, it can be reasonably asserted the subject development will "capture" a significant portion of any residual demand. This approach is

MAJOR COMPETITIVE PROJECTS COMPARATIVE M. TRIN Market Study of Proposed Waikoloa Highlands Subdivisions on Waikoloa Village, South Kohala, Hawaii

Project Name	Location	Status	Current Price Range	Median Price	Single Family	Price per Square Foot	Density Level	Open Space Allowance	Product Diversity	Product/Market Quality	Product Appeal	Deal Breakers	SF Lot Size/Range	Community Amenities	Community Exclusivity	Pricing Demographic	Buyer Demographic	Market Acceptance	Pricing Appropriateness	
Waikoloa at Waikoloa	Waikoloa Village	First Phase in Development	\$167,000 to \$389,000	\$250,000 to \$750,000	\$312 to \$355	Moderate	Limited	High	Affordable Mix to Market SF	Good	All aspects limit quality	Master plan, nice look, high demand affordable component	Yes, Owner/Dev in year	10,000 SF to Mod. Larger	Limited to Community Center and Landscaped Entry	Moderate. Has separate entry with signal	Wide appeal from affordable to mid-level	100% Owner/Occupant that far as required	High	Competitive to Under-Priced
Sweet Ridge	Waikoloa Village	Began in 1989, Half Through	\$250,000 to \$750,000	\$334 to \$423	\$314 to \$423	Maximum	Limited	Limited	SF homes in tight range	Average to Good	Moderate	Standard subdivision, no fill, avg. look, some good views	Most 10,000 to 12,000 SF, some 30,000	None	Just another Village subdivision	Limited to mid-level	50% Owner/Dev, 35% Investor and 15% second home	Moderate, and declining with emerging competition	Competitive to Over-Priced (Drooping Prices in Next Release)	
Kiuhana Kai	Waikoloa Village	Final Phase in Development	Low \$289,000 to \$325,000	Homes \$515,000 to \$715,000	\$320 to \$447	Maximum	None	Limited	SF in tight range. Some out	Good/Plus	Moderate to High	Standard subdivision, no fill, good look, most good vs vs	Most 10,000 to 12,000 SF, some 50,000	None	Just another Village subdivision	Limited to mid-level	60% Owner/Dev, 20% Inv. and 10% second home	Moderate	Competitive	
Waikoloa Highlands	Waikoloa Village	Groundbreaking to be in 2007	Homes \$350,000 to \$1,000,000+	\$340 to \$450	\$340 to \$450	Moderate	Moderate	Moderate	SF in broad market range	N/A (no product yet available)	High	Will have open space, commercial, standard theme, some good views	Most 8,000 to 20,000 SF (avg. of 12,000) some larger high demand anticipated demand for large lots	Recreation & Community facilities. Trails, Parks, Open Space and	Moderate to High. Separated by entry from Village development	Moderate with Mid to upper-level	50% Owner/Dev, 40% second-home and 10% investors	N/A	Likely Competitive, widening of standard market sector	
Waikoloa Highlands	Adjacent to Waikoloa Village	Proposed. Needs Establishment	Low to be \$350,000 and up	Finished homes \$700,000 to \$2.5 M	N/A (Last Only)	Low	Limited	High	Limited	N/A (Last Only)	Moderate to High	Will have open, equestrian look, some good views	25,000 SF and up. Project based on anticipated demand for large lots	Trails, Greenbelt, Open Space and Recreation & Community facilities	Moderate to High. Separated by existing Village development	Limited to upper-level	50% Owner/Dev, 40% second-home and 10% investors	N/A	Likely Competitive, meeting new market sector	

Source: Project developers, brokers, brochures, websites, and The Hallstrom Group, Inc.

generally conservative, as it assumes the subject will capture only what is leftover after the other projects garner their anticipated share.

The tabular presentation of this method for the subject units is shown on Table 10.

Each of the identified sources of competitive additional supply are shown at the top of the table along with the reasonably anticipated number of units we consider likely to be constructed, and their periodic absorption over the projection period timeframe. The total demand forecast is shown at the bottom of the respective table, with the resulting over/under supply totals for each period and the residual demand level for the subject product under several capture rate assumptions.

in no single period is there an oversupply situation. In every period during the two-decade projection timeframe demand will exceed supply without the subject inventory.

This method indicates the 398 subject lots will require about four to five years to be absorbed.

The Market Shares Method accounts for the probable competitiveness of the subject residential product regardless of the total level of other inventory being offered. In essence, it is an estimate of how much of the total residential demand in Waikoloa Village the subject could expect to achieve on an annual basis in light of its locational, pricing, and amenity characteristics.

This "pure competitiveness" technique is generally moderate to optimistic in application and requires some subjective variables, but is perhaps the most appropriate and "classic" approach.

Given the type, location and amenities of the proposed subject product and competitive market, we believe the Waikoloa Highlands lots could readily achieve an average share of about 22 percent of the total competitive demand during its sales period. The annual capture rate would range from 15 to 27.5 percent of the entire Waikoloa Village residential market.

TABLE 10

PROJECTION OF SUBJECT UNIT ABSORPTION USING THE RESIDUAL METHOD BASED ON TOTAL DEMAND FOR RESIDENTIAL HOUSING IN THE WAIKOLOA VILLAGE STUDY AREA
 Market Study of Proposed Waikoloa Highlands Subdivision
 Waikoloa Village, South Kohala, Hawaii
 Approved/Announced Units Only, Assuming Mid-Point Demand Trends

Project	2006-2010	2011-2015	2016-2020	2021-2025
WEHIAHI @ WAIKOLOA	500	256		
Market Share Percentage	49%	16%		
Sunset Ridge	120			
Market Share Percentage	12%			
Kihohani Kai	80			
Market Share Percentage	8%			
Waikoloa Heights	2,500	1,200	1,000	1,000
Market Share Percentage	29%	74%	91%	91%
Govt. Affordable Project	225	150	75	75
Market Share Percentage	9%	150	75	75
Other Minor Projects/In-Fill	100	25	25	25
Market Share Percentage	2%	2%	2%	100%
Totals	3,781	1,025	1,631	25
Village Housing Unit Demand	5,613	1,450	1,357	1,485
Shortage or (Excess) Supply	1,832	425	(274)	385
Potential Waikoloa Heights Residual Subject Demand	1,832	425	(274)	385
at 100% Capture Rate	1,832	425	(274)	385
at 97.5% Capture Rate	1,786	414	(267)	375
at 95.0% Capture Rate	1,740	404	(260)	366
				1,296
				1,264
				1,231

SUBJECT INDICATION: If the first subject finished home sales began closing in 2008, as anticipated, it would require approximately 12 to 14 years. However, this assumes the subject is basically "non-competitive" and receives only the residual (or left over) demand. Given its competitive capacity and market demographics, a shorter absorption period is probable.

Source: County of Hawaii, Developers/Agents, & The Hallstrom Group, Inc.

TABLE 11

**SUMMARY OF SUBJECT PROJECTED DEMAND LEVELS
USING THE MARKET SHARES METHOD
Market Study of Proposed Waikoloa Highlands Subdivision
Waikoloa Village, South Kohala, Hawaii
Assuming 398 Total Single Homes
With Sales to Begin in 2007; First Closings in 2008**

Scenario One: Using Conservative Assumptions				
Sales Year	(2007)	Total Waikoloa Village Residential Demand	Effective Subject Share	Indicated Total Subject Absorption
1	223	223	15.00%	34
2	223	223	25.00%	56
3	223	223	25.00%	56
4	223	223	25.00%	56
5	196	196	25.00%	49
6	196	196	25.00%	49
7	196	196	25.00%	49
8	196	196	25.00%	49
9	196	196	5.50%	11
Totals		1,880		398

8.2 year absorption period

Scenario Two: Using Optimistic Assumptions				
Sales Year	(2007)	Total Waikoloa Village Residential Demand	Effective Subject Share	Indicated Total Subject Absorption
1	355	355	17.50%	62
2	355	355	22.50%	80
3	355	355	27.50%	98
4	355	355	27.50%	98
5	347	347	17.50%	61
Totals		1,767	22.53%	398

4.7 year absorption period

ANALYSIS MID-POINT
6.5 year absorption period
21.83%
398

Source: The Hallstrom Group, Inc

This capture rate, which is reasonable given historic sales standards and the competitiveness of the limited alternatives, would equate to a 21.8 percent share during a mid-point 6.5-year sell-out period. This equates to an average absorption of 61 lots annually.

We consider the stabilized market share rate to be moderate based on the availability of competitive inventory and their anticipated sales rates. As shown in the residual method, during the subject sales period, there will be only a handful of projects competing for market shares, and just achieving a "fair split" of the demand (regardless of the favorable competitiveness of the subject inventory) will generate capture rates at the projected levels.

Table 11 displays the subject unit market capture absorption forecasts.

Based on our analysis, we forecast the 398 "rural" subject lots will be absorbed in a four to six-year timeframe from initial offering.

These conclusions based on mid to long-term forecasting models are understated relative to existing vibrancy of the West Hawaii real estate market. Certainly, the current up-cycle could rapidly absorb the subject inventory if the pre-sale program is timed correctly.

ECONOMIC IMPACT OF THE PROPOSED DEVELOPMENT

The development of the Waikoloa Highlands subdivision will generate significant efforts and expenditures that will favorably impact the Big Island economy on both a direct and indirect basis, increasing the level of capital investment, capital growth and capital flow in the region. The project will pump millions of dollars into West Hawaii, expanding the economy, widening the tax base and creating stable long-term employment opportunities.

From a direct perspective, the proposed 398 rural residential lots and homes eventually built there-on will create numerous construction, equipment operator and specialty trade jobs on- and off-site during the planning and placement of the infrastructure, and building of the improvements. After completion of the homes over an estimated ten-

year development period, there will be significant additional employment positions created via the buildings themselves; such as landscape, service, maintenance, and renovation needs in the course of their use.

Numerous local businesses will enjoy significant profit opportunities arising for contracting companies constructing the improvements, and for local businesses which would supply a substantial portion of the materials needed in the building efforts.

The general island economy also will benefit from the subject development and resulting wage earners, which will spend large amounts of their income in regional shops, restaurants, and service establishments throughout the Big Island, and in purchasing day-to-day goods and services.

Indirectly, as these construction wages, profits, and resident expenditures move through the West Hawaii economy, they will have a ripple, or "multiplier," effect--increasing the amount of capital flowing to the entire island community as a result of the subject undertaking.

Construction, maintenance and other secondary/support workers earning wages from the Waikoloa Highlands and associated off-site efforts will spend the majority of their income on living and entertainment expenses while supporting and patronizing other island businesses, as will the moderate to upper income guests and residents of the community. Much of this spending would then be re-directed by these businesses to other island industries, with significant portions of these secondary profits in turn being put back through the region's economic and tax structure.

These substantial direct and indirect economic impacts associated with the proposed subject project, as quantified in the following sections, are all the result of the capital investment and entrepreneurship necessary to convert a vacant unused holding to a rural residential community. The Big Island economy will be meaningfully stimulated by the capital investments and maintenance requirements of the owners and guests.

Capital Investment and Construction Costs

The subject development will bring an estimated \$340.3 million in direct construction capital into West Hawaii over the ten-year build-out period forecast for the project. A breakdown of the basic expense items, their respective costs and expenditure over time is summarized on Table 12. As with all our models, a ten-year total projection timeframe is used depicting the development, absorption and stabilized use of the community over the initial decade.

Also shown are anticipated contractor and supplier profits flowing to local businesses as a result of the project. Cost estimates and allowances were founded on our recent experiences with similar scale neighbor island residential subdivisions and tract and custom home developments, formulated and applied as described in the table footnotes.

Infrastructure sitework expenses were allocated at \$150,000 per lot, pending completion of final figures by the engineering team. The total outlay of \$59.7 million will occur over two sequential phases anticipated to require some 30 total months from initial groundbreaking (year 1 of the model).

Home construction costs were estimated at a total of \$280.6 million in current dollars.

The single-family homes were estimated to have a current average construction cost of \$705,000 each, based on a 2,100-square-foot house at \$300 per square foot with an additional \$75,000 per lot in utility extensions, septic system, sitework and landscaping. The total single-family home construction cost is projected to be \$280.6 million.

It is expected the home types at Waikoloa Highlands will vary widely, from "smaller" houses (say 1,500 square feet costing \$350,000) to "estates" with construction costs running into several million dollars. The "average" size and costs utilized are expected to be the most common (model) and median area of the overall spectrum.

Not included in the totals are indirect costs such as marketing and sales expenses, developer fees, loan interest and other non-real property items. The inclusion of these "soft cost" could result in a total capital investment undertaking approaching \$360 million.

development period and as stabilized annually are displayed on the top of Table 13.

Included in our projections on the table are the full-time equivalent (FTE) off-site and support employment opportunities which will be provided to Big Island businesses as a result of the project. Also shown are the total number of maintenance/landscaping workers which will be required to service homes in the subdivision over time.

The projections are founded on examples provided by various residential developments undertaken on the neighbor islands over the past decade, and via formulae expressing relationships between total worker wages/benefits and construction/operating tasks and costs.

Infrastructure and building construction employment forecasts are taken from job counts in similar scale developments, review of project budgets and ratios of direct costs to job creation (assuming an average wage of \$60,000/year plus benefits equal to 25 percent of wages). Our analysis assumes one worker/year per \$300,000 in construction contract spending for infrastructure positions and one worker/year per \$225,000 in home construction contract spending.

Home "operations"/landscaping/maintenance workers in the finished homes, consisting of maintenance, landscaping, repair, installation and renovations efforts, were estimated at one full-time equivalent position per 10 houses. The average overall pay for these workers is estimated at \$28,000 per year.

Off-site employees were estimated at 40 percent of on-site workers, and are comprised of three groups:

- Numerous off-site building industry positions will also be enhanced by the Waikoloa Highlands development, including such jobs as administration, office help, material providers, equipment maintenance and specialty tasks. Analysis of county of Hawaii and neighbor island labor trends from 1980 through 2005 demonstrate a linkage equal to about 20 to 30 percent between the creation of on-site construction positions and direct off-site employment.
- Off-site support businesses, including contractor/retail/counter sales, fuel providers, shipping, storage and professional services will also benefit. A conservative job creation

TABLE 13
EMPLOYEE JOB COUNT AND WAGE ESTIMATE
Economic Impact Analysis and Public Circumstances Assessment
Market Study of Proposed Waikoloa Highlands Subdivision
Waikoloa Village, South Kohala, Hawaii
In Calendar Year 2006 Dollars

Development Year	1	2	3	4	5	6	7	8	9	10	1 Through 10	Stabilized
Infrastructure/On-site work (1)	66	84	50	125	157	157	157	157	125	103	199	199
Off-site work (2)	26	33	20	50	63	63	63	63	50	40	195	195
Off-site work (3)	26	33	20	50	63	63	63	63	50	40	195	195
Off-site work (4)	26	33	20	50	63	63	63	63	50	40	195	195
Off-site work (5)	26	33	20	50	63	63	63	63	50	40	195	195
Home Construction (6)	26	33	20	50	63	63	63	63	50	40	195	195
Home Construction (7)	26	33	20	50	63	63	63	63	50	40	195	195
Home Construction (8)	26	33	20	50	63	63	63	63	50	40	195	195
Home Construction (9)	26	33	20	50	63	63	63	63	50	40	195	195
Home Construction (10)	26	33	20	50	63	63	63	63	50	40	195	195
Home Construction (11)	26	33	20	50	63	63	63	63	50	40	195	195
Home Construction (12)	26	33	20	50	63	63	63	63	50	40	195	195
Home Construction (13)	26	33	20	50	63	63	63	63	50	40	195	195
Home Construction (14)	26	33	20	50	63	63	63	63	50	40	195	195
Home Construction (15)	26	33	20	50	63	63	63	63	50	40	195	195
Home Construction (16)	26	33	20	50	63	63	63	63	50	40	195	195
Home Construction (17)	26	33	20	50	63	63	63	63	50	40	195	195
Home Construction (18)	26	33	20	50	63	63	63	63	50	40	195	195
Home Construction (19)	26	33	20	50	63	63	63	63	50	40	195	195
Home Construction (20)	26	33	20	50	63	63	63	63	50	40	195	195
Home Construction (21)	26	33	20	50	63	63	63	63	50	40	195	195
Home Construction (22)	26	33	20	50	63	63	63	63	50	40	195	195
Home Construction (23)	26	33	20	50	63	63	63	63	50	40	195	195
Home Construction (24)	26	33	20	50	63	63	63	63	50	40	195	195
Home Construction (25)	26	33	20	50	63	63	63	63	50	40	195	195
Home Construction (26)	26	33	20	50	63	63	63	63	50	40	195	195
Home Construction (27)	26	33	20	50	63	63	63	63	50	40	195	195
Home Construction (28)	26	33	20	50	63	63	63	63	50	40	195	195
Home Construction (29)	26	33	20	50	63	63	63	63	50	40	195	195
Home Construction (30)	26	33	20	50	63	63	63	63	50	40	195	195
Home Construction (31)	26	33	20	50	63	63	63	63	50	40	195	195
Home Construction (32)	26	33	20	50	63	63	63	63	50	40	195	195
Home Construction (33)	26	33	20	50	63	63	63	63	50	40	195	195
Home Construction (34)	26	33	20	50	63	63	63	63	50	40	195	195
Home Construction (35)	26	33	20	50	63	63	63	63	50	40	195	195
Home Construction (36)	26	33	20	50	63	63	63	63	50	40	195	195
Home Construction (37)	26	33	20	50	63	63	63	63	50	40	195	195
Home Construction (38)	26	33	20	50	63	63	63	63	50	40	195	195
Home Construction (39)	26	33	20	50	63	63	63	63	50	40	195	195
Home Construction (40)	26	33	20	50	63	63	63	63	50	40	195	195
Home Construction (41)	26	33	20	50	63	63	63	63	50	40	195	195
Home Construction (42)	26	33	20	50	63	63	63	63	50	40	195	195
Home Construction (43)	26	33	20	50	63	63	63	63	50	40	195	195
Home Construction (44)	26	33	20	50	63	63	63	63	50	40	195	195
Home Construction (45)	26	33	20	50	63	63	63	63	50	40	195	195
Home Construction (46)	26	33	20	50	63	63	63	63	50	40	195	195
Home Construction (47)	26	33	20	50	63	63	63	63	50	40	195	195
Home Construction (48)	26	33	20	50	63	63	63	63	50	40	195	195
Home Construction (49)	26	33	20	50	63	63	63	63	50	40	195	195
Home Construction (50)	26	33	20	50	63	63	63	63	50	40	195	195
Home Construction (51)	26	33	20	50	63	63	63	63	50	40	195	195
Home Construction (52)	26	33	20	50	63	63	63	63	50	40	195	195
Home Construction (53)	26	33	20	50	63	63	63	63	50	40	195	195
Home Construction (54)	26	33	20	50	63	63	63	63	50	40	195	195
Home Construction (55)	26	33	20	50	63	63	63	63	50	40	195	195
Home Construction (56)	26	33	20	50	63	63	63	63	50	40	195	195
Home Construction (57)	26	33	20	50	63	63	63	63	50	40	195	195
Home Construction (58)	26	33	20	50	63	63	63	63	50	40	195	195
Home Construction (59)	26	33	20	50	63	63	63	63	50	40	195	195
Home Construction (60)	26	33	20	50	63	63	63	63	50	40	195	195
Home Construction (61)	26	33	20	50	63	63	63	63	50	40	195	195
Home Construction (62)	26	33	20	50	63	63	63	63	50	40	195	195
Home Construction (63)	26	33	20	50	63	63	63	63	50	40	195	195
Home Construction (64)	26	33	20	50	63	63	63	63	50	40	195	195
Home Construction (65)	26	33	20	50	63	63	63	63	50	40	195	195
Home Construction (66)	26	33	20	50	63	63	63	63	50	40	195	195
Home Construction (67)	26	33	20	50	63	63	63	63	50	40	195	195
Home Construction (68)	26	33	20	50	63	63	63	63	50	40	195	195
Home Construction (69)	26	33	20	50	63	63	63	63	50	40	195	195
Home Construction (70)	26	33	20	50	63	63	63	63	50	40	195	195
Home Construction (71)	26	33	20	50	63	63	63	63	50	40	195	195
Home Construction (72)	26	33	20	50	63	63	63	63	50	40	195	195
Home Construction (73)	26	33	20	50	63	63	63	63	50	40	195	195
Home Construction (74)	26	33	20	50	63	63	63	63	50	40	195	195
Home Construction (75)	26	33	20	50	63	63	63	63	50	40	195	195
Home Construction (76)	26	33	20	50	63	63	63	63	50	40	195	195
Home Construction (77)	26	33	20	50	63	63	63	63	50	40	195	195
Home Construction (78)	26	33	20	50	63	63	63	63	50	40	195	195
Home Construction (79)	26	33	20	50	63	63	63	63	50	40	195	195
Home Construction (80)	26	33	20	50	63	63	63	63	50	40	195	195
Home Construction (81)	26	33	20	50	63	63	63	63	50	40	195	195
Home Construction (82)	26	33	20	50	63	63	63	63	50	40	195	195
Home Construction (83)	26	33	20	50	63	63	63	63	50	40	195	195
Home Construction (84)	26	33	20	50	63	63	63	63	50	40	195	195
Home Construction (85)	26	33	20	50	63	63	63	63	50	40	195	195
Home Construction (86)	26	33	20	50	63	63	63	63	50	40	195	195
Home Construction (87)	26	33	20	50	63	63	63	63	50	40	195	195
Home Construction (88)	26	33	20	50	63	63	63	63	50	40	195	195
Home Construction (89)	26	33	20	50	63	63	63	63	50	40	195	195
Home Construction (90)	26	33	20	50	63	63	63	63	50	40	195	195
Home Construction (91)	26	33	20	50	63	63	63	63	50	40	195	195
Home Construction (92)	26	33	20	50	63	63	63	63	50	40	195	195
Home Construction (93)	26	33	20	50	63	63	63	63	50	40	195	195
Home Construction (94)	26	33	20	50	63	63	63	63	50	40	195	195
Home Construction (95)	26	33	20	50	63	63	63	63	50	40	195	195
Home Construction (96)	26	33	20	50	63	63	63	63	50	40	195	195
Home Construction (97)	26	33	20	50	63	63	63	63	50	40	195	195
Home Construction (98)	26	33	20	50	63							

relationship of five to ten percent relative to on-site positions was used (or, one off-site support worker/year for each ten to 20 on-site worker/years).

- Extrapolation of state Department of Business, Economic Development and Tourism (DBEDT) data, along with indicators provided by other state agencies and First Hawaiian Bank studies, demonstrate that each Hawaii worker creates demand for services (and related employment) during and directly attributable to the work day at up to a ten percent ratio. These positions include food businesses, providers of tools and trade goods, payroll/financial and insurance businesses, medical requirements and other secondary indirect/off-site employment.

During the 10-year construction modeling period of the project, the number of worker/years created on- and off-site by the development varies from 92 to 265 positions annually, totaling 2,296 worker/years over the entire projection timeframe. Of this total, 1,445 worker/years (an annual average of 145 positions during the ten-year construction period) are direct construction-oriented, 195 are on-going maintenance/operating positions, and 656 are off-site worker requirements.

On a stabilized basis after the modeling timeframe, the subdivision will generate some 56 permanent full-time equivalent and/or enhanced employment opportunities—40 directly related to on-site activities, and 16 indirect positions throughout the island.

The average annual on-site job count during the 10-year subject study period of 164 positions represents about a 0.26 percent increase from the total jobs presently available on the Big Island (164 additional jobs per year to the average in December 2006 job count of 63,500). Despite low unemployment rates of late, this number can be readily absorbed by the currently available worker pool.

Wage Income Generated

In accordance with data compiled by the state Department of Labor and Industry Relations, we have estimated the personal income (in the form of wages) which will flow to West Hawaii workers as a result of the Waikoloa Highlands subdivision.

The average wage of a full-time infrastructure construction worker is estimated at \$60,000 per year (rounded) based on DLIR data for April 2006. For finished building construction workers, the average annual pay will also be about \$60,000. Operating and maintenance personnel are forecast to be paid an average of \$28,000 per year on average (\$14 per hour). Off-site building and support industry jobs were estimated to receive an average pay of \$32,000 annually.

Overall project average wages are equal to \$49,279 per worker/year created during the model period, and \$28,997 on a stabilized basis.

Application of these wage estimates to the employment forecasts generates personal income (wage) projections directly resulting from subject development, which were shown at the bottom of Table 13. The wage figures are all presented in constant 2006 dollars, and will undoubtedly escalate over time in accordance with inflationary pressures.

In the first year of development, the "Total Annual Wages Generated" by the subject development effort would be \$4.8 million, increasing to a high of \$12.7 million, as the number of construction workers peak and many maintenance positions are created in year 8. After completion of all construction, the on-going maintenance, off-site/indirect and other employment would result in average annual wages of \$1.6 million thereafter.

Over the first 10 years of the development and operation period, on- and off-site, direct and indirect worker wages would total \$113.1 million.

Development Costs as Profit Income

While the significant majority of the materials needed to build the subject homes must be imported to the Big Island, a portion of the construction costs spent in the development will flow to local businesses in the form of contractor profits and supplier profits.

Typically, within the industry net contractor profit margins are expected to be at 8 to 20 percent of total construction costs. We have used a conservative ten percent figure. Supplier profits were extrapolated at four percent of total costs; generally supplies/materials equate to 30 to 60 percent of total cost, with a profit margin for the supplier of six to eight percent.

Application of these estimates to the forecast development parameters of the subject project was shown on Table 12.

The total Contractor's Profit ranges from \$1,970,000 to \$4.97 million per year, with a cumulative profit of \$34.0 million over the ten-year construction period. The total annual Supplier's Profit ranges from a low of \$788,040 to a high of \$2.0 million, and equates to \$13.6 million over the development time-frame.

Population, Income and Expenditures

The 398 subject lots (and eventual homes thereon) will be owned by a variety of local residents, second homeowners and in-migrants. Together these groups and guests will contribute to the Big Island economy during the use of the subject units in the form of discretionary expenditures and (for full-time residents) household income levels.

Table 14 displays our population, discretionary expenditures, and household income estimates for the subject project.

For the single-family homes, it was estimated that 60 percent would be used by full-time residents and 40 percent by part-time/second home users. For the full-time component, an average household size of 3.8 persons was assumed. For the part-time users, it was estimated the homes would be occupied 20 percent of the time with an average party size of 3.8 persons.

Beyond these standard allowances would be extra guests in the households. It was estimated the average guest population in the subdivision would equate to one person per 10 finished homes on average.

At built-out, the stabilized de facto population of the project would be some 1,068 persons, comprised of 907 full-time residents and 161 second-home owners and guests, divided as follows:

Single-Family Full-Time Residents	907
Single-Family Part-Time Residents	121
Guests (Estimated at One Per 10 Units)	<u>40</u>
Total Average De Facto Population	1,068

(1) Includes 35 homes finished at end of Year 2 and 40 homes finished in Year 3 of modeling period
 (2) 60 percent of homes estimated to be used as full-time residences, with average household size of 3.8 persons
 (3) 40 percent of homes estimated to be used as part-time (second home) residences, occupied 20% of time with average party size of 3.8 persons
 (4) Estimated average guest population (not included in full-time or part-time categories) of 1 guest per 10 finished homes
 (5) Persons enrolled in public and private schools, estimated at 2% of total full-time resident population
 (6) Persons enrolled in public and private schools, using Hawaii Department of Education "per home" demand factors. The department estimates that for every new single family home built, an additional 109 public elementary students are added to the system, 040 middle school, and 069 high school students. Given the type and demographics of the community, these demand factors may be overstated for Waikoloa Highlands.
 (7) Estimated at \$200,000 annually per full-time resident household. This is approaching four times the Big Island average as would be necessary to support reasonable mortgage.
 (8) Estimated at \$175 per capita daily for part-time residents and guest populations.

TABLE 14 DE FACTO POPULATION, DISCRETIONARY EXPENDITURES AND RESIDENT HOUSEHOLD INCOMES
 Market Study of Proposed Waikoloa Highlands Subdivision
 Waikoloa Village, Waikoloa Highlands, Hawaii
 In Calendar Year 2006 Dollars

Development Year	3 (1)	4	5	6	7	8	9	10
Cumulative Residential Development	75	50	50	50	50	50	50	50
SF Home Construction	75	50	50	50	50	50	50	50
Total Finished Homes	75	125	175	225	275	325	365	398
Average Daily Resident/Guest Population	171	285	399	513	627	741	822	907
SF Full-Time Residents (2)	23	38	53	68	84	99	111	121
Guests (4)	8	13	18	23	28	33	37	40
Total De Facto Population	201	336	470	604	738	872	980	1,068
Estimated School Age Children (5)	50	84	117	151	185	218	245	267
Estimated Public School Children (6)	44	73	102	132	161	190	214	233
COMMUNITY DISCRETIONARY (TAXABLE) EXPENDITURES (7)	\$7,335,413	\$12,235,688	\$17,154,963	\$22,006,238	\$26,896,513	\$31,786,788	\$35,699,008	\$38,976,589
Total Years 1-10	\$153,065,608							
FULL-TIME RESIDENT INCOME (8)	\$9,000,000	\$15,000,000	\$21,000,000	\$27,000,000	\$33,000,000	\$39,000,000	\$43,800,000	\$47,760,000
Total Years 1-10	\$235,560,000							

It is estimated that upon subdivision build-out and population stabilization about 267 of the full-time resident population (or 25 percent of the total) will be juveniles of school age.

In order to quantify the number of children attending public schools, we have used the State of Hawaii Department of Education "per home" pupil attendance factors for new construction. The DOE estimates each new single-family home results in .109 public elementary students, .040 middle school, and .069 high schoolers. The total attendance projection per home built is thus 0.218 public school students. Given the type, ownership and demographics forecast for Waikoloa Highlands, the effective public school load may be moderately overstated.

The population of the project will place significant discretionary expenditure dollars into the Hawaii County economy. In light of the cost of the finished houses, the residents and other users will be in the top household income brackets with substantial available income for such spending. The second home users and guests will further contribute to the high amount of discretionary funds.

We estimate that full-time resident households will spend about 60 percent of their total income on local discretionary items based on the most recent data. The daily per capita spending by second-home users, and their guests in the West Hawaii economy will be on average \$175, which is moderately above what the typical Big Island visitor spends daily on non-lodging purchases (commensurate with the relative upscale subject project quality). This pays for all food, entertainment, household goods, locally purchased fixtures and furnishings, utilities, clothing and other daily items.

By build-out, the total resident owner/guest discretionary expenditures made by subject project users in the local market will be at \$38.9 million annually on a stabilized basis, in 2006 dollars. During the 10-year development and operation model period, the total sum of these expenditures will be \$153.1 million.

The total full-time resident income amount was quantified for use in estimating discretionary expenditures and state income taxes to be paid. In order to conventionally qualify for a lot/home with prices likely to be sought for the subject houses, a household income approaching four times the islandwide average, or about \$200,000 per

year, is necessary. We recognize this amount could range widely upwards, and consider this projection moderate.

On a stabilized basis after build-out, the total annual full-time taxable resident income at the subject would be some \$47.8 million. The total subject household income during the decade long modeling timeframe will be some \$235.6 million. Some of the resident and virtually all of the second home and guest expenditures will be "new" dollars on the Big Island, providing a true economic expansion.

Summary of Direct, Local Economic Impacts

The various direct, local economic impacts which will flow to the West Hawaii study region as a result of the subject development are summarized on Table 15.

The wages, profits and discretionary expenditures figures are taken from previously presented tables. The home maintenance, repairs and upgrades revenues were calculated based on an estimated average of \$1,500 per home monthly beginning in year 3, or \$7.2 million total annually on a stabilized basis.

The annual Total Base Economic Impact increases from \$7.5 million in year 1 of the development effort to a high of \$58.5 million in year 10 (in 2006 dollars). Over the decade long development and operation modeling period, the total is \$409.3 million. Fueled by unit maintenance and resident/guest expenditures, the estimated stabilized annual base impact thereafter is \$47.7 million.

These dollars will be spent, then re-spent, on goods and services on the island, diminishing in impact on the local economy with each turnover as a portion of each spending cycle flows off the Big Island for goods, services and financing commitments. First Hawaiian Bank studies have concluded the appropriate economic multiplier rates in Hawaii are from 1.2 to 3.5 times (or 20 to 250 percent) of the base impact amount. Mainland studies (by the Urban Institute and others) tend toward the upper end of this range, and reach multipliers as high as 4.0.

Due to the need to import more than 85-plus percent of supplies/goods used on the Big Island, the multiplier impact for the island is not as great as for mainland locales, particularly for construction-based

expenditures. We have therefore tested multiplier rates at the mid-point of the market spectrum, ranging from 1.5 to 3.5 times.

On a conservative basis, using a relatively low-end multiplier effect ratio of 2.0, the total overall direct impact on the island of Hawaii economy resulting from the Waikoloa Highlands subdivision would be \$818.6 million over the 10-year projection period (in constant 2006 dollars). On a stabilized annual basis thereafter, the overall impact would be at \$95.4 million.

PUBLIC COSTS/BENEFITS ASSESSMENT

The purpose of this analysis is to delineate the direct areas in which the proposed subject rural residential subdivision will potentially impact the sphere of public agency resources, and quantify (where possible) the costs of providing expanded services to the project, versus the economic benefits that accrue to the community through an increase in local and state tax payments.

For most developments, potential direct costs to governmental services and programs include:

- Police Protection
- Fire Protection
- Public Oversight Agencies
- Infrastructure Services
- Recreational Demands
- Educational Needs
- Infrastructure Costs
- Various Other Services and Financial Commitments

However, as a privately built master planned rural residential community many of these costs will not be increased on the state or county levels as a direct result of the proposed Waikoloa Highlands. There will be minorly increased educational or recreational needs directly attributable to the subject development; the major off-site public infrastructure items are already in place; and the development will require no specific public subsidies, welfare services, bonding or capital improvements.

Development Year	1	2	3	4	5	6	7	8	9	10	Total Years 1 Through 10
ANNUAL WAGES GENERATED	\$4,780,776	\$14,059,864	\$13,042,360	\$11,803,200	\$12,107,200	\$12,711,200	\$12,515,200	\$12,719,200	\$10,562,060	\$9,143,352	\$113,145,312
CONTRACTOR'S PROFIT	\$1,970,100	\$4,974,900	\$4,123,500	\$3,525,000	\$3,525,000	\$3,525,000	\$3,525,000	\$3,525,000	\$2,820,000	\$2,326,500	\$34,029,000
SUPPLIER'S PROFIT	\$788,040	\$1,989,960	\$1,725,000	\$1,410,000	\$1,410,000	\$1,410,000	\$1,410,000	\$1,410,000	\$1,128,000	\$930,000	\$13,611,600
HOME MAINTENANCE, REPAIRS AND DEGRADATION (1)	\$1,350,000	\$2,250,000	\$2,250,000	\$2,250,000	\$2,250,000	\$2,250,000	\$2,250,000	\$2,250,000	\$1,830,000	\$1,640,000	\$23,154,000
DISCRETIONARY EXPENDITURES	\$7,353,413	\$12,235,688	\$17,115,960	\$22,000,208	\$22,000,208	\$22,000,208	\$22,000,208	\$22,000,208	\$18,996,513	\$17,786,788	\$231,353,523
TOTAL BASE ECONOMIC IMPACT	\$7,528,216	\$21,234,724	\$27,068,773	\$31,123,888	\$31,206,163	\$33,202,438	\$32,996,713	\$32,996,713	\$28,492,041	\$24,973,435	\$417,714,439
Multiplier Effect Ratio	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
TOTAL OVERALL IMPACT	\$15,077,232	\$42,209,448	\$55,530,545	\$63,637,75	\$63,637,75	\$66,604,375	\$66,604,375	\$66,604,375	\$54,992,060	\$48,126,469	\$954,258,858

(1) Estimated at \$1,500 per home per month, beginning in Year 3.

Source: Verdon, and The Hillstrom Group, Inc.

Direct tax benefits to the state and county coffers will primarily flow from the project and its operation over time from three major sources:

- Real Property Taxes
- Gross Excise Tax Receipts
- State Income Taxes

Some cost/benefit issues are considered as off-setting, or "a wash," as the cost of the services to the government is theoretically directly reimbursed in the form of user fees. Building permits and utility hook-up fees are two prime examples. Other such items include workers compensation premiums and benefits, utility operations and associated use billing rates, and business oversight/registration versus licensing fees. These items are excluded from this study.

A concern of this analysis is the integration of the subject project into the overall state and county of Hawaii governmental services plan on both an actual and pro-rata perspective.

From an actual public service cost perspective to the Big Island and state agencies, the subject will represent only a fraction of the county and state residential inventory and overall urban lands in use. Given the vast number of housing units, resorts, businesses, and agricultural lands on the island, it is difficult to assert that of themselves the subject homeowners and users will create the need for meaningful expansion of existing public services.

No new schools, parks, highways, recreational facilities, service agencies, hospitals, or other public enterprises will be required specifically because of the Waikoloa Highlands subdivision. The impact on the total regional land base will be minimal. Public safety facilities in Waikoloa, Waimea and Kawaihae are reasonably proximate, generally have the personnel and equipment to service the businesses and buildings in the development, and will be expanded in the village with overall community growth over the next decade as the various other identified projects with their many thousands of units are built.

However, the need for additional services is a cumulative effect, each project, each resident, tourist and, to a lesser degree, business adds a little bit to the community base until increased "need thresholds" are reached.

In regard to some services, the effective actual impact of a minor/moderate subdivision such as the subject may not be apparent from a cost perspective, merely creating nominally greater demands which can be readily met through existing agencies and facilities without the need for additional workers or funds.

Our analysis of county of Hawaii and state budgets indicate the actual effect of governmental services relating to the subject would not create the need to expand county and state services in and of itself.

As an alternative to actual cost estimates, which are often disparate as they inherently cannot provide for unexpected and/or atypical items, it is most common to project public costs for a proposed development on a per capita allocation.

This approach is generally appropriate for residential subdivisions, as the substantial portion, but not entirety of public costs and services generally accrue to where a person lives (or in the case of a tourist, where they are lodging).

Government services are holistic in nature, providing a foundation throughout a community, regardless of actual, specific impact on any given land holding. A resort development or business may not have a need for parks or schools, but they are essential to the patrons and workers and create the climate in which the resort or business operates. Similarly, government administration, capital projects and public welfare items may have no direct relation to a particular project, but provide the economic underpinnings that enhances overall economic success and quality of life for its residents.

In order to meaningfully quantify public costs that may be associated with the subject development, we have therefore looked at the issue from both perspectives, on an actual cost basis and on a per capita allocation basis.

Public Costs

Actual Costs

The county of Hawaii will directly incur several areas of cost increases as a result of the Waikoloa Highlands subdivision, primarily in regards to emergency services. Based on analysis of response frequencies, time/cost data, and past discussions with affected agencies, we have made general allowances for these items as summarized below.

Police/Enforcement -- Using a base cost of \$175 per hour for a responding officer (wages and benefits for responding/support/administrative personnel, overhead, capital costs, and amortized equipment), we estimate the annual additional police/enforcement cost to the county of Hawaii on a stabilized basis after project build-out will be about \$198,800.

This is comprised of:

- Four miscellaneous calls per week at an average of two total officer hours each. (2 hrs. x \$175/hr. x 4 x 52 = \$72,800)
- Four "minor" incidents/traffic accidents each month requiring on average five hours of officer time. (5 hrs. x \$175 x 4 x 12 = \$42,000)
- Two major incidents/traffic accidents each month requiring on average of 20 hours of officer time. (20 hrs. x \$175 x 2 x 12 = \$84,000)

This demand of 1,136 hours is the equivalent to 56.8 percent of one new full-time equivalent officer (2,000 total hours).

Fire Protection -- Our forecasts are based on a crew cost of \$1,000/hour (four to five firemen, wages, benefits, overhead and amortized equipment). Using this method, we estimate that at build-out, the yearly additional costs to the county of Hawaii resulting from the Waikoloa Highlands is \$168,000 per year.

This is comprised of:

- Two "minor" fire/rescue events per month requiring one crew for a total of three hours (response and/or clean-up). (3 hrs. x \$1,000/hr. x 2 x 12 = \$72,000)
- One "major" fire/rescue event every two months requiring two crews for a total of eight hours each. (2 crews x 8 hrs. x \$1,000/hr. x 6 = \$96,000)

Emergency Medical Response -- This is based on average cost per response of \$700, with an average of four calls per month. The total cost to the county would be \$33,600 per year on a stabilized basis after build-out. (\$700/response x 4 per month x 12 = \$33,600)

Road and System Maintenance -- The roadways and infrastructure system at Waikoloa Village are privately owned and funded by area residents. The county should have no substantial operating costs. However, we have made an allowance of \$50,000 per year for inspections and various oversight duties.

The total annual "actual" cost to the county on a stabilized basis at build out of the subject development is estimated at \$449,600. This cost would be reached on an escalating basis over time, beginning in year 3 and increasing as the community is finished and populated.

State of Hawaii costs would include nearby highway frontage work (Queen Kaahumanu and Mamalaha), inspections and other minor oversight duties. An allowance of \$100,000 per year was made for these items, increasing to the stabilized level as the project is built out.

Additionally, it is possible that up to 233 resident children (the count projected by the DOE formula) could enter the public school system. The cost per student in public schools statewide is presently at above \$10,000 per year. We have used a stabilized allowance of \$10,500 per potential student, or \$2,446,500 in maximum student costs to the state each year.

However, as previously noted, we believe the DOE "per home" public pupil formula overstates the probable number of public education students which will come out of Waikoloa Highlands.

The total state costs on an "actual" stabilized basis would be about \$2,546,500 annually.

Per Capita Costs

An alternative method for determining public costs is through per capita expenditures incurred by the State of Hawaii and county of Hawaii in accordance with the de facto population area of the jurisdiction. This is founded on the principal that each individual on the island equitably benefits from all governmental costs, regardless of type or focus throughout the day, with each new member of the community (whether resident or visitor) creating a proportionate new cost burden in their daily home and working life.

As previously noted, this is the standard method for residential application as the majority of costs are viewed as accruing to the housing or lodging aspects of a persons lifestyle and land use. We have included it as a means of demonstrating the overall public fiscal

impact potential of the proposed subject project even when viewed from this maximum potential cost perspective. We consider this approach as setting the absolute upper limit on all public costs (actual, indirect and inferred) for the proposed Waikoloa Highlands subdivision.

However, not all public costs accrue solely to a persons place of residence. Government services and oversight are also a vital component of the commercial community, and industrial, resort and retail/service land uses must also bear a proportionate share of their operational and consumer-related public expenses.

Generally, it is highly appropriate to allocate the costs of governmental services between residential and other uses, typically with two-thirds of each persons per capita governmental services impact (whether resident or tourist) being attributable to their dwelling piece; the other third to the non-residential uses they patronize.

But for the subject project analysis, we have made the traditional (and exceptionally conservative) allocation of 100 percent of the per capita governmental costs to the place of residence. This results in an absolute maximum amount of public costs which could be accorded to Waikoloa Highland owners and guests.

According to the state Department of Budget and Finance database, the state will spend a total of \$4.65 billion on services, salaries, infrastructure, and financing in fiscal 2005-2006. The total de facto population in the state on an average daily basis at year-end 2005 was about 1,471,000 persons, including residents, tourists, and military personnel.

The per capita expenditure by the state will thus be about \$3,164 for 2005-2006, a minor increase from 2004-2005. From 1979 through 2006, state government expenditures increased at a rate of about five percent annually compounded.

The stabilized average de facto population on-site at the subject at build-out will be 1,068 persons, a figure reached in year 10 of the development model. Using the allocated state cost per de facto "resident" of \$3,164 per year, the total annual "costs" to the state purse at stabilization by the project using the per capita method would be \$3,380,000 (rounded) in constant year 2006 dollars.

Analyzed on a similar basis, Hawaii County's budget for the local government in fiscal year 2005-2006 is circa \$284,048,832, which represents an escalation over time of more than four percent compounded annually since 1995.

The current de facto population on the Big Island is some 192,000 persons. The resulting de facto per capita county expenditure for this year is therefore anticipated to be about \$1,479.

The construction and use of Waikoloa Highlands at build out would be about \$1,580,000 (rounded) annually in costs to the county government on a stabilized basis (1,068 de facto residents x \$1,479).

Total Public Costs -- On a per capita allowance cost basis, the state and county expenses associated with the subject development would range from \$934,636 in year 3 of the project (the first year of home occupancy) to a staouized maximum of \$4,339,801 at build-out in year 10 and beyond, in constant 2006 dollars.

On an actual cost basis, which we acknowledge may be an atypical perspective and a minimized accounting of direct expenditures, the total governmental costs at build-out to the state and county would be \$2,906,100 annually.

Public Fiscal Benefits

Real Property Taxes -- Property taxes paid by landowners in the subject project were calculated using the 2006 tax rates for both land and buildings, improved or unimproved.

The assessed values for the improvements were based upon the estimated direct costs for each unit, plus an allowance of 20 percent for indirect, financing, profits and other costs which would inure to the structures. The total estimated assessed values of the 398 finished homes upon completion is \$336.7 million.

The assessed values for the land component was estimated at \$30.7 million (700 acres at \$50,000 per acre) for the site in its pre-developed state during year 1 of our model. This equates to an underlying assessed land value equal to \$88,000 per proposed lot.

"As Is," it was assumed the site would be taxed as agricultural (or other non-homeowner vacant land type) at the rate of \$9.85 per \$1,000 assessed valuation. After subdivision, the house lots, prior to

improvement, would have an estimated value of \$400,000 each, would be taxed at the same rate as long as they are vacant.

Once improved, the tax rate for the finished homes and lots changes and is different for full-time resident homeowners (60 percent of subject) and non-resident owners. For homeowners, the single-family homes and lots were assumed taxed at a rate of \$5.55 per \$1,000 in value, and for non-residents a rate of \$9.10 per \$1,000 was used.

All real property value of the subject holding is assumed to be vested in the completed "salable" and operating components, with no assessment placed against open spaces, roads, or other systems.

At stabilization, the effective overall tax rates for both the lands and improvements at Waikoloa Highlands using 2006 dollars and effective tax rates would be \$6.97 per \$1,000 of assessed value (the resulting mix of owner/occupant and non-resident rates). The total real property tax to be paid to Hawaii County in 2006 dollars ranges from \$344,750 in year 1 of development, to a stabilized level of \$3,456,479 at build-out after year 10. The aggregate real property taxes paid over the 10-year study time-frame will be \$24.4 million.

State Income Tax -- The state will receive income taxes from three sources:

- the wages of the workers associated with the construction, maintenance, and "operation" of the Waikoloa Highlands components;
- the household incomes of full-time residents in the community; and
- the corporate profits from contractors and suppliers serving the construction phase of the development, and as generated by ongoing maintenance and operations.

According to DBEDT data, individual State of Hawaii income tax liability as a ratio to gross income has ranged from 4.7 to 5.8 percent during the past decade, with the more current figures tending toward the mid to lower-end of the range. We have employed an effective tax rate of 5.00 percent of gross income for individual workers and full-time residents.

The effective tax rate for the corporate income is estimated at 1.00 percent of gross operating profits, based on available DBEDT statistics.

The total income tax revenues to be received by the state are projected at \$252,830 in the first year of construction increasing to a maximum level at year 10 of \$2.9 million annually in constant 2006 dollars.

On a stabilized basis, after build-out, the permanent maintenance workers, off-site workers, and full-time project residents would pay an annual state income tax of \$2.5 million. Over the 10-year modeling period, the cumulative income taxes paid are estimated at \$17.9 million.

We have not included any corporate income or other taxes which will be paid by the developers as a result of their profits from undertaking the subject development, or from the secondary jobs created by the discretionary spending of workers and businesses. Such items have the potential to be substantial contributions to the state coffers.

State Gross Excise Tax -- This 4.166 percent of expenditures tax was applied against:

- the total estimated construction contract costs;
- the total allocated gross sales maintenance, landscaping and renovations operations; and
- the discretionary expenditures of the de facto resident, guest and worker populations of the subject.

The anticipated state excise tax receipts arising from the subject development grow from an estimated \$820,744 in the first year of development to a peak of \$3.03 million. Over the 10-year study period, the receipts total \$23.6 million and stabilize at circa \$1.9 million per year.

We have not included any excise tax revenues associated with the direct, local "multiplier effect" expenditures on the Big Island, or those created in the secondary market by the suppliers to the maintenance operating or secondary worker expenditures.

engagement in this assignment was not contingent upon developing or reporting predetermined results. Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal. The appraisal analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute, and the Uniform Standards of Professional Appraisal Practice. The use of this report is subject to the requirements of the Appraisal Institute relating to review by duly authorized representatives. The undersigned certify that they have made personal inspections of the property that is the subject of this report. No other persons provided significant real property appraisal assistance other than the undersigned.

The Appraisal Institute conducts programs of continuing education for their designated members. As of the date of this report, James E. Hallstrom, Jr. has completed the requirements of the continuing education program of the Appraisal Institute.

James E. Hallstrom, Jr.
 James E. Hallstrom, Jr., MAJCRE
 Hawaii State Certified
 General Appraiser, CGA# 178
 Exp. Date December 31, 2007

Tom W. Holliday
 Tom W. Holliday

/s/

4694_R01

SUMMARY OF ANNUAL PRIMARY GOVERNMENTAL TAX RECEIPTS AND PUBLIC SERVICE COSTS

Economic Impact Analysis and Public Cost/Benefit Assessment
 Market Study of Proposed Waikoloa Highlands Sub-Division
 Waikoloa Village, South Kohala, Hawaii
 In Constant Year 2006 Dollars

State of Hawaii		County of Hawaii	
On Stabilized Basis	At Build-Out	On Stabilized Basis	At Build-Out
Amount per Year	Amount per Year	Amount per Year	Amount per Year
Receipts	Receipts	Receipts	Receipts
\$4,430,756	\$4,430,756	\$3,456,479	\$3,456,479
-	-	-	-
Costs	Costs	Costs	Costs
(\$2,546,500)	(\$3,379,886)	(\$449,600)	(\$1,579,915)
=	=	=	=
Net Benefits	Net Benefits	Net Benefits	Net Benefits
\$1,884,256	\$1,050,870	\$3,006,879	\$1,876,564
Actual Cost Comparison	Actual Cost Comparison	Actual Cost Comparison	Actual Cost Comparison
Per Capita Allocation Comparison			

Source: The Hallstrom Group, Inc.



PROFESSIONAL QUALIFICATIONS OF JAMES E. HALLSTROM, JR., MAI, CRE

Business Background

President The Hallstrom Group, Inc.
Honolulu, Hawaii (1980 - Present)

Former Senior Vice President and Treasurer Hastings, Martin, Hallstrom and Chew, Ltd., Honolulu, Hawaii (1972-1980)

Former Real Property Appraiser and Analyst Administration, Inc., a subsidiary of C. Brewer and Company, Limited Honolulu, Hawaii (1971-1972)

Former Senior Real Property Appraiser and Analyst Opitz Realty, Madison, Wisconsin (1969-1971)

National Designations and Memberships

- CRE Designation (1998) - The Counselors of Real Estate Appraisers
- MAI Designation (1976) - American Institute of Real Estate Appraisers
- SRPA Designation (1975) - Society of Real Estate Appraisers

The American Institute of Real Estate Appraisers (AIREA) and the Society of Real Estate Appraisers (SREA) consolidated in 1991, forming the Appraisal Institute (AI).

Education

- M.S. (Real Estate Appraisal and Investment Analysis) 1971, University of Wisconsin at Madison
- B.A. (Economics) 1969, Brigham Young University at Provo
- Additional numerous specialized real estate studies in connection with qualifying for national professional designations, and uninterrupted Continuing Education.
- Completed Continuing Education requirements with the Appraisal Institute through 2006.

Professional Involvement

- Former President and Officer for Hawaii AIREA and SREA Chapters
- Instructor for Society of Real Estate Appraisers Course 101, "Introduction to Appraising Real Property" and Course 201, "Principles of Income Property Appraising"
- Contributing author to the "Hawaii Real Estate Investor"
- Lecturer at many professional seminars and clinics.
- Appointed numerous times as an Arbitrator and Mediator.

Qualified Expert Witness

Federal and State Courts
State Land Use and County Hearings
Arbitration Proceedings

State of Hawaii Certification

Certified General Appraiser, License Number CGA-178, Exp. Date December 31, 2007

Community Service

Active registered member of the Boy Scouts of America; former Director of Le Jardin Academy; former Advisory Board Member of the School of Business, Brigham Young University, Hawaii Campus; Director of Hawaii Reserves, Inc.

PROFESSIONAL BACKGROUND AND SERVICES

The Hallstrom Group, Inc. is a Honolulu based independent professional organization that provides a wide scope of real estate consulting services throughout the State of Hawaii with particular emphasis on valuation studies. The purpose of the firm is to assist clients in formulating realistic real estate decisions. It provides solutions to complex issues by delivering thoroughly researched, objective analyses in a timely manner. Focusing on specific client problems and needs, and employing a broad range of tools including after-tax cash flow simulations and feasibility analyses, the firm minimizes the financial risks inherent in the real estate decision making process.

The principals and associates of the firm have been professionally trained, are experienced in Hawaiian real estate, and are actively associated with the Appraisal Institute and the Counselors of Real Estate, nationally recognized real estate appraisal and counseling organizations.

The real estate appraisals prepared by The Hallstrom Group accomplish a variety of needs and function to provide professional value opinions for such purposes as mortgage loans, investment decisions, lease negotiations and arbitrations, condemnations, assessment appeals, and the formation of policy decisions. Valuation assignments cover a spectrum of property types including existing and proposed resort and residential developments, industrial properties, high-rise office buildings and condominiums, shopping centers, subdivisions, apartments, residential leased fee conversions, special purpose properties, and vacant acreage, as well as property assemblages and portfolio reviews.

Market studies are research-intensive, analytical tools oriented to provide insight into investment opportunities and development challenges, and range in focus from highest and best use determinations for a specific site or improved property, to an evaluation of multiple (present and future) demand and supply characteristics for long-term, mixed-use projects. Market studies are commissioned for a variety of purposes where timely market information, insightful trends analyses, and perceptive conceptual conclusions or recommendations are critical. Uses include the formation of development strategies, bases for capital commitment decisions, evidence of appropriateness for state and county land use classification petitions, fiscal and social impact evaluations, and the identification of alternative economic use/conversion opportunities.

ARBITRATION
VALUATION AND
MARKET STUDIES

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APPENDIX E

**Evaluation of Archaeological Potential at a 702.28-acre Parcel at Waikoloa,
South Kohala District, Hawai'i Island
Cultural Surveys Hawai'i, April 2006**

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**Evaluation of Archaeological Potential at
A 702.28-Acre Parcel at
Waikoloa, South Kohala District, Hawai'i Island
TMK: [3] 6-8-002:016**

**Prepared for
R.M. Towill Corporation**

Prepared by

**Hallett H. Hammatt, Ph.D.
and
David W. Shideler M.A.**

**Cultural Surveys Hawai'i, Inc.
Kailua, Hawai'i
(Job Code: Waiko 3)**

September 2006

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Section 1 Project Background

Cultural Surveys Hawaii's entered into agreement with R.M. Towill Corporation to carry out an Archaeological Inventory Survey of an approximately 702.28-acre parcel in the uplands of Waikoloa, South Kohala, Hawai'i Island. Relatively quickly it was ascertained that a prior Archaeological Inventory Survey (Jensen 1990) had been carried out on the parcel. Upon consultation with R. M. Towill Corporation it was agreed that a summary report documenting the previous work and the status of that work with the regulatory State Historic Preservation Division (SHPD) was appropriate.

Section 2 Status of Archaeological Studies of the Parcel

To the best of our knowledge only two prior archaeological studies have been carried out in the present project area - Bevacqua 1972 and Jensen 1990. Because the Jensen study is far more detailed and relevant to future development of the parcel it is discussed first with reference to the Bevacqua study following.

2.1 Jensen (1990) Archaeological Inventory Survey

In March of 1990, Peter M. Jensen of Paul H. Rosendahl, Ph.D., Inc. produced a study entitled *Archaeological Inventory Survey Waikoloa Mauka Lands, Land of Waikoloa, South Kohala District, Island of Hawai'i* (Cover page is shown in Figure 1). Although the stated estimate of the acreage studied is "c. 600 acres" an overlay (see Figure 7) of the Jensen (1990) project area map (Figure 2) with the present project area map (Figures 3) finds that it is very similar to the present 702.28-acre parcel. Our overlay indicates that the project areas are basically the same (with minor vagaries as are the norm) except that the Jensen (1990) project area was larger including an additional tongue of land at the northwest corner.

2.2 State Historic Preservation Division Comments on the Jensen (1990) Archaeological Inventory Survey

Research with the State Historic Preservation Division (SHPD) located a letter from Don Hibbard, administrator dated 4/17/1990 (Figure 4) asserting that the Jensen (1990) study "adequately documents the survey findings." Although we understood this letter as an acceptance letter, further confirmation was sought from Ms. MaryAnne Maignet, Hawai'i Island archaeologist with the SHPD. We asked her (correspondence of 3/27/06 and 4/17/06) whether TMK parcel [3] 6-8-002:016 had any further SHPD requirements. Her e-mail response (Figure 5) concludes: "My inclination is that additional work is not necessary and that we [SHPD] could maintain our earlier acceptance of the Jensen report."

This response was however superseded by a formal SHPD response ten weeks later on July 3, 2006 (Figure 6). This letter (from Ms. Julie Taomia): 1) questioned the relationship between the Jensen (1990) study area and the present study area, and 2) called for a verification field inspection to: a) determine whether the site identified in the survey (Jensen's site T-1) still exists and b) to evaluate the site using the current State of Hawai'i statutes and rules.

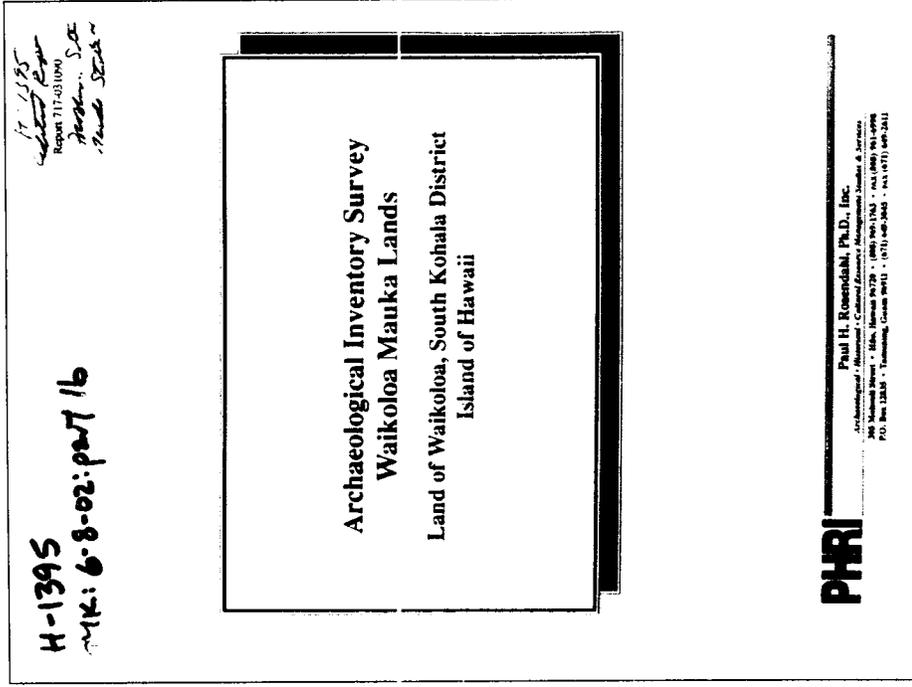


Figure 1. Title page of Jensen 1990 Archaeological Inventory Survey study addressing 702.28-acre project lands

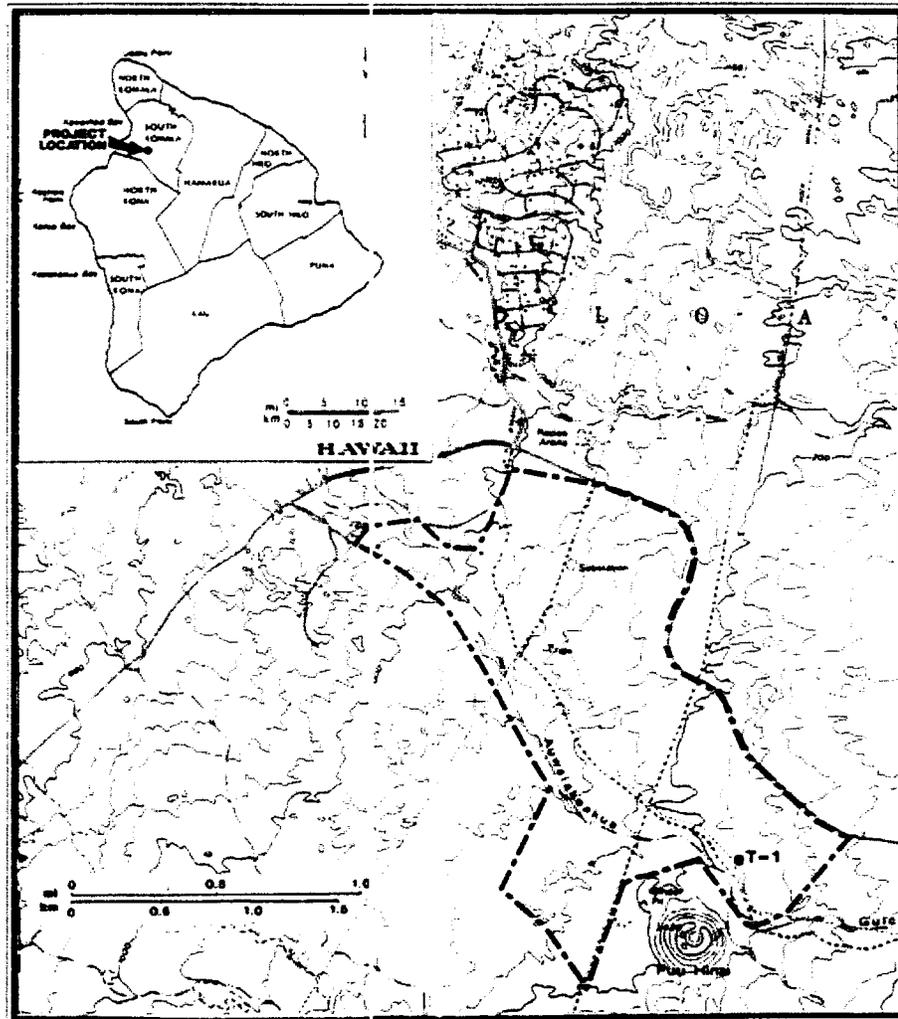


Figure 1. PROJECT AREA AND SITE LOCATION MAP
ARCHAEOLOGICAL INVENTORY SURVEY
WAIKOLOA MAUKA LANDS
Land of Waikoloa, South Kohala District, Island of Hawaii
PHRI Project 89-717 **March 1990**

Figure 2. Map showing 1990 Archaeological Inventory Survey project area (from Jensen 1990:3)

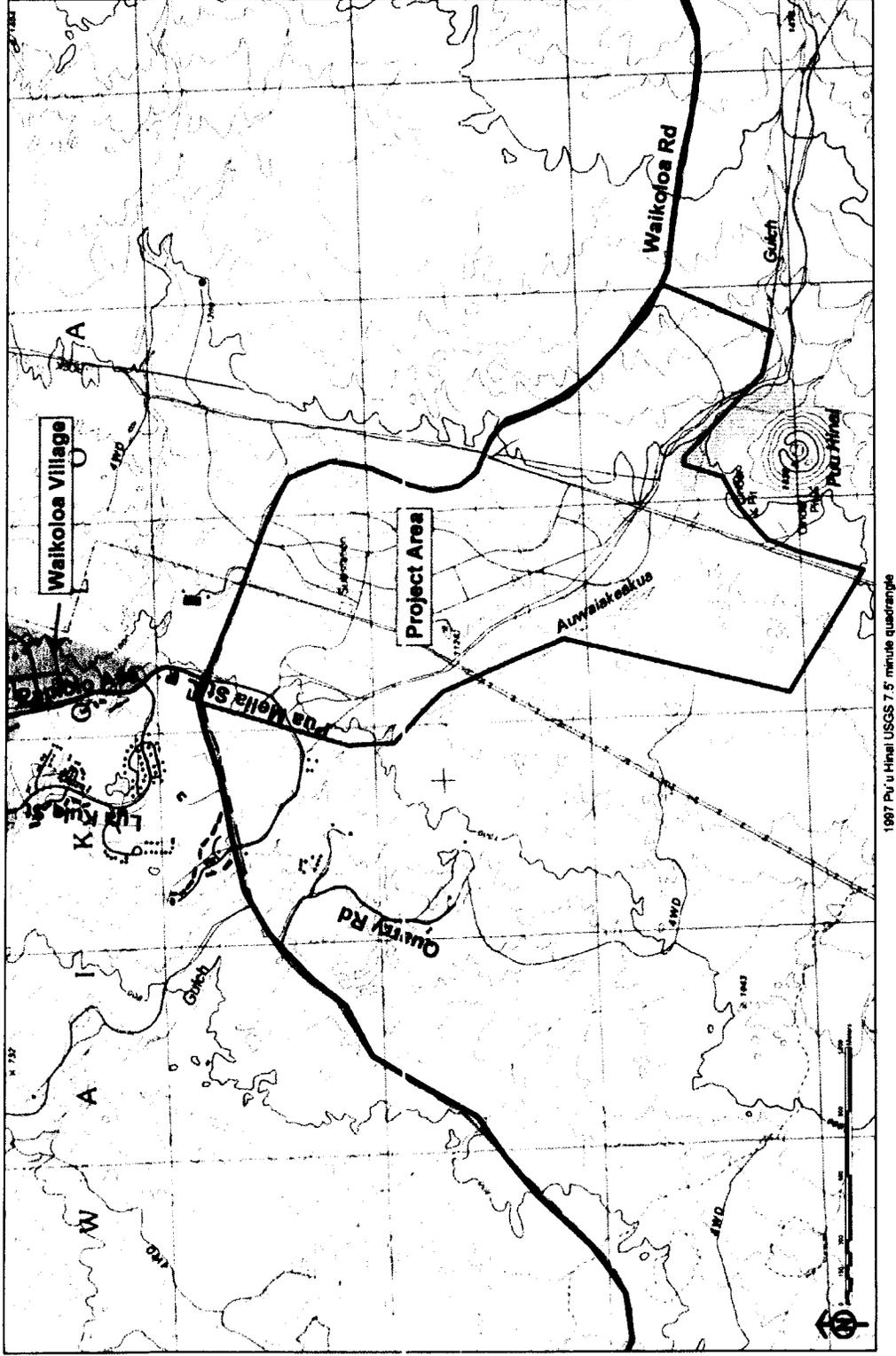


Figure 3 Present study area

Evaluation of Archaeology at a 702-acre Parcel in the Waikoloa Uplands

TMK [3] 6-8-002:016

April 17, 1990

Mr. Duane Kanuha, Director
Planning Department
County of Hawaii
25 Aupuni Street
Hilo, Hawaii 96720

Dear Mr. Kanuha:

SUBJECT: County of Hawaii, Use Permit #71 -- Condition 5
(Waikoloa Beach Resort -- Waikoloa Mauka Lands)
Waikoloa, South Kihala, Hawaii
TMK: 6-8-2: part 16

This is a follow-up to our letter of February 26, 1990, on this permit. Mr. Ken Melrose sent us on March 21, 1990, a copy of the final survey report covering the findings in this Waikoloa Mauka Lands area (P. Jensen 1990. Archaeological Inventory Survey, Waikoloa Mauka Lands. PHEI.). This report includes a location map and a site map, so the report adequately documents the survey findings. We believe the condition can be considered to be completely fulfilled at this time. Again, the findings indicate no significant historic sites are in the project areas.

To cover the slight possibility of lava tube sites being uncovered, we recommend that you do remind the applicant that if such caves are encountered, the applicant should stop work in the immediate area and have a professional archaeologist check to see if historic remains are present. If remains are present, these should be documented and their significance evaluated. Then your office and our office should be contacted immediately, so we can assess the situation and make recommendations for mitigative action, if needed.

Sincerely,

/s/ DON HIBBARD

DON HIBBARD, Director
Historic Preservation Program

cc: K. Melrose, Waikoloa Beach Resort
P. Rosendahl, PHEI

RC:al 4/17/90
2588c/685

Figure 4. Letter from the State Historic Preservation Division of 4/17/1990 asserting that the Jensen (1990) study "adequately documents the survey findings"

David Shideler

From: MaryAnne B. Maigret@hawaii.gov
Sent: Monday, April 17, 2006 10:56 AM
To: dshideler@culturalsurveys.com
Cc: Julie.M.Endicott-Taomia@hawaii.gov
Subject: Re: Follow-up to Request for clarification regarding no further SHPD requirement for TMK: [3] 6-8-002:016 in Mauka Waikoloa

"David Shideler"
<dshideler@culturalsurveys.com>
04/17/2006 09:54 AM
Please respond to

<MaryAnne.B.Maigret@hawaii.gov>
x
b:c
Subject: Follow-up to Request for clarification regarding no further SHPD requirement for TMK: [3] 6-8-002:016 in Mauka Waikoloa

David:

Hope you are well and keeping busy. We did receive your communique, and offer the following:

Several surveys, some more recent, continue to come up empty-handed in terms of findings in the Waikoloa area, with the few sites found consisting of c-shapes, a few isolated cave shelters, or military-related items. The sites I am aware of are on the 3000 acre parcel below Waikoloa Village, at a lower elevation than the Jensen parcel, though.

My inclination is that additional work is not necessary and that we could maintain our earlier acceptance of the Jensen report. A letter to this effect will be drafted for Julie's review and division sign-off. We are still requiring inventories, however, on parcels that have not yet undergone a study.

MaryAnne

Aloha MaryAnne Maigret:

I am just following up on my letter to you dated March 27, 2006 entitled: "Request for clarification that a certain parcel TMK [3] 6-8-002:016 in Mauka Waikoloa, South Kohala, Hawaii Island has no further State Historic Preservation Division requirements." The letter was sent with a copy of the Jensen March 1990 Archaeological Inventory Survey of the parcel and a copy of the SHPD memo dated 4/17/90 signed by Don Hibbard addressing the Jensen study.

I have no reason to believe there are any sites on this approximately 700-acre parcel.

The Hibbard letter would appear to indicate no further archaeological work is required. We do not wish to assume anything. We thus request clarification.

Is it reasonable to hope for an e-mail or memo clarifying the SHPD position?

Aloha David

4/25/2006

Figure 5. Copy of SHPD (MaryAnne Maigret) E-mail correspondence of 4/17/06 concluding "My inclination is that additional work is not necessary...."

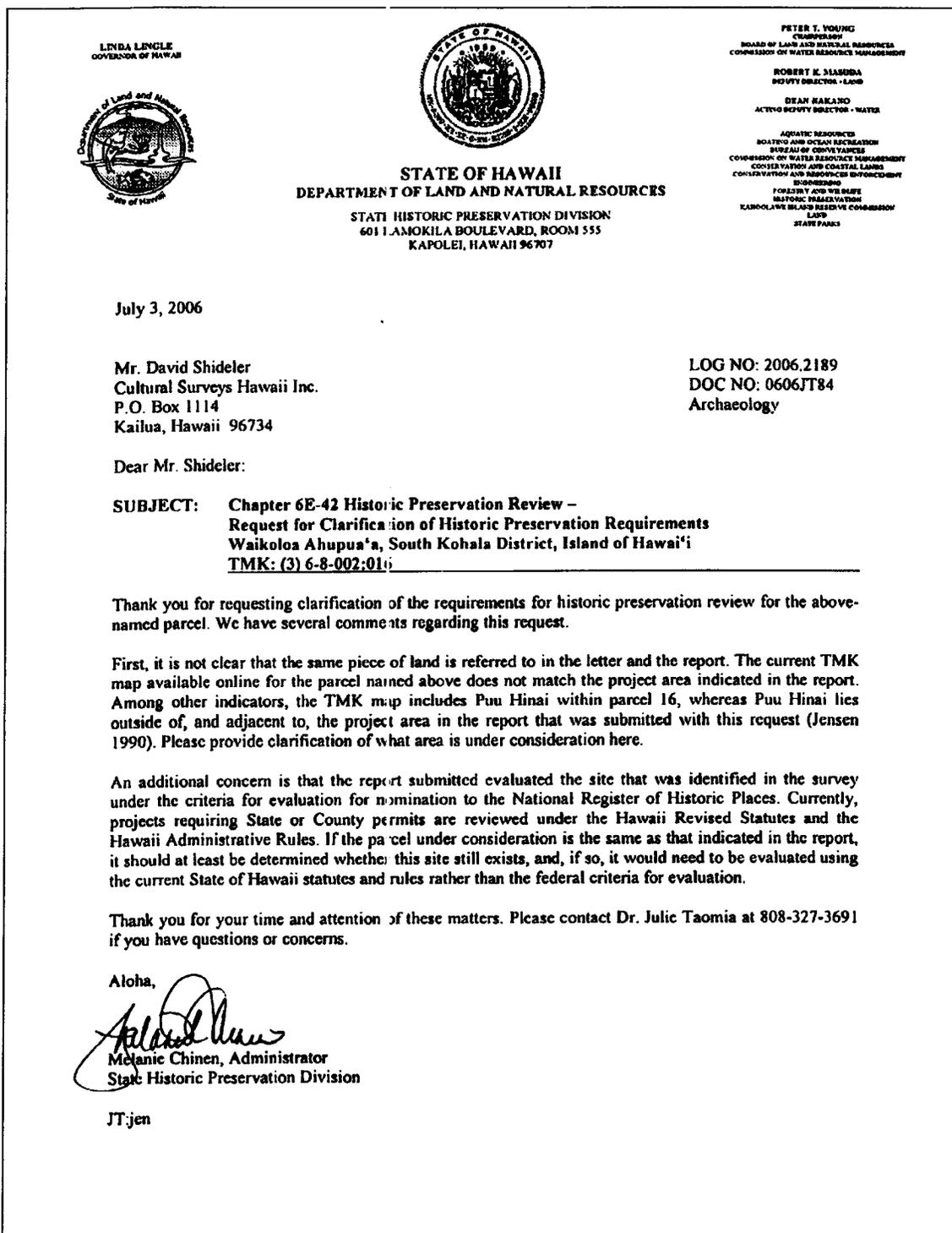


Figure 6. State Historic Preservation Division letter of July 3, 2006 specifying further work

2.3 Comparison of the Jensen 1990 Project Area and the Present Waikoloa Highlands Project Area

The SHPD response (from Ms. Julie Taomia) of July 3, 2006 (Figure 6) questioned the relationship between the Jensen (1990) study area and the present study area. The relationship of the two project areas is shown in Figure 7. The project areas are suggested to be basically the same. Discrepancies on the southwest and north corners are suggested to be of the nature of minor vagaries as are the norm when comparing modern geo-referenced maps with hand drawn maps of c. 1990.

2.4 Comments on the Methodology and Finds in the Jensen (1990) Study

The Jensen study began with a low elevation aerial reconnaissance of the entire project area during which one site was identified. Subsequently pedestrian sweeps were carried out in three portions of the project area deemed particularly sensitive. These areas (Jensen 1990:9) were:

- Adjacent to the north side of Pu'u Hinai and involves the several streams which converge near the northeast perimeter of the *pu'u*;
- The southwestern portion of the project area in which numerous small caves were observed; and
- The vicinity of two shallow gulches which transect the project area from east to west. One of these originates on the south side of Pu'u Hinai while the other represents the coalesced flows from several small streams which flow around the north side of the *pu'u*.

The total of the areas of sensitivity traversed were estimated at 20% of the entire project area. Pedestrian transects were spaced at 30 – 40 m intervals in some areas while others “involved a cursory-level walk-through.” (Jensen 1990:9). In at least one place (Jensen 1990:9) the PHRI fieldwork is referred to as “the present reconnaissance work” suggesting the possibility that the field crew may have understood they were doing a much less intensive study than the final title of the study indicates.

The Jensen (1990) study identified one archaeological feature a wall segment identified as Site T-1. The wall of unknown function was 2.5 meters long with a maximum height of 1.21 meters. For a number of reasons the Jensen study reasonably concludes this T-1 Site was not the same as the Site 22 documented by Bevaqua (discussed further below). The T-1 feature was so modest that no State Inventory of Historic Places site number was given and “no further treatment of any kind” was recommended (Jensen 1990:13). Otherwise there was no evidence of either pre- or post-contact use within the entire project area.

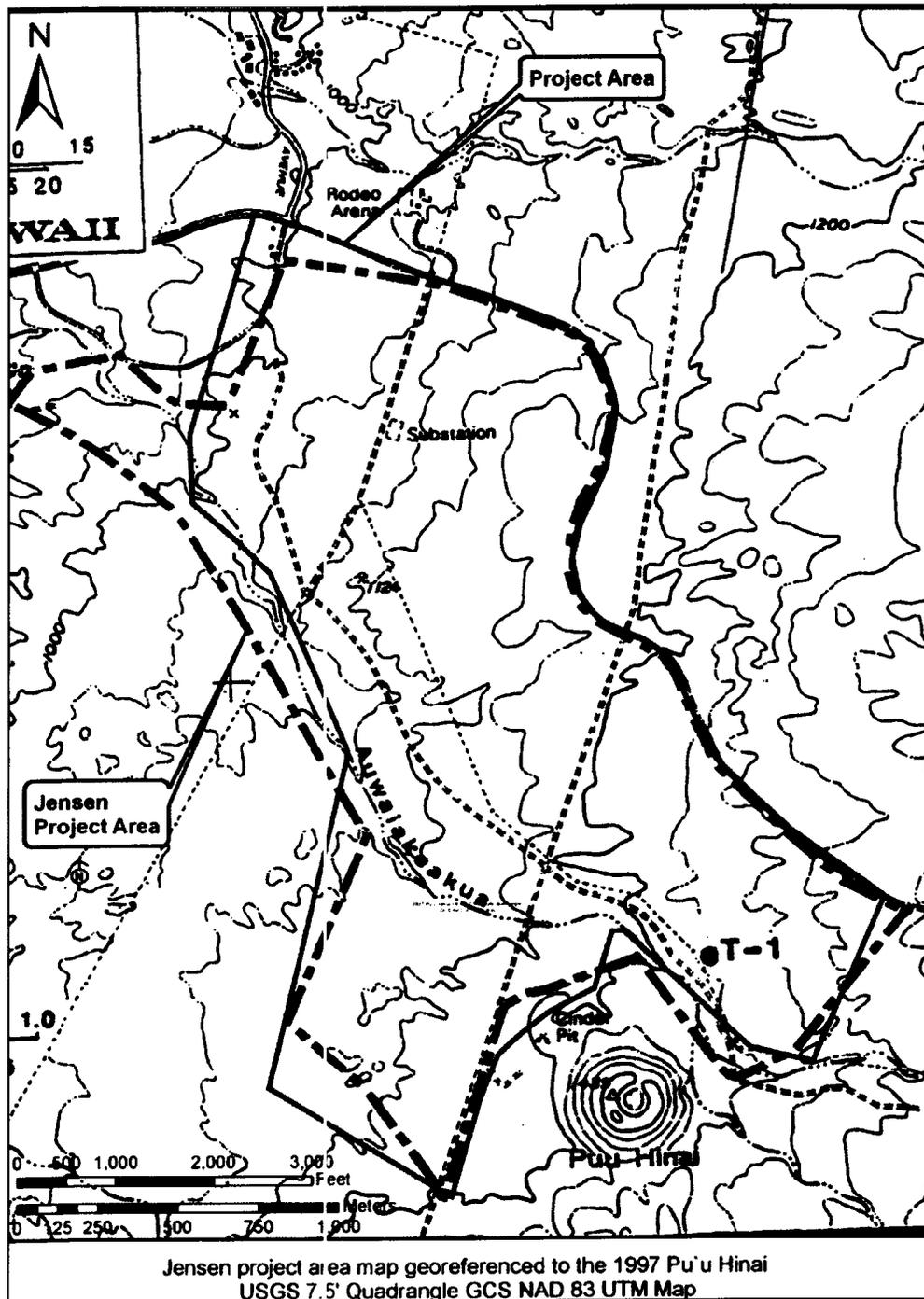


Figure 7. Overlay of Jensen (1990) project area (dashed line) with present Waikoloa Highlands project area (red line). They are suggested to be basically the same (with minor vagaries on the southwest and north corners)

2.5 Bevacqua 1972 Archaeological Study

In 1972 Robert F. Bevacqua carried out archaeological studies in a number of areas of Waikoloa that he designated as Survey Areas A through G. Of particular importance to the present study is his Survey Area G which the Jensen study (1990:5) concluded: "roughly corresponds to the present project area." His study area is described as follows:

Survey Area G is situated slightly N of Pu'u Hinai, a prominent cinder cone in the center of Waikoloa. The exact location and configuration of this 300-acre parcel of land has not been determined by the developers; thus the survey encompasses only the approximate area of the parcel.

Bevacqua's map showing the location of his survey Area G (Figure 8) leaves much to be desired. Bevacqua (1972:12) identified only one site within his Survey Area G designated as Site 22 described as follows:

Site 22 consists of a complex of walls, portions of which protrude above the flood plain. The dominant feature is a well-built bifaced wall, 45 meters long, running E-W. At the stream bank, the E end of the wall corners and extends N another 7.1 meters; the W end of the main wall corners and extends N 5.5 meters. East of the main wall an 11-meter-long, bifaced wall runs N-S and stands clearly above ground surface.

Bevacqua notes that: the vast majority of the site has been completely inundated by stream deposited soil, approximately 1.3 meters deep, thus making identification and description exceptionally difficult. He recommends a program of further work at this site.

The field crew on the Jensen study looked for Bevacqua's Site 22 even examining lands 250 meters beyond the perimeter of the project area. They conclude (Jensen 1990:10) "in view of clear evidence of recent erosion, it can reasonably be concluded that heavy runoff probably destroyed Site 22 sometime during the past 5-10 years."

It seems odd that a site nearly 150 feet long that presumably had been around for many decades could disappear in the course of eighteen years. It also, however, seems unlikely the Jensen crew would have missed Site 22. During the CSH field inspection on August 8, 2006 (subject of Section 3 of this study below) Bevacqua's Site 22 was also sought with no trace found. Perhaps it lies farther a field.

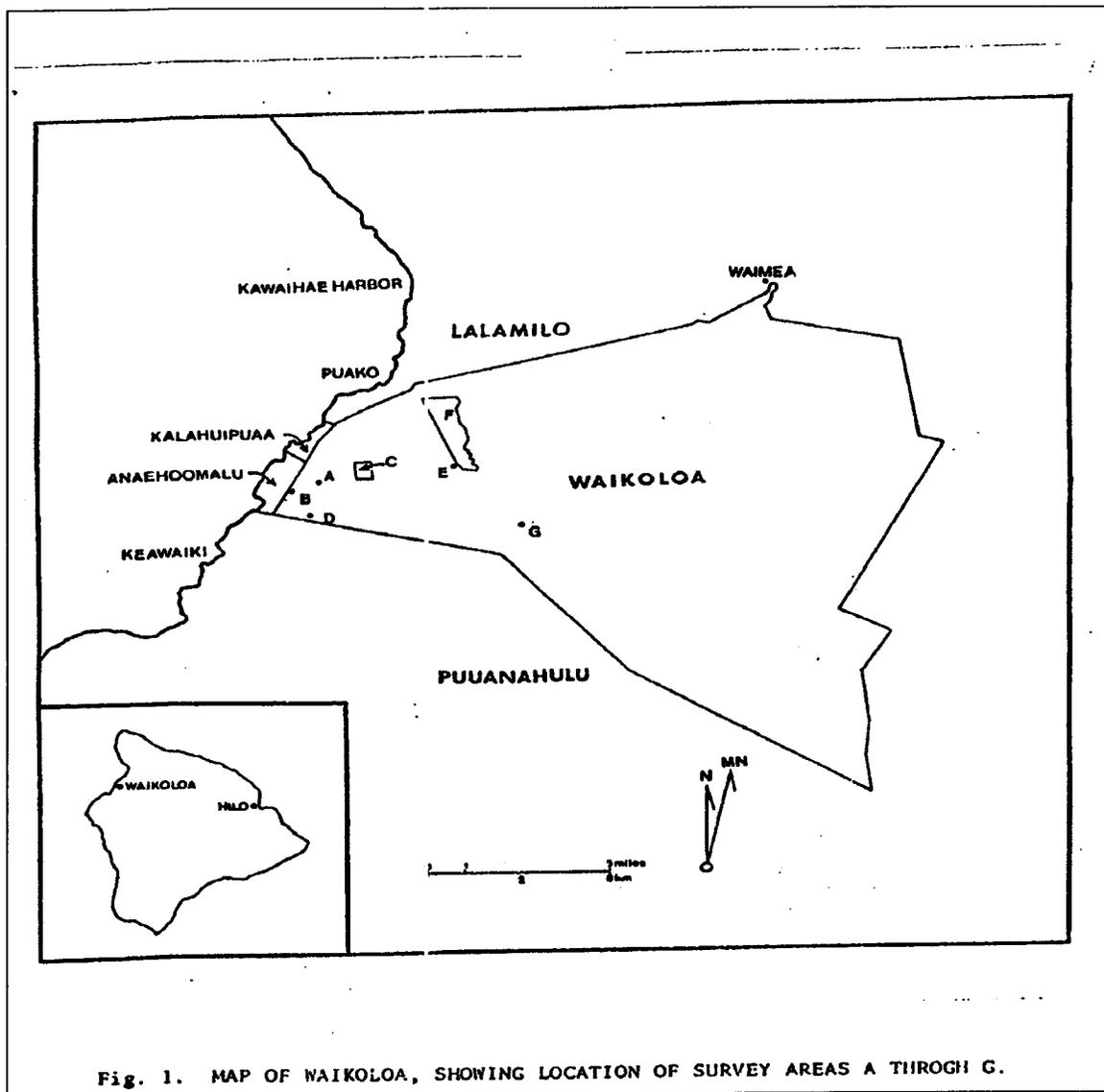


Figure 8. Bevaqua's map showing the location of his survey areas (Survey Area "G", shown as a dot, roughly corresponds to the present study area

Section 3 Results of CSH Field Check

In consultation with R.M. Towill, Cultural Surveys Hawai'i undertook a field inspection of the project area on August 8, 2006. The fieldwork was carried out by Todd Tulehin B.A. and David Shideler M.A. under the overall direction of Hallett H. Hammett Ph.D. and took approximately 2-man-days including travel time. The fieldwork had two major objectives: 1) to relocate and describe the archaeological feature identified as "T-1" in the Jensen (1990) archaeological inventory survey, and 2) to search for any additional sites as might be present including a further effort to re-identify the Bevacqua (1972) "Site 22" wall feature that could not be found in the Jensen (1990) fieldwork.

The project area was approached from the main Waikoloa Village Road connecting Queen Ka'ahumanu Highway and the upper belt road. It was possible to drive in on an access road supporting the on-going quarry operations at Pu'u Hina'i. The field inspection began by following 'Auwaiakeakua Gulch from the access road to the base of Pu'u Hina'i. It was thought that the margins of this gulch were particularly likely locales for archaeological sites including Bevacqua's "Site 22" wall feature. The field crew then ascended to the summit of Pu'u Hina'i to better view the landscape of the project area in hopes of observing indications of archaeological sites (Figures 9 & 10). Then both sides of the margins of 'Auwaiakeakua Gulch were explored to the southeast edge of the present study area and some distance beyond in search of the Bevacqua Site 22 or any other archaeological features. No archaeological sites were observed in this initial fieldwork.

Search for the Jensen T-1 feature was soon successful and the feature was located, photographed, sketched and described (Figures 11 to 15). No other archaeological features were observed or are believed to exist within the project area. The feature is described below and is evaluated according to current Hawai'i statutes and rules (specifically HAR 13-275-6)

Archaeological Feature T-1 (as identified by Jensen 1990) Description

Previous Site #s The Jensen 1990 Archaeological Inventory Survey study gave this site temporary site # T-1. It appears the State Historic Preservation Division

Location: Approximately 450 m northeast of the summit of Pu'u Hina'i, approximately 100 m northeast of 'Auwaiakeakua Gulch and approximately 30 m north of a telephone line. The feature is located near a significant south-to-west bend of 'Auwaiakeakua Gulch near the summit of a low hill or *pu'u*.

Formal Type: Linear cairn

Description: The feature (Figures 11 to 15) consists of twelve loosely piled small *pāhoehoe* slab boulders in a linear arrangement 2.5 meters long with 1 to 3 courses and a maximum height of 1.21 meters and a width of 0.6 meters. The feature has the appearance of a short wall segment, one course thick arranged in an east/west direction parallel with the contour of the small hill. There was little soil at the base of the structure with the basal course lying on bedrock. No midden, artifacts or other features were observed in

the vicinity. No subsurface deposits are believed to be present in the vicinity.

Function:

The function of the small linear pile of boulders is not altogether clear. We believe it served as a cairn or directional marker. The location near a significant bend of 'Auwaiakeakua Gulch would seem to be significant. The cairn would serve as a marker for parties traversing from the Gulch to the Waimea area. It is located at a place where the view to the north is obscured by the rise in the slope and may have served to inform travelers where to leave the gulch to head for points to the north.

Significance:

The feature was evaluated as significant under federal and state criterion "d" "have yielded, or is likely to yield, information important for research on prehistory or history." This feature is evaluated as significant for information content only.

Recommended Treatment

We agree with the recommendation of Jensen (1990) that the feature has yielded the available information and that no further archaeological work is indicated.

The Jensen (1990) study did not give the one identified archaeological feature a formal SHHP site # but rather referred to it consistently as "Site T-1". The State Historic Preservation Division comment letter of April 17 1990 (Figure 4) makes no mention of the need for a formal site number. Our copy of the report from the SHPD library does however bear an SHPD annotation in the upper right hand corner of the cover page (see Figure 1) "Problem Site Needs State #"

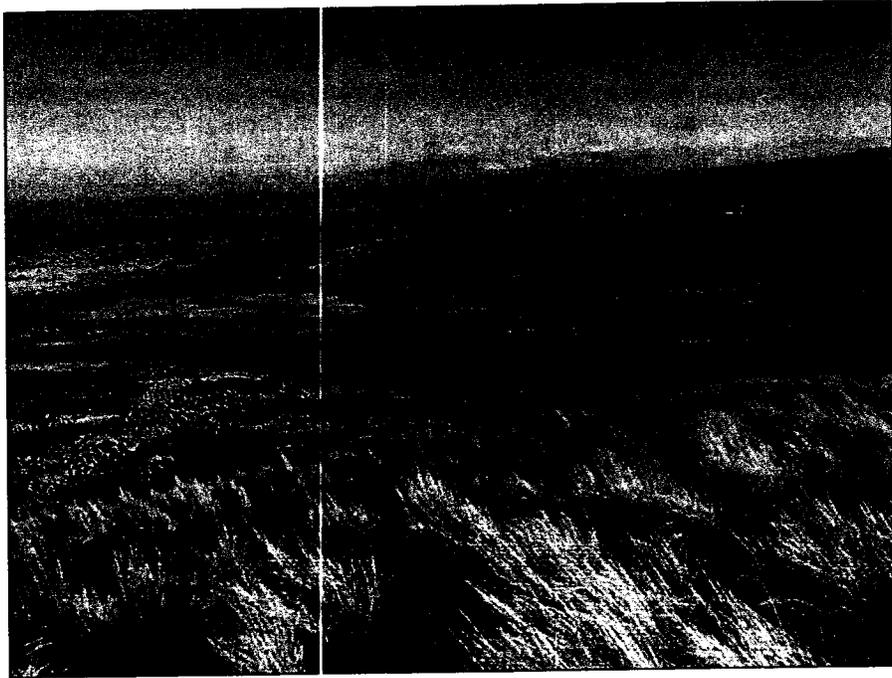


Figure 9. General view of project area from Pu'u Hina'i, view to northwest (Waikoloa Town in background)

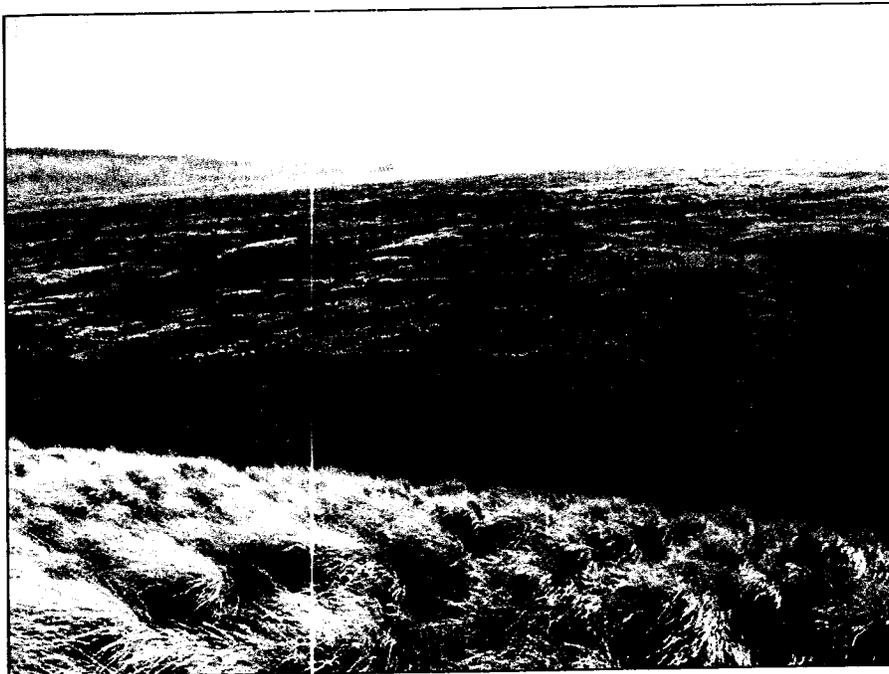


Figure 10. General view of project area from Pu'u Hina'i, view to northeast

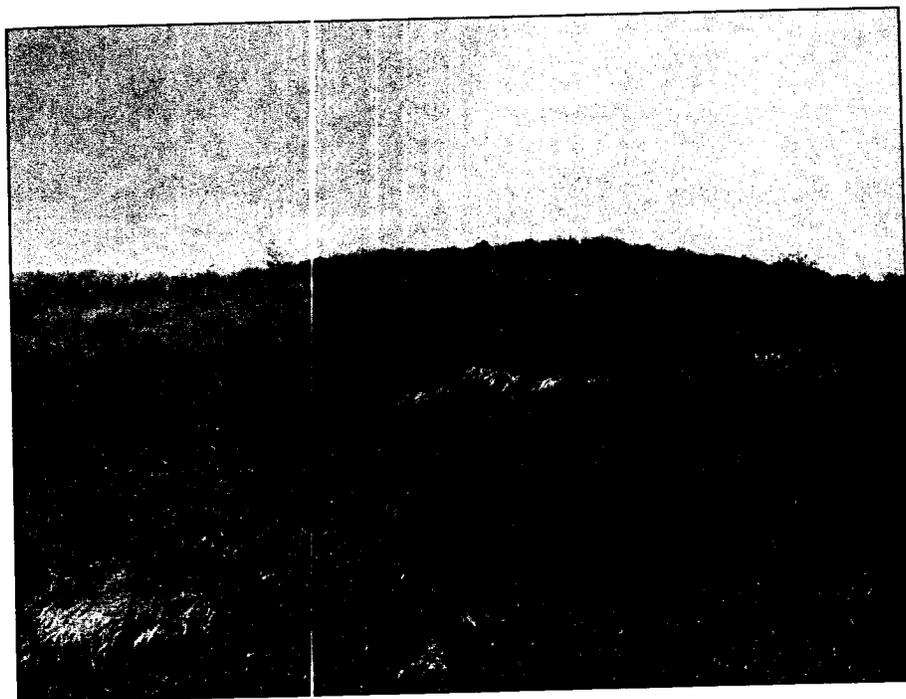


Figure 11. View of "T-1" archaeological feature (center); view to northeast



Figure 12. View of "T-1" archaeological feature, view to west

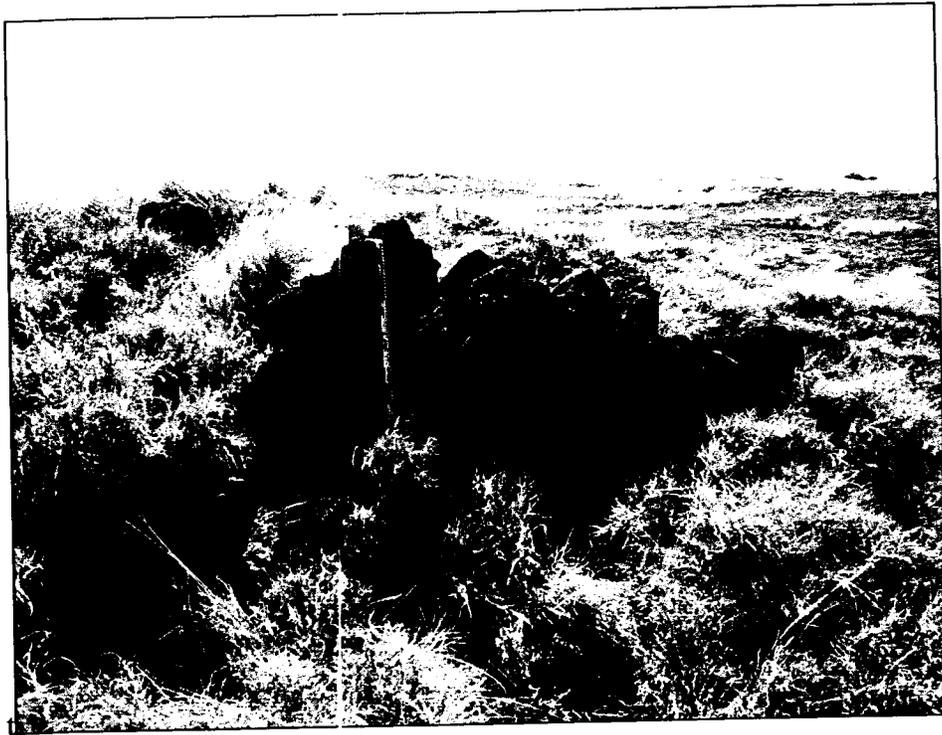


Figure 13 View of "T-1" archaeological feature (center); view to northeast

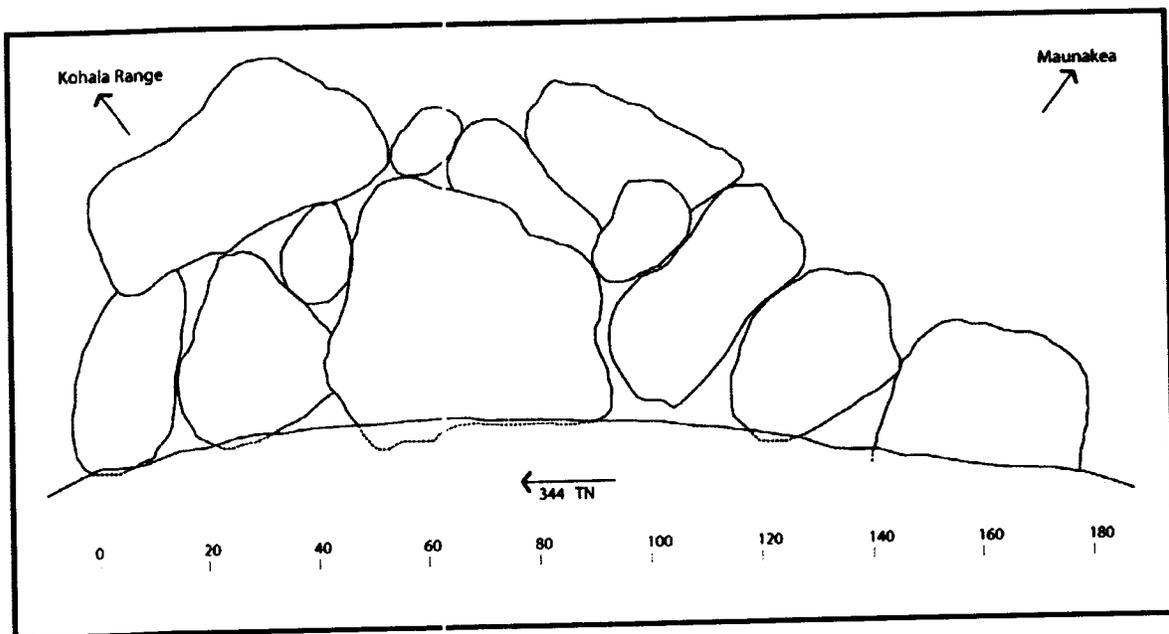


Figure 14. Profile sketch of "T-1" archaeological feature



Figure 15. Plan view of the T-1 archaeological feature (adapted from Jensen 1990:11)

Section 4 Evaluation of Potential for Lava Tubes with in the Project Area

It is our understanding that at a public meeting c. August 4th 2006 a person in the audience expressed concern regarding a lava tube system in the vicinity of the Waikoia Highlands project area. The Jensen 1990 study states that: "Several small habitable caves were observed both along the gulches and in the area of exposed pahoehoe. However, no evidence of occupation or other use was observed at any of the caves..."

During a different archaeological study to the west of the southwest corner of the present project area Cultural Surveys Hawai'i developed data on a lava tube system. This lava tube system was memorable as the main tube appeared to be huge – on the order of 20 m in diameter. Three entrances to the tube system were located and are shown on an aerial photograph (Figure 16) and a USGS map (Figure 17). The three entrances observed lie a kilometer or more to the west of the present project area.

We cannot be sure this lava tube system was the one the unknown party had in mind but it appears likely as this is truly an exceptional lava tube system. We also cannot be sure that the system does not continue under the present project area. It may be noted however that the lava tube system lies within a large area of ponded *pāhoehoe* lava (shown in the Figure 16 aerial photo as green) that is suggested as the source of the lava feeding the tube and that just barely extends into the southwest corner of the project area.

In summary on this point we note that 1) the Jensen 1990 study did not describe any lava tube system within their project lands, 2) no lava tube system was observed during the recent CSH field inspection, 3) that a very likely candidate for the lava tube system mentioned in the public forum is known to exist at a distance of a kilometer or more to the west, and 4) that the conditions that may have created this tube system (a deep lake of molten magma now manifest by a ponded *pāhoehoe* lava field) lie almost entirely outside (downslope) to the west of the present project area.

Our recommendation to address the unlikely possibility that this system extends into the project area and may have presently undocumented associated cultural resources there in is that the project proceed under the guidance previously supplied by the State Historic Preservation Division:

To cover the slight possibility of lava tube sites being uncovered, we recommend that you do remind the applicant that if such caves are encountered, the applicant should stop work in the immediate area and have a professional archaeologist check to see if historic remains are present. (Hibbard letter of April 17, 1990; see Figure 4 of the present study)

Cultural Surveys made an attempt to locate a party knowledgeable about this lava tube system. We found something on the internet called the "Hawaii Speleological Survey". After some searching, we found an e-mail address associated with the organization and wrote to a Mr. William Halliday asking about the organization. The reply is given below:

From: William Halliday (bnawrh@webtv.net)

The HSS is a research organization. You may want to contact Rio Elhard, Chairman Hawaii Chapter of the National Speleological Society caver@hialoha.net. However you should be aware of the new state law which requires all persons entering any Hawaiian cave not on Federal land to have written permission from all its owners. And most of the managers of Federal lands in Hawaii require permits also.

WRH

Cultural Surveys has not pursued the matter further to this point in time. Clearly under law if we were to pursue the matter we would need to begin by pursuing landowner permission to access the lava tube system outside of the present project area.

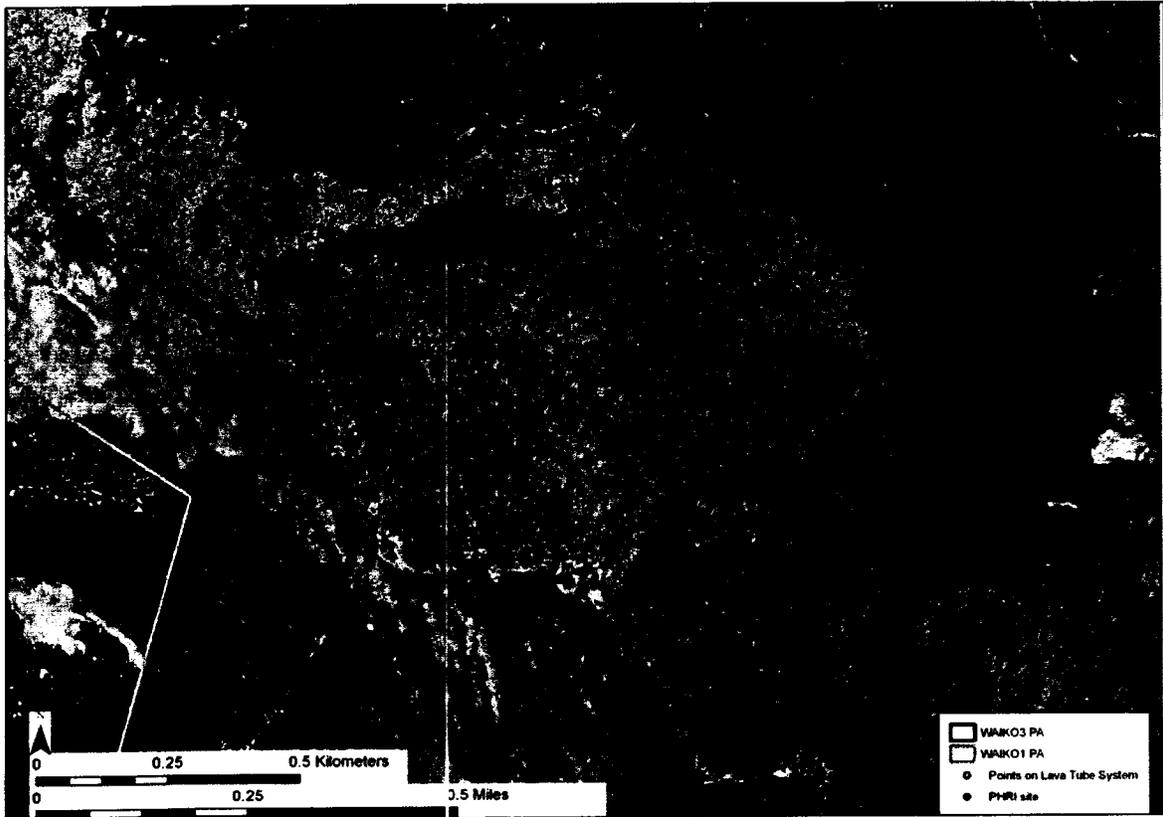


Figure 16. Aerial photograph showing relationship of lava tube system to southwest portion of the present project area (shown in red) The area around the tube system is a large area of ponded *pāhoehoe* lava (shown in this photo as green) that is suggested as the source of the lava feeding the tube and that just barely extends into the project area

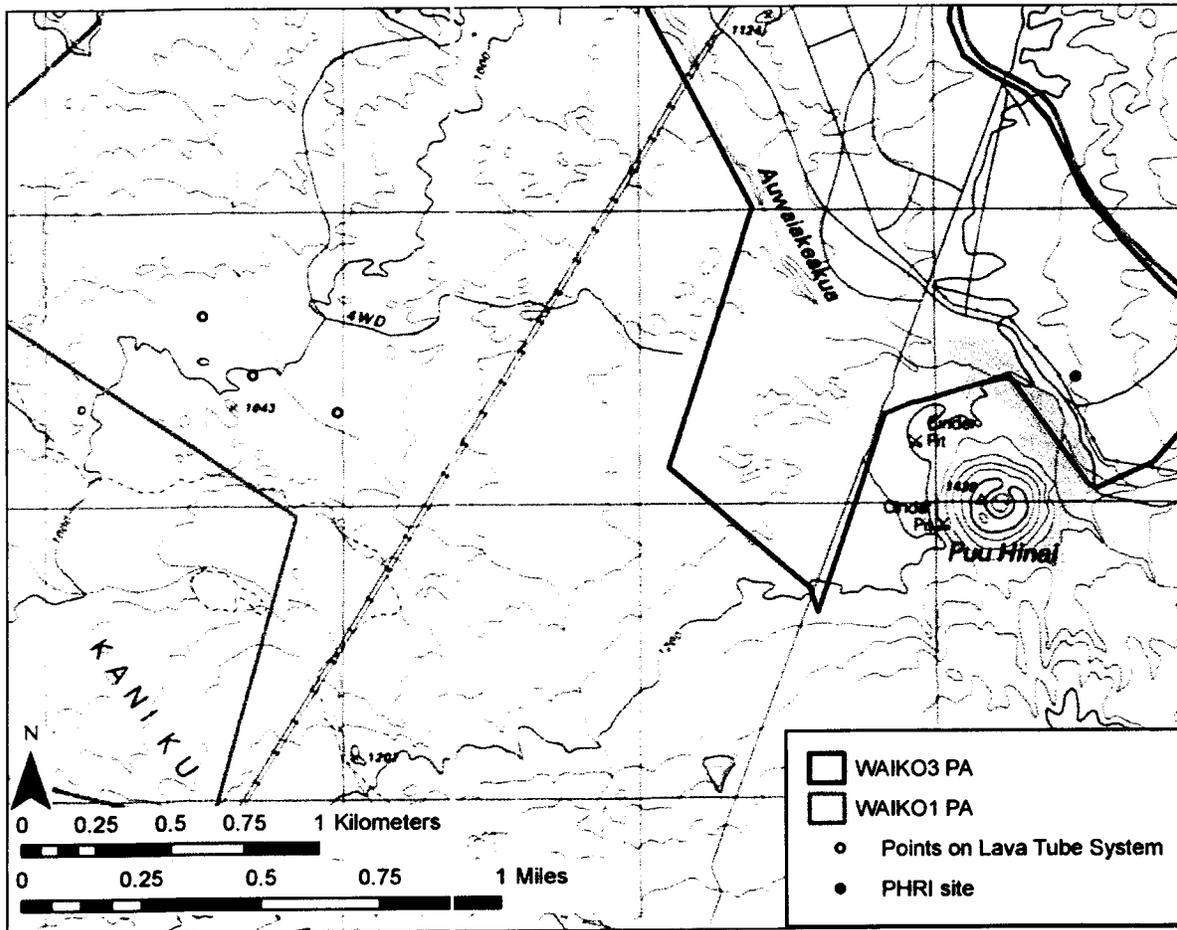


Figure 17. U.S. Geological Survey map showing relationship of known openings to the lava tube system to the southwest portion of the present project area

Section 5 General Conclusions from Other Archaeological Studies in the Vicinity

As Figure 18 below shows there have been a number of studies in the uplands of Waikoloa. Reported site densities are very low with several reports on large parcels finding no archaeological sites at all. Most of what few sites have been identified are either small traditional Hawaiian hard rock quarries on ridges, military sites related to army maneuvers between 1943 and 1945, or lava tubes. Many of these sites are quite subtle and would be easy to miss. A notable exception to the general pattern is a curious complex of 19 sites, mostly platforms, documented by Jensen and Burgett (1991) located approximately 2.5 kilometers west of the current project area. This complex of numerous platforms was thought to have a burial function. Although a number of these platforms were subtle enough to be missed in two helicopter reconnaissance flights by archaeologists it certainly seems unlikely that a complex of this scale could have been missed in the present study area.

Section 6 Concluding Remarks

The main point of this research is that a previous Archaeological Inventory Survey of the parcel (Jensen 1990) was accepted by the SHPD (4/17/1990) and that recent direction from consultation with the SHPD (7/306) has been addressed with the finds documented in the present study.

It is noted that during the inventory survey only 20% of the project area was actually traversed on foot by archaeologists. The spacing of the archaeologists in some of this 20% was at 40-meter (131 foot) intervals while pedestrian inspection of other portions of the 20% surveyed on foot: "involved a cursory-level walk-through." (Jensen 1990:9). Based on recent experience (Hammatt and Shideler 2006 3,600-acre study area; see Figure 18) many of the sites as might be expected would be quite subtle.

Thus a few sites might be expected to have been missed. Because only one site was observed in the Jensen helicopter reconnaissance no substantial surface structures would be expected. No further archaeological study appears to be warranted at this time. In the event that human remains, substantial lava tubes or any other significant finds are encountered during development all work in the area should cease and the SHPD should be promptly notified.

APPENDIX F

**Cultural Impact Assessment
Cultural Surveys Hawai'i, September 2006.**

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Management Summary

Title	Cultural Impact Assessment of a 700-Acre Project Waikoloa Ahupua'a, South Kohala District, Hawai'i Island, [TMK (3) 6-8-002: 16]
Date	September 2006
Project Number (s)	Cultural Surveys Hawai'i Inc. (CSH) Job Code: WAIKO 4
Project Location	Waikoloa uplands are located in the <i>ahupua'a</i> of Waikoloa, South Kohala District, Island of Hawai'i [TMK (3) 6-8-002:16], located between the <i>ahupua'a</i> of Lahamilo on the north and Pu'uanaohulu on the south. Waikoloa extends from the coastal <i>'ihi</i> of Anaecho'omalu and Kalahuipua'a east of Waimea town.
Land Jurisdiction Agencies	R.M. Towill Corporation, O'ahu Office State of Hawai'i Department of Health/ Office of Environmental Quality Control (DOH/ DEQC)
Project Description	The proposed action is to subdivide and construct infrastructure improvements for a new 731.581-acre property in the South Kohala District, Island of Hawai'i. The property is located southeast of Waikoloa Village, an existing residential and commercial area. The proposed subdivision will create approximately 400 low-density, rural residential lots, each a minimum of one-acre in size. The project will also construct major roadways within the subdivision and provide water and electrical service to the property. Existing water courses through the subdivision will remain unchanged. Increases in surface runoff due to increased impervious areas will be addressed on-site through detention basins.
Project Acreage	700-Acres
Area of Potential Effect (APE) and Survey Acreage	700-Acres

**Cultural Impact Assessment
For An Approximately 700-Acre Project, Waikoloa
Ahupua'a, South Kohala District, Hawai'i Island [TMK (3)
6-8-002: 016]**

Prepared for
R.M. Towill Corporation, O'ahu Office

Prepared by
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<p>Historic Preservation Regulatory Context</p>	<p>The project requires compliance with the State of Hawai'i environmental review process [Hawai'i Revised Statutes (HRS) Chapter 343], which requires consideration of a proposed project's effect on traditional cultural practices. At the request of Fifield Companies, CSH undertook this cultural impact assessment. It provides information pertinent to the assessment of the proposed project's cultural impacts [per HRS Chapter 343 and the Office of Environmental Quality's (OEQC) <i>Guidelines for Assessing Cultural Impacts</i>]. The document is intended to support the project's environmental review and may also serve to support the project's historic preservation review under HRS Chapter 6E-42 and Hawai'i Administrative Rules Chapter 13-284.</p>
<p>Consultation Effort</p>	<p>Hawaiian organizations, agencies and community members were contacted in order to identify potentially knowledgeable individuals with cultural expertise and/or knowledge of the project area and the vicinity. Cultural anthropologist Aulii Mitchell Hallett H. Hammatt, Ph.D. (principal investigator).</p>
<p>Cultural Impact Recommendations</p>	<p>As a result of this assessment, no ongoing traditional cultural practices were identified for the study area. It should be noted that subsurface properties associated with former traditional Hawaiian activities in the project area, such as burials, artifacts and cultural layers, may be present despite the previous archaeological research within the project area. As a precautionary measure, personnel involved in future development activities in the area should be informed of the possibility of inadvertent cultural finds, and should be made aware of the appropriate notification measures to follow.</p>

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Section 1 Introduction

1.1 Project Background

At the request of R.M. Towill Corporation, O'ahu Office, Cultural Surveys Hawai'i Inc. has completed this cultural impact assessment report for the proposed 700-Acre Project, Waikoloa Ahupua'a, South Kohala District, Hawai'i Island [TMK (3) 6-8-002:016] (Figures 1, 2, & 3).

The proposed action is to subdivide and construct infrastructure improvements for a new 731,581-acre property in the South Kohala District, Island of Hawai'i. The property is located southeast of Waikoloa Village, an existing residential and commercial area. The proposed subdivision will create approximately 400 low-density, rural residential lots, each a minimum of one-acre in size. The project will also construct major roadways within the subdivision and provide water and electrical service to the property. Existing water courses through the subdivision will remain unchanged. Increases in surface runoff due to increased impervious areas will be addressed on-site through detention basins.

Access to the subdivision will be from two points along Waikoloa Road. An internal spine road will connect the two access points, and connect to smaller collector roads within the subdivision. All roads will be designed to applicable County standards. The proposed residential lots are oriented in relation to site topography, the open space element and views to the mountains and shoreline.

The purpose of the proposed action is to create a low-density, rural subdivision in the Waikoloa Village area of South Kohala. The proposed residential development is compatible with, and a logical extension of the nearby residential and commercial uses at Waikoloa Village.

In order to create this rural subdivision, the landowner is seeking a State Land Use District Boundary Amendment, from the Agricultural District to the Rural District. According to the State Land Use Commission ("Commission") Rules, the Agricultural District designation is intended for lands "with a high capacity for agricultural production" with "significant potential for grazing" or "surrounded by or contiguous to agricultural lands." Hawaii Administrative Rules ("HAR") §15-15-19. By comparison, standards for the Rural District include "areas consisting of small farms," "activities or uses as characterized by low-density residential lots...and where small farms are intermixed with the low-density residential lots." HAR §15-15-21.

The subject property is not considered high-capacity agricultural land typical of the Agricultural District. Surrounding land uses are those of Waikoloa Village and are commercial and residential in nature, rather than active agricultural areas. As such, a Rural District Designation would be more appropriate for the proposed low-density subdivision, and would be compatible with existing uses in the Waikoloa area.

The project requires compliance with the State of Hawai'i environmental review process [Hawai'i Revised Statutes (HRS) Chapter 343], which requires consideration of a proposed project's effect on traditional cultural practices. At the request of Fifield Companies, CSH undertook this cultural impact assessment. It provides information pertinent to the assessment of the proposed project's cultural impacts [per HRS Chapter 343 and the Office of Environmental Quality's (OEQC) *Guidelines for Assessing Cultural Impacts*]. The document is intended to

support the project's environmental review and may also serve to support the project's historic preservation review under HRS Chapter 6E-42 and Hawai'i Administrative Rules Chapter 13-284.

1.2 Scope of Work

The scope for the cultural impact assessment includes:

1. Examination of historical documents, Land Commission Awards, historic maps, with the specific purpose of identifying traditional Hawaiian activities including gathering of plant, animal and other resources or agricultural pursuits as may be indicated in the historic record.
2. A review of the existing archaeological information pertaining to the sites on the property as they may allow us to reconstruct traditional land use activities and identify and describe the cultural resources, practices and beliefs associated with the parcel and identify present uses, if appropriate.
3. Conduct oral interviews with persons knowledgeable about the historic and traditional practices in the project area and region. We anticipate both formal and informal interviews.
4. Preparation of a report on items 1-3 summarizing the information gathered related to traditional practices and land use. The report will assess the impact of the proposed action on the cultural practices and features identified.

Figure 2 TMK Map 6-8-(12) showing location of project area.

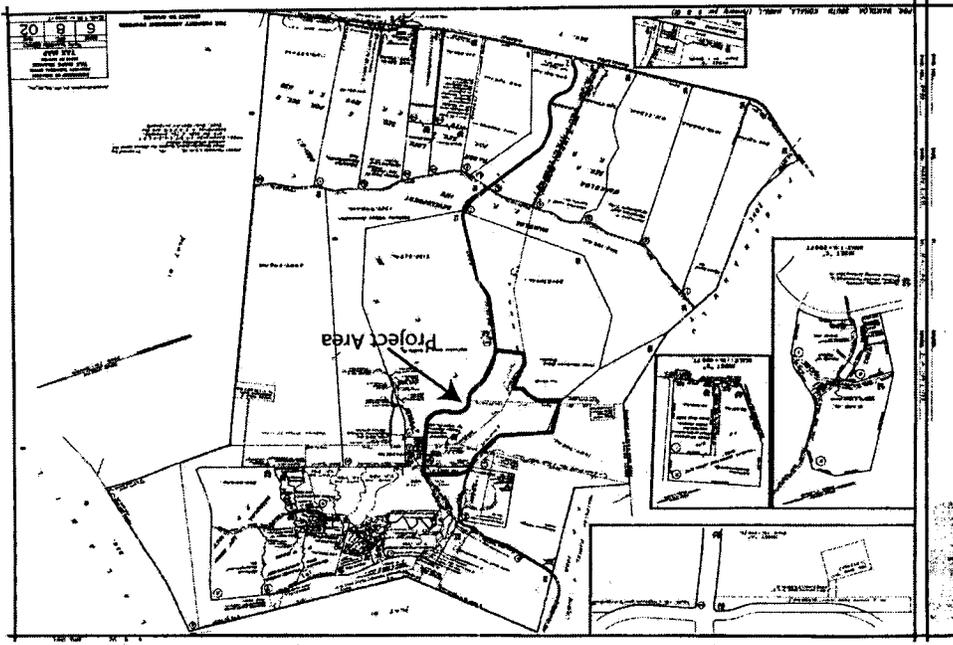
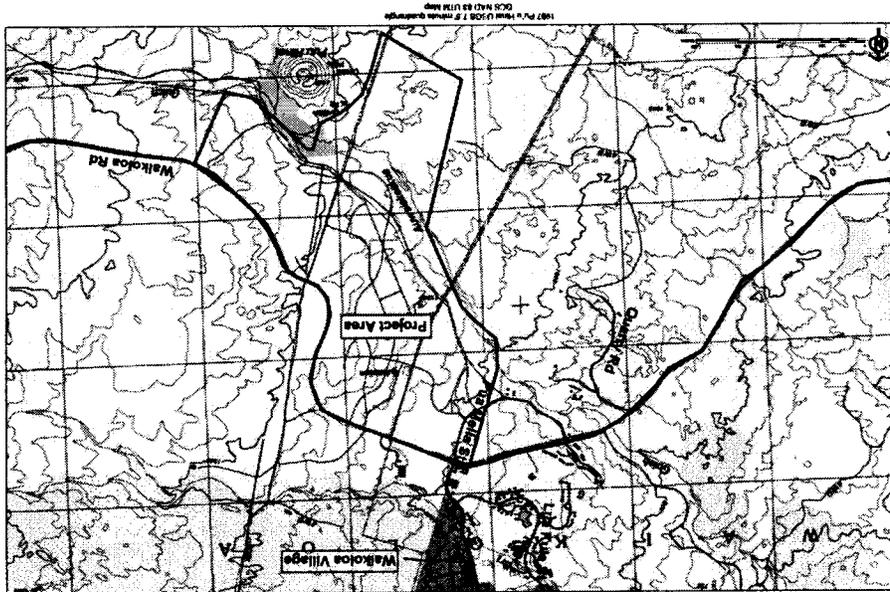


Figure 1 1997 Pu'u Hina 1 USGS 7.5 minute quadrangle GCS NAD 83 UTM Map



Section 2 Legendary and Historic Accounts Associated with Waikoloa

2.1 Keahualono

A boundary marker site located on the boundary of North Kona and South Kohala Districts known as Keahualono is traditionally associated with the ruling chief Lono-i-ka-makahiki (Fornander, 1916, 1917: 360-363):

A pau ka Lonoikamakahiki olelo ana i keia mau olelo, kau aku la oia iluna o na waa a holo aku la. Ia imi ana a Lonoikamakahiki, halawai aku la oia me Kapaihihilina ma Anaehoomalu, ma ke kaha, ma ka palena o Kona a me Kohala. A penei no ka mo'olelo oia imi ana a Lonoikamakahiki.

I ka manawa i imi aku ai o ua O Lonoikamakahiki, ua pae mua aku o Kapaihihilina i Anaehoomalu a mahope aku lakou nei (Lonoikamakahiki ma). A i ka manawa i ike aku ai o Lonoikamakahiki ia Kapaihihilina a noho mai ana i kaha one, ma kahi e kau ana na waa o lakou (o Kapaihihilina ma), alaila, uwe aku la o Lonoikamakahiki, ma ka uwe helu ana, e like me ka laua hele ana. A ike mai la no hoi o Kapaihihilina i ka uwe helu aku a ke alii, alaila uwe helu mai la no hoi oia.

A ia laua i halawai ai, a pau ka laua uwe ana a me ka laua kamalii ana, alaila kau iho la o Lonoikamakahiki i olelo hooihiki mawaena o laua, aole e loaia hou kekahi kua, aole hoi e hoolohe i na olelo akiaki a kona amu aialo. Aka, i mea e paa io ai ka laua hooihiki, nolaila, kukulu iho la o Lonoikamakahiki i wahi ahu pōhaku (heiau), i wahi no laua e pule ai me ka hooihiki imua o ke akua o Lonoikamakahiki, no ka hoopaa ana i ko laua hooihiki ana.

A ike aku la o Kapaihihilina ua hooiaio mai o Lonoikamakahiki i kana hooihiki ana, ia manawa ko Kapaihihilina ae ana aku e hoi me Lonoikamakahiki. A pau ka laua kapu heiau ana malaila, hoi aku laua i Kona, a noho iho la ma Ka'awaloa, ma Kona Hema.

(Ua oleloia ma ka moolelo o ko laua hana ana i oleleo hooihiki no ke kukulu ana i ke ahu pōhaku ma Anaehoomalu, ua kapaia ka inoa o ia palena mawaena o Kohala a me Kon "O Keahualon"; o ka inoa mau ia oia wahi a hiki mai i keia manawa; oia hoi ke kukulu ana o Lonoikamakahiki i ahu pōhaku). [Fornander, 1916, 1917: 360-363]

Translation:

Lonoikamakahiki have ceased his admonitions went aboard the canoes which awaited him and sailed away. In search he met Kapaihihilina at Anaehoomalu at

the seashore at the dividing line of Kona and Kohala. Thus runs the tradition concerning Lonoikamakahiki's search for his companion Kapaihihilina.

When Lonoikamakahiki set sail on his search for his friend, Kapaihihilina had already arrived at Anaehoomalu and soon afterwards was followed by Lonoikamakahiki and others. Lonoikamakahiki saw Kapaihihilina sitting on the sand beach when the canoes were being hauled ashore. Lonoikamakahiki immediately began to wail and also described their previous wanderings together. Kapaihihilina recognizing the king also commenced wailing. When they came together and had ceased weeping and conversing, then Lonoikamakahiki made a covenant between them, that there would be no more strife, nor would he harden to the voice of slander which surrounds him, and in order that the understanding between them should be made binding, Lonoikamakahiki built a temple of rocks as a place for the offering of their prayers and the making of oaths to Lonoikamakahiki's god to fully seal the covenant.

Kapaihihilina observed that Lonoikamakahiki was sincere in his desires and at that moment gave his consent to return with Lonoikamakahiki. After their religious observance at this place they returned to Kona and resided at Ka'awaloa, in South Kona.

(Tradition says because of the covenant entered into for the erection of the mound of rocks at Anaehoomalu, the boundary between Kohala and Kona was named signifying the erection of a mound of rocks by Lonoikamakahiki.) [Fornander, 1916, 1917: 360-363]

2.2 Early Historical Period Late 1700s – 1830

'Anaeho'omalu is an 'ili (of about 800-acre size) of the *ahupua'a* of Waikoloa on the Island of Hawaii, near the center of a shallow bight extending from Keahole Point in Kona to Upolu Point in Kohala. It is surrounded by miles of bleak lava fields, which impose a greater degree of isolation from neighboring communities than is found in vegetated areas. The southern boundary forms the northern boundary of the district of North Kona; on the west, 'Anaeho'omalu adjoins the ocean. On the north the 'ili adjoins the 'ili of Kalāhuipua'a. On the east it is bounded by the inland portion of the *ahupua'a* of Waikoloa, which boundary is closely paralleled by the paved Kiholo-Puako Trail.

Historical references are sufficient to indicate that Anaeho'omalu was probably permanently inhabited in prehistoric – that is, pre-Cook-times. In his 1779 description of the shoreline of Hawaii, Lieutenant King of Captain Cook's expedition mentions (Barrère 1971:109):

We now come to *Ko-Harra* [Kohala] the NW & last district...the s [sic] side is partook of the same nature as Kao [Ka-u]... (Beaglehole, 1967:608).

...Kāā [Ka-u]... is not only by far the worst part of the Island, but as barren waste looking a country as can be conceived [sic] to exist in the Neighborhood of a fine one, & this owing to the ravages of a Volcano...horrid & dismal as this part of the Island appears, yet there are many Villages interspersed, & it Struck us as being more populous than the part of Opoona [Puna] which joins Koa [Ka-u]. There are houses built even on the ruins [Lawa] we have describ'd. Fishing is a principal occupation with the Inhabitants... (Beaglehole, 1967:607).

The Reverend William Ellis made the same observation about the habitations along the sea coast nearly 25 years later (Barrère 1971:109):

The population of this part of Puna [Kealakomo, near the Ka-u boundary], though somewhat numerous, did not appear to possess the means of subsistence in any great variety or abundance; and we have often been surprised to find the desolate coasts more thickly inhabited than some of the fertile tracts in the interior, a circumstance we can only account for, by supposing that the facilities which the former afford for fishing, induce the natives to prefer them as places of abode....

2.3 Mid 1800s (Land Commission Awards)

The land *mauka* of 'Anaeho'omalu, Waikoloa *nui* was given by Kamehameha I to one of his two *haole* chiefs, John Young or Isaac Davis; the record is contradictory on this point. Waikoloa was listed among John Young's lands at the time the king and chiefs apportioned them to his heirs – his own children and three of Isaac Davis' children (Privy Council Records, 1848, 3:98-99). According to this record Waikoloa came to George Hueu Davis, son of Isaac, through

Young's bequest. However, in the adjudication of the boundaries of Waikoloa in 1867, Supreme Court Justice G. M. Robertson found that the land had been given to Isaac Davis by Kamehameha I and had been inherited by his son Hueu (Barrère 1971:112). Judge Robertson's decision read in part:

The land... was granted by King Kamehameha I to his faithful friend and follower, Isaac Davis, the father of the appellant [George Hueu Davis], about the beginning of the present century. We consider it clear that in making the grant the King intended to give, and did give to Isaac Davis, a tract of land of very great extent, although not of proportionate value. There were no cattle or sheep in this country when the grant was made, and the land given to Isaac Davis only yielded what revue could be derived from wild birds and *pili* grass.

By the terms of the grant...the land given to Isaac Davis was expressly deprived of any rights in the sea, i.e. of fishery, and was so bounded as to include scarcely any land fit for cultivation, and, as some of the witnesses expressed it, all the *pili* land extending out to the *aa* on the boundary of Kona, was given to Isaac Davis.

There is one fact which we regard as clearly established...and that is the fact that for upwards of sixty years, the appellant and his father before him, exercised undisturbed lordship over the large tract of land which we feel bound to include in the boundaries of Waikoloa *nui*, as granted to Isaac Davis. No evidence has been given to contravene the fact of long and undisturbed control and occupancy (*Hawaiian Gazette*, Feb. 27, 1867).

Although we refer to Waikoloa as an *ahupua'a* today, older references classify it as an 'ili of Waimea Ahupua'a. The following is part of testimony given by natives of the area:

Waimea is an ahupuaa of Waimea, which is a kalamā with eight divisions (Ehu).

Waikoloa is an ili of Waimea ahupuaa; Waimea is an Okana (Kanehailua). (Boundary Commission Book No. 1 pp-12).

George Hu eu Davis himself referred to Waikoloa as an 'ili (Hu eu 1847). Several maps at the State Survey Office indicate this latter division to be the most common. An exception is Marion Kelly's citation of Waikoloa as an 'ili *tupono* (land division paying tribute to the ruling chief). She writes:

The other of these 'iikupono, namely Waikoloa, was given by Kamehameha as a separated property to Isaac Davis....(Kelly 1956:119).

It should be noted that the 'ili of Anaeho'omalu and Kalāhuipua'a were detached from Davis' award of Waikoloa and were awarded to Queen Kalama (Boundary Commission Book 1.8 in Jensen 1990, cited by Helen Wong Smith).

In the *Māhele*, Kamehameha III kept the *ahupua'a* of Waimea, Kohala as a crown land indicating that the Kamehameha dynasty had retained control of 'Anaeho'omalu up to that time.

Following the death of Kamehameha III in 1854 these lands were retained by his queen, Kalama Kapakuhaiali Hakaleleponi (Hamnett 2001:14).

With the *'ili* of 'Anaeho'omalu and Kala'ihupua'a went *konohiki* fishing rights, under which the landholding chief held rights one mile out to sea (or to an offshore reef where there was one) for the full length of the *'ili* or *ahupua'a* in which he reserved either one species of fish or one third of each seasonal catch as his won, and made the rest free to the dwellers of the land (Barrere 1971:110). Barrere (1971:110) suggests that in the times of the Kamehamehas, there may have been periodic visits to 'Anaeho'omalu for the express purpose of collecting, and perhaps drying, quantities of fish to be sent to the households of these kings.

There were no commoner *kuleana* claims in coastal 'Anaeho'omalu (Hamnett 2001:14). Barrere (1971:110) suggests that "Perhaps the complete abandonment of 'Anaeho'omalu was hastened by the lava flow of 1859, which caused great destruction of fish. Barrere (1971:111) concludes that as the informant regarding 'Anaeho'omalu in the Boundary Commission testimony of 1873 was from elsewhere, "That the last of the permanent inhabitants of 'Anaeho'omalu had died or moved away well before the last quarter of the century."

Barrere (1983) gives a complete review of Davis' battle to settle the boundaries of his land (Smith in Jensen et al. 1990: 6). This was due to the Crown having lands also known as "Waikoloa." The end result was calling those lands belonging to the crown, "Lalamilo" and Waikoloa-iki." (Smith in Jensen et al. 1990: 6):

Interior Dept., Land Matters Doc. 381

The following ahupuaas for konohikis in Waimea and Hamakua. Waikoloa Leleiohoku Ieiti, "Other lands for C. Carr ½ acres in Waikoloa."

Interior Dept., Bk 15, p.117

In list of konohiki lands, showing that the above land belong to Awaane Leleiohoku & own a fishing right.

Interior Dept., Doc. 314

In list of lands, showing that R.P. 5671 was issued to Hueu, by name only on Land Claim No. 8521B, on above land Waimea, Hawaii.

Interior Dept., Doc 364

In list showing that Leleiohoku is the owner of the above ahupuaa. Also in list showing that the school is the owner of the above land,...

Public Instruction, Dec. 23, 1851

L. Lyons to Minister of Public Instruction. Has sold 180 acres to J.P. Parker, Jr. & c.

Interior Dept., Jan. 1, 1852

In original lease from Kamehameha III to C. Carr on a piece of land situated at the above place containing 68 periods and 7 rods for the term of 50 years at a rental of \$70 a year. Receipt of the payment of one year's rent, attached.

Public Instruction, Apr. 23, 1852

L. Lyons to Minister of Public Instruction. Re. deed for Mr. Parker to above land, if ready to deliver same to his son Curtis. To consult with John Ii, re matter of surveying the following lands, belonging to Leleiohoku.

Interior Dept., May 29, 1859

In letter from the Minister of Interior to the Chief Clerk of the Interior dept. re. dispute between Mr. Davis & MR. Parker over the boundaries of the above land.

Interior Dept., June 26, 1866

In letter from John P. Parker to J.O. Dominis informing him that Wistse is now engaged in surveying the above land.

Interior Dept., July 26, 1866

In letter from S.C. Wiltse to J.O. Dominis informing him that he has completed the survey of the above land & Waimea.

Interior Dept., Dept 19, 1866

In letter from George Davis to the Commissioners of Crown Lands informing them that he will commence the survey of the above ahupuaa o Sept. 30, 1866 &c.

Interior Dept. Oct. 4, '866

In petition by the Commissioner of Crown Lands to the Commissioner of Boundaries for the settlement of the boundaries of the ahupua'a of Waimea in S. Kohala. Also protest by G. D. Hueu against the settlement of boundaries along the above ahupuaa – Docs. Attached, testimony notes of survey, protest & c.

Interior Dept., Dec. 6, 1893

Surveyor General to Commissioner of Crown Lands. That the above land was awarded to G. D. Hueu, under Land Claim 8521B, & c.

As noted in several of the entries above, rancher John Parker had interest in the lands of Waikoloa. Cattle were introduced on the west coast of Hawaii Island by Vancouver in 1794 and were allowed to roam free by Kamehameha I's decree so that they might multiply. A wall was built between the King's and Davis' land in Waikoloa c. 1815 in order to keep the roaming cattle out of the king's cultivated lands. The wall was named after the King's *konohiki*, Kaulioakamoa (Barrere 1983:30 in Jensen et al. s1990, also cited by Helen Wong Smith). By the time Reverend William Ellis conducted his tour around the island in 1822 there were "immense herds of them, they do not attempt to tame any, and the only advantage they derive is by employing persons, principally foreigners, to shoot them, salt the meat in the mountains, and bring it down to the shore for the purpose of provisioning the natives vessels" (Ellis 1963:291 cited by Helen Wong Smith in et al. Jensen 1990).

Waikoloa *nui* eventually was bought by the Parker Ranch, and was used as grazing land for the Ranch. The ranches acquisition of Waikoloa lands was hindered by a dispute between Sam Parker and his manager Alfred Carter.

An example of the situation is Carter's effort in 1903 to add to the pasturage of the ranch. He found ravines... The herbs and grasses which the soil produced in the rainy seasons were now mostly in the shriveled state, thinly scattered and by no means sufficient to cover the surface from the sun's powerful heat, so that I met with very few plants in flower in this excursion (Menzies 1920 IN Barrere 1983, also cited by Smith in Jensen 1990).

Use of this zone was probably for the most part limited to transportation routes, with most habitation temporary. Barrer, however, names three permanent settlements of the early 1800s:

On the rising ground above the seacoast settlements, several main trails led past occasionally cultivated ground to the uplands of Waimea where there were, in the early 1820s, three major settlements about two miles apart. One was at Kealahi, one at Waikoloa, and one at Pu'ukapu. All three were concentrated where a major stream emptied itself upon the plateau (Barrere in Jensen s1990, cited by Smith).

2.4 Late 1800s

Queen Kalama died intestate in 1870. In the inventory of her estate (Probate 1562) the 869 acre *'i'i* of 'Anaeho'omalu was appraised at \$300.00 or about 35 cents per acre. Even in the terms of the evaluations of the time, this suggests 'Anaeho'omalu was considered nearly worthless land. Charles Kanaina was declared the legal heir of Queen Kalama in 1871. It appears that Charles Kanaina gave these lands to William Lunailo but that following the death of King Lunailo in 1874 the lands reverted back to Charles Kanaina. Following the death of Charles Kanaina, also intestate, in 1877 'Anaeho'omalu was purchased by Samuel Parker Ranch for \$1,000.00 (\$1.14 per acre). The generally deserted circumstance at 'Anaeho'omalu in the last quarter of the nineteenth century is attested to by writer and editor George Bowser in his description of a traverse from Kalāhuipua'a south to Kīholo (which passed 'Anaeho'omalu on the "Kings Trail" (Hammatt 2001:15):

From Kalāhuipua'a south to Kīholo, my next halting place, the road leaves the sea beach and turns inland in a southerly direction... There is nothing to be seen all the way but lava, lava to right of you, lava to left of you, lava ahead of you, lava behind you, and lava beneath you; the road for a dozen miles or more is composed of nothing but clinkers of every size.

2.5 Early 1900s To The Present

'Anaeho'omalu, perhaps from the time of its original purchase by Samuel Parker in 1877, appears to have served as a recreation and fishing area for Parker Ranch employees and as a supply of pond fish for Ranch *lū'ous*. A caretaker of the fishponds lived there continuously, perhaps from well before that time. The "hut" shown on the Government Survey Map of 1880 (no. 824) was probably the first residence of the caretakers of Kuaalii and Kahapapa ponds (Barrere 1971:113). Marion Kelly, while investigating Kaloko Fishpond in Kona (January 1970), was told by her informant Keanaaina that he and his father used to go to 'Anaeho'omalu in the later 1930s and early 1940s to get fry from the 'Anaeho'omalu ponds with which to restock Kaloko pond. The ponds were partially demolished by the tsunamis of 1946 and 1960, and the Ranch restored them to use. Since the last caretaker retired, in 1965 or 1966, the ponds have no longer been maintained (Barrere 1971:113).

Section 3 Previous Archaeology

While a number of archaeological surveys have been conducted along the *makai* (coastal) areas of the Waikoloa Ahupua'a, only two archaeological studies have been carried out in the present project area - Bevacqua 1972 and Jensen 1990. Because the Jensen study is far more detailed and relevant to future development of the parcel it is discussed first with reference to the Bevacqua study following.

3.1 Paul H. Rosendahl Inc. 1990 Archaeological Inventory Survey

In January of 1990, Peter Jensen of Paul H. Rosendahl Inc. conducted an archaeological inventory survey for Transcontinental Development Company. The firm produced a study of the findings in March of 1990 entitled *Archaeological Inventory Survey Waikoloa Mauka Land, Lands of Waikoloa, South Kohala District, Island of Hawaii*. Although the stated estimate of the acreage studied is "c. 600 acres" an overlay of the Jensen (1990) project area map (Figure 4) with the present project area map (Figure 1) finds that it is actually a little larger than the present 702.28-acre parcel. Our overlay indicates that the project areas are the same (with minor vagaries as are the norm) except that the Jensen (1990) project area was larger including an additional tongue of land at the northwest corner.

3.2 Comments on the Methodology and Finds in the Jensen (1990) Study

The Jensen study began with a low elevation aerial reconnaissance of the entire project area during which one site was identified. Subsequently, pedestrian sweeps were carried out in three portions of the project area deemed particularly sensitive. These areas (Jensen 1990:9) were:

- 1) Adjacent to the north side of Pu'u Hinai where several streams converge near the northeast perimeter of the *pu'u*;
- 2) The southwestern portion of the project area in which numerous small caves were observed; and
- 3) The vicinity of two shallow gulches which transect the project area from east to west. One of these originates on the south side of Pu'u Hinai while the other represents the coalesced flows from several small streams which flow around the north side of the *pu'u*.

The total of the areas of sensitivity traversed were estimated at 20% of the entire project area. Pedestrian transects were spaced at 30 – 40 m intervals in some areas while others "involved a cursory-level walk-through." (Jensen 1990: 9). In at least one place (Jensen 1990:9) the PHRI fieldwork is referred to as "the present reconnaissance work" suggesting the possibility that the field crew may have understood they were doing a much less intensive study than the final title of the study indicates.

The Jensen (1990) study identified only one archaeological feature a wall segment identified as Site T-1. An area located c. 300 meters north of Pu'u Hinai contained a "single low wall or of poorly stacked, rough pahoehoe cobbles and boulders" (Jensen 1990: *it*). The wall of unknown

function was 2.5 meters long with a maximum height of 1.21 meters. For a number of reasons the Jensen study reasonably concludes this T-1 Site was not the same as the Site 22 documented by Bevacqua (discussed further below). The T-1 feature was so modest that no State Inventory of Historic Places site number was given and "no further treatment of any kind" was recommended (Jensen 1990:13). Otherwise there was no evidence of either pre- or post-contact use within the entire project area.

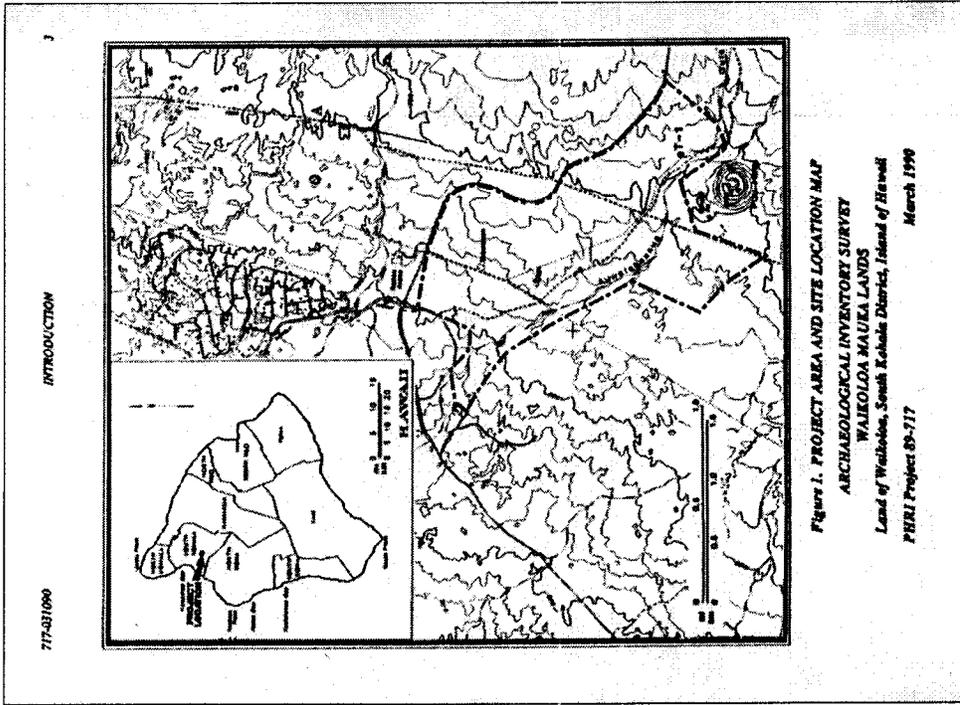


Figure 4 Map Showing 1990 Archaeological Inventory Survey project area (from Jensen 1990:3)

3.3 Robert F. Bevacqua's 1972 Archaeological Study

In 1972 Robert F. Bevacqua of the Bishop Museum carried out archaeological studies in a number of areas in the Waikoloa Ahupua'a that he designated as Survey Areas A through G. Of particular importance to the present study area is his Survey Area G which the Jensen study (1990:5) concluded "roughly corresponds to the present project area." His study area is described as follows:

Survey Area G is situated slightly N of Pu'u Hinai, a prominent cinder cone in the center of Waikoloa. The exact location and configuration of this 300-acre parcel of land has not been determined by the developers; thus the survey encompasses only the approximate area of the parcel.

Bevacqua's map showing the location of his survey Area G (Figure 5) leaves much to be desired. Bevacqua (1972:12) identified one site designated as Site 22 within his Survey Area G described as follows:

Site 22 consists of a complex of walls, portions of which protrude above the flood plain. The dominant feature is a well-built bifaced wall, 45 meters long, running E-W. At the stream bank, the E end of the wall corners and extends N another 7.1 meters; the W end of the main wall corners and extends N 5.5 meters. East of the main wall an 11-meter-long, bifaced wall runs N-S and stands clearly above the surface.

Bevacqua also notes this wall was directly associated with a stream where site T-1 of Jensen's study is located about 50 meters north of the most northerly streams in the area (Jensen 1990:10). Though in Jensen's study, he found no evidence of the former site 22 from Bevacqua's study. Jensen concludes that because "no evidence of this site was observed within or adjacent to any of the streams during the present project, and in view of clear evidence of extensive recent erosion, it can reasonably be concluded that heavy runoff probably destroyed Site 22 sometime in the past 5-10 years" (Jensen 1990:10).

3.4 Hammatt 2006

Cultural Surveys Hawai'i entered into agreement with R.M. Towill Corporation to carry out an Archaeological Inventory Survey of an approximately 702.28-acre parcel in the uplands of Waikoloa, South Kohala, Hawai'i Island. Relatively quickly it was ascertained that a prior Archaeological Inventory Survey (Jensen 1990) had been carried out on the parcel. Upon consultation with R.M. Towill Corporation it was agreed that a summary report documenting the previous work and the status of that work with the regulatory State Historic Preservation Division (SHPD) was appropriate (Hammatt 2006:1).

3.5 General Conclusions from Other Archaeological Studies in the Vicinity

As Figure 6 below shows there have been a few studies in the uplands of Waikoloa Ahupua'a. Though, reported site densities are very low with several reports on large parcels finding no archaeological sites at all. Most of what few sites have been identified are either small traditional Hawaiian hard rock quarries on ridges, military sites related to army maneuvers between 1943 and 1945, or lava tubes. Many of these sites are quite subtle and would be easy to miss. A notable exception to the general pattern is a curious complex of 19 sites, mostly platforms, documented by Jensen and Burgett (1991) located approximately 2.5 kilometers west of the current project area. This complex of numerous platforms was thought to have a burial function. Although a number of these platforms were subtle enough to be missed in two helicopter reconnaissance flights by archaeologists it certainly seems unlikely that a complex of this scale could have been missed in the present study area.

3.6 Concluding Remarks

The main point of this research is that a previous Archaeological Inventory Survey of the parcel (Jensen 1990) was accepted by the SHPD (4/17/1990) and that recent consultation with the SHPD (4/17/06) has indicated no further work is required.

It is noted that during the inventory survey only 20% of the project area was actually traversed on foot by archaeologists. The spacing of the archaeologists in some of this 20% was at 40-meter (131 foot) intervals while pedestrian inspection of other portions of the 20% surveyed on foot: "involved a cursory-level walk-through." (Jensen 1990:9). Based on recent experience many of the sites as might be expected would be quite subtle.

Thus a few sites might be expected to have been missed. Because only one site was observed in the Jensen helicopter reconnaissance no substantial surface structures would be expected. No further archaeological study appears to be warranted at this time. In the event that human remains or any other significant finds are encountered during development all work in the area should cease and the SHPD should be promptly notified.

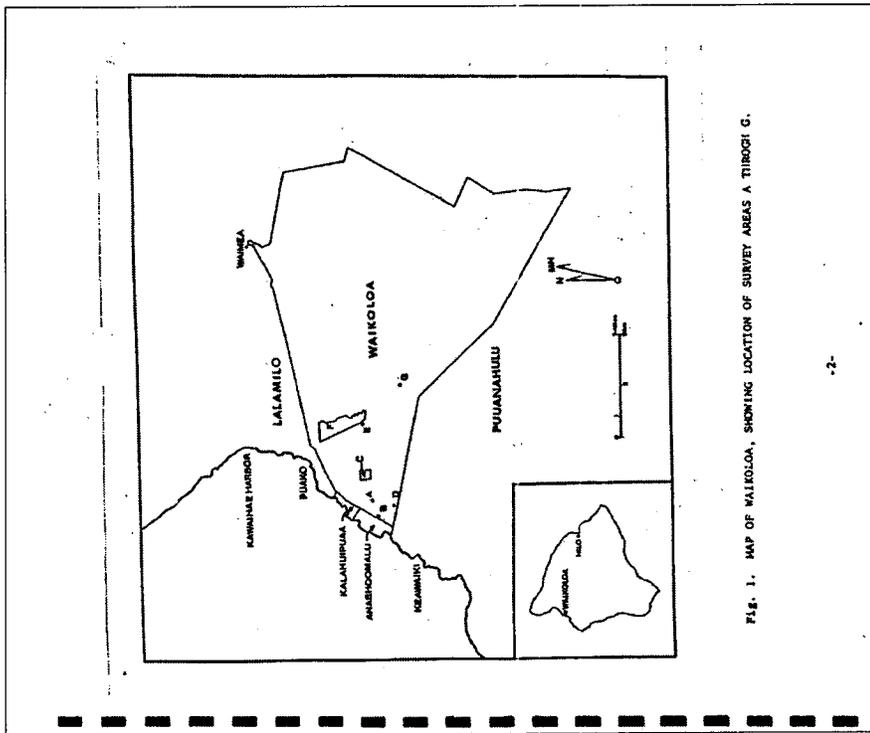


Figure 5 Bevacqua map of his survey areas; area G is in the vicinity of the present study area.

Section 4 Community Contact Process

Throughout the course of this assessment, an effort was made to contact and consult with Hawaiian cultural organizations, government agencies, and individuals who might have knowledge of and/or concerns about traditional cultural practices specifically related to the project area. This effort was made by letter, e-mail, telephone and in person contact. In the majority of cases, letters along with a map and aerial photograph of the project area were mailed with the following text:

At the request of R.M. Towill Corporation, O'ahu Office, Cultural Surveys Hawaii Inc. is conducting a cultural impact assessment for the proposed 700-Acre Project, Waikoloa Ahupua'a, South Kohala District, Hawaii Island [TMK (3) 6-8-002:016] (Figures 1, 2, & 3).

This cultural impact assessment is being undertaken by CSH to fulfill the laws set forth in the State Constitution, state laws and courts "require government agencies to promote and preserve cultural beliefs, practices, and resources of native Hawaiians and other ethnic groups" (in Office of Environmental Quality Control, Guidelines for Assessing Cultural Impacts, Adopted by the Environmental Council, State of Hawaii, November 19, 1997).

Under Act 50, Chapter 343, Hawaii Revised Statutes, 2000, the following protocol are encouraged when preparing a Cultural Impact Assessment.

Identify and consult with individuals and organizations with expertise concerning the types of cultural resources, practices and beliefs found within the broad geographical area, e.g., district or *ahupua'a*;

Identify and consult with individuals and organizations with knowledge of the area potentially affected by the proposed action;

Receive information from or conduct ethnographic interviews and oral histories with persons having knowledge of the potentially affected area;

Conduct ethnographic, historical, anthropological, sociological, and other culturally related documentary research;

Identify and describe the cultural resources, practices and beliefs located within the potentially affected area; and

Assess the impact of the proposed action, alternatives to the proposed action, and mitigation measures, on the cultural resources, practices, and beliefs identified.

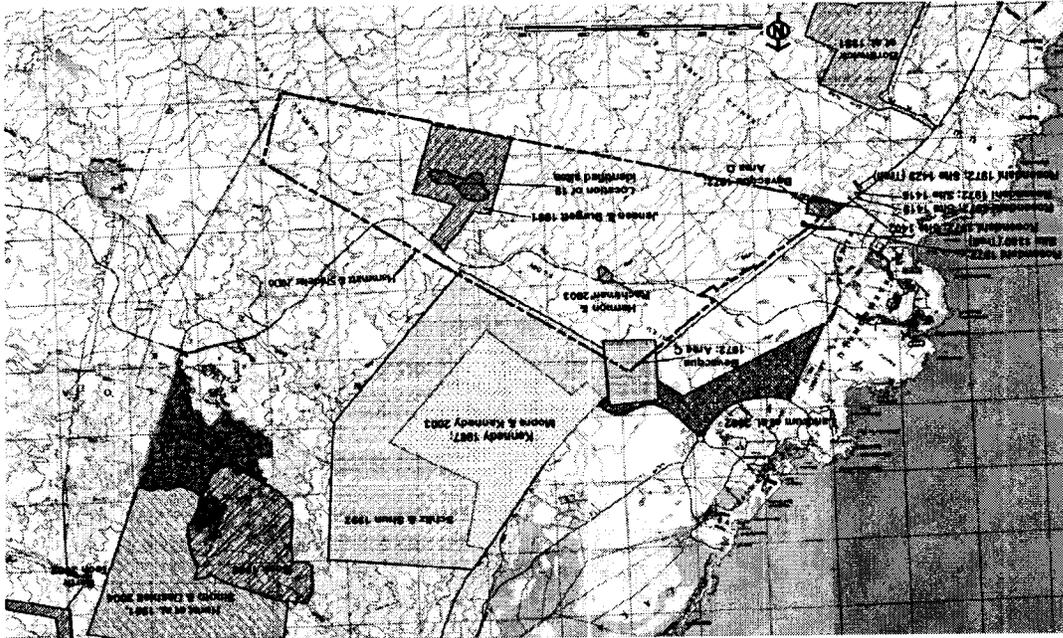


Figure 6. Map showing major previous archaeological studies in the vicinity of the present project area

The individuals, organizations, and agencies attempted to be contacted and the results of any consultations are presented in the table below.

Table 1. Community Contacts

Name	Background, Affiliation	Comments
Akau, William	Kupuna of Waikoloa	Letter sent on September 5, 2006.
Akima, Willette K.	President of the Waimea Hawaiian Civic Club	Letter sent on September 5, 2006.
Arakaki, Eric	Alakahakai National Historic Trail	Mr. Arakaki responded in an email dated, 9/14, 2006: "Mahalo for the subject request. I will forward it to my contacts who may be able to provide information on the cultural landscape of Waikoloa ahupua'a."
Ayau, Halealoha	Hui Mālama O Nā Kūpuna O Hawai'i Nei	Email with letter and maps sent on September 5, 2006.
Bon, Stan	Resource Manager Kalo-Honokōhau National Historical Park	Letter sent on September 5, 2006.
Gorman, Ulu	South Kohala Burial Council	Letter sent on September 5, 2006.
Springer, Hannah	Cultural Practitioner, Historian	See Section 5.
Kawashima, Irv	Na Ala Hele Trails & Access Specialist Department of Land & Natural Resources	Letter sent on September 5, 2006.
Keakealani, Shirleyann	Kama'āina of Waikoloa	Letter sent on September 5, 2006.
Lindsey, Keola	State Historic Preservation Division/Department of Land and Natural Resources Burial Program Director	Letter sent on September 5, 2006.
MacDonald, Ruby	Office of Hawaiian Affairs, Hawai'i Island Community Resource Coordinator Council	Ms. Ruby MacDonald responded in an email dated, 9/5/06: "The following are

Member/President of the AHCC Hawai'i Island Council	contacts for the various Hawaiian Civic Clubs within the Waimea and Kohala area.
Teri Rivera	Desiree M. Yamamoto, President, South Kohala Civic Club, Mr. Analu Wynn, President, South Kohala Hawaiian Civic Club, Ms. Willette K. Akima, President, Waimea Hawaiian Civic Club, Ruby P. MacDonald, President AHCC Hawaiian Island Council.
Ben Saldua	Letter sent on September 5, 2006.
Wynn, Analu	Letter sent on September 5, 2006.
Yamamoto, Desiree M.	Letter sent on September 5, 2006.

Section 5 Community Contact Responses

Three individuals with knowledge of and/or ties to Waikoloa and the project area responded to Cultural Surveys Hawai'i's request for comment. Their responses are presented in full below.

5.1 Mr. Eric Arakaki

Mr. Eric Arakaki of the Alakahakai National Historic trail responded in an e-mail dated, September 14, 2006:

"Mahalo for the subject request. I will forward it to my contacts who may be able to provide information on the cultural landscape of Waikoloa ahupua'a."

5.2 Ms. Ruby MacDonald

Ms. Ruby Macdonald the Resource Community Coordinator for the Office of Hawaiian Affairs Hawai'i Island and President of the AHCC Hawaiian Island Council responded in an email dated, September 5, 2006:

"The following are contacts for the various Hawaiian Civic Clubs within the Waimea and Kohala area. Desiree M. Yamamoto, President, South Kohala Civic Club, Mr. Anatu Wynn, President, South Kohala Hawaiian Civic Club, Ms. Willette K. Akima, President, Waimea Hawaiian Civic Club, Ruby P. MacDonald, President AHCC Hawaiian Island Council."

5.3 Ms. Hannah Springer

Cultural practitioner, and *kama'āina* to the lava lands Hannah Springer's family started Hu'ehe'e Ranch in the late 1800s; she and her husband live with their children today at Kukuiohiwai. Ms. Springer responded by telephone on September 12, 2006:

"My concern is that we need to understand that the whole landscape is a cultural landscape which is an impact. Just because we do not find anything does not mean there is no cultural impact to a landscape. It is dependent on the cultural practitioners of those lands in order to see the depth of impact. It requires the people of the land. We, people who live and know lava lands look at the land with a different eye. We have a deeper familiarity with body forms of the lava lands. It does not diminish the impact. It is my hope that there will be attention made to the cultural landscape in its entirety. The Hill Puu Hina'i I use as an example of degradation to our lands. To us it is about a sense of place and a sense

of space, thus allowing the new people coming in to the breath in the spaciousness of the land."

Section 6 Traditional Cultural Practices

Traditional cultural practices are based on a profound awareness concerning harmony between man and our natural resources. The Hawaiians of old depended on these cultural practices for survival. Based on their familiarity with specific places and through much trial and error, Hawaiian communities were able to devise systems that fostered sustainable use of nature's resources. Many of these cultural practices have been passed down from generation to generation and are still practiced in some of Hawai'i's communities today.

This project seeks to assess traditional cultural practices as well as resources pertaining to the project area within Lāwa'i Ahupua'a. This section will assess the different types of traditional practices, cultural resources associated within the vicinity.

Discussion of specific aspects of traditional Hawaiian culture as they may relate to the project area and Lāwa'i Ahupua'a are presented below.

6.1 Marine Resources

Fishing and marine resource gathering practices continue to occur along the coastal areas of 'Anaeho'omalu. In traditional Hawaiian times, the inhabitants of Waikoloa Ahupua'a would have utilized the abundant marine resources along the coastal regions of Waikoloa.

None of the community contacts queried identified any ongoing fishing activities associated with Waikoloa Ahupua'a.

Having noted the abundance of marine resources it is highly likely that the coastal area of 'Anaeho'omalu are still being used for the gathering of marine resources today.

6.2 Stream Resources

Native stream animals supplied the Hawaiian diet with a rich source of protein.

In the vicinity of the project area, archaeological surveys by Jensen (1990) found that adjacent to the north side of Pu'u Hīnai where several streams converge near the northeast perimeter of the *pu'u*.

None of the community contacts queried identified any ongoing stream activities within the project area.

6.3 Gathering of Plant Resources

Hawaiians utilized upland resources for a multitude of purposes. Forest resources were gathered, not only for the basic needs of food and clothing, but for tools, weapons, canoe building, house construction, dyes, adornments, hula, medicinal and religious purposes.

Forest areas miles inland, would have been utilized for a variety of purposes, such as gathering of timber, avian resources, medicinal and ceremonial plants, and famine food resources. For example, *hala* and *kukui* were probably gathered from *mauka* regions.

None of the community contacts queried identified any ongoing gathering of plant resources specifically within the project area.

6.4 Traditional Hawaiian Sites

In the vicinity of the project area, archaeological surveys by the Jensen (1990) study identified only one archaeological feature a wall segment identified as Site T-1. An area located c. 300 meters north of Pu'u Hīnai contained a "single low wall or of poorly stacked, rough pahoehoe cobbles and boulders" (Jensen 1990: *ii*). The wall of unknown function was 2.5 meters long with a maximum height of 1.21 meters. For a number of reasons the Jensen study reasonably concludes this T-1 Site was not the same as the Site 22 documented by Bevacqua (discussed further below). The T-1 feature was so modest that no State Inventory of Historic Places site number was given and "no further treatment of any kind" was recommended (Jensen 1990:13). Otherwise there was no evidence of either pre- or post-contact use within the entire project area.

Community member Hannah Springer contacted for this cultural impact assessment specifically commented, "My concern is that we need to understand that the whole landscape is a cultural landscape which is an impact. Just because we do not find anything does not mean there is no cultural impact to a landscape. It is dependent on the cultural practitioners of those lands in order to see the depth of impact. It requires the people of the land. We, people who live and know lava lands look at the land with a different eye. We have a deeper familiarity with body forms of the lava lands. It does not diminish the impact. It is my hope that there will be attention made to the cultural landscape in its entirety. The Hill Puu Hīna'i 1 use as an example of degradation to our lands. To us it is about a sense of place and a sense of space, thus allowing the new people coming in to the breath in the spaciousness of the land."

6.5 Settlement Patterns and Resource Exploitation

Kirch's Kalahuipua'a-based model is generally consistent with information from 'Anaeho'omalu. Noting that agricultural pursuits were generally not feasible along the coast of West Hawai'i, (Kirch 1975:186 in et al. Jensen 1990) that either the prehistoric population also utilized upland arable lands for agricultural activities, or "...the population was in the unique position of being totally dependent on marine resources." Kirch felt that it was unlikely that the native population subsisted without a significant vegetable component. Moreover, the presence of upland plant remains at occupied coastal shelters seems to document extensive prehistoric contacts between these two ecological zones (Kirch 1975 in at al. Jensen 1990). Since arable uplands are only a few hours walk from the coast, Kirch argued that, "...a pattern of upland residence and agricultural activity, with repeated intermittent occupation of coastal sites in order to exploit marine resources, would be a maximizing strategy in the West Hawai'i ecosystem. Hommon (1982) subsequently upland agricultural contribution to the diet of the coastal Kalahuipua'a occupants.

In Kirch's model, the coastal shelter cave sites at 'Anaeho'omalu and Kalahuipua'a served as "... temporary residences for small groups exploiting the marine environment, for periods of a few days to perhaps several weeks or even months." In support of this hypothesis, Kirch observed that in excess of 75 percent of the artifact assemblage from coastal sites related directly or indirectly to marine exploitation, with shellfish representing approximately 90 percent of the total meat and energy value of the midden. This figure correlated closely with other temporary marine exploitation sites for which similar midden data was available, and was found to contrast with available midden data from sites associated with permanent agricultural fields (Jensen 1990: 4).

Collectively, these findings led Kirch to conclude that Kalahuipua'a represented the marine component of a much larger system, analogous to the ethnohistoric *ahupua'a*, in which coastal and inland environment were linked in a pattern of economically and socially induced transhumance (Jensen 1990:4).

Additional evidence of this pattern of transhumance was acquired in conjunction with the archaeological survey and excavation work for the 23 mile-long Queen Ka'ahumanu Highway construction corridor between Kailua and Kawahae. The corridor entered the *ahupua'a* of Waikoloa from the south at a point approximately 1.5 km east of the Kiholo-Puako Trail, and proceeded northward through Waikoloa following a broad eastward arc. That portion of the corridor passing by Kalahuipua'a was located in excess of 1,500 meters east of the shore, and thus provided some insight into the types of sites and features located within non-marine settings. Ching recorded a large number of sites along the inland highway corridor (Ching 1971 in et al. Jensen 1990:4), and salvage excavations were subsequently undertaken by Rosendahl at several of those located within Waikoloa (Rosendahl 1972 in et al. Jensen 1990:4). Rosendahl's work focused primarily on defining the nature of aboriginal Hawaiian residential occupation and exploitation within, "... the barren and seemingly inhospitable environment between the narrow, coastal habitation- and marine-resources exploitation zone and the more extensive, upland, habitation-and agricultural-exploitation zone" (Rosendahl 1972 in et al. Jensen 1990:5). Within this intermediate zone, Rosendahl characterized prehistoric patterns of land use, settlement and resources exploitation as follows (Rosendahl 1972: iii-vi in et al. Jensen 1990:5):

1. Use of temporary shelters by people traveling between the coastal and upland habitation- and agricultural-exploitation zones;
2. Temporary and extended residential occupation by people engaged in marine and other exploitation activities, particularly in those areas situated closest to the ocean;
3. Storage facilities for marine exploitation gear and other recurrently used possessions;
4. Seasonal marginal agriculture in conjunction with coastal occupation and marine exploitation; and
5. Raw material procurement and initial fabrication of lava abrading tools within areas containing suitable raw material

Section 7 Summary and Recommendations

Reviewing the information provided by the elements of this cultural impact assessment – historical documentation, archaeological research, and community contacts – there emerges a more detailed picture of the traditional landscape of Waikoloa Ahupua'a and the present project area.

Nineteenth-century documents – Land Commission Award records and historic maps – The settlement pattern model for Waikoloa *Ahupua'a* includes the use of temporary shelters by people traveling between the coastal and upland habitation- and agricultural-exploitation zones; temporary and extended residential occupation by people engaged in marine and other exploitation activities, particularly in those areas situated closest to the ocean; storage facilities for marine exploitation gear and other recurrently used possessions; seasonal marginal agriculture in conjunction with coastal occupation and marine exploitation; and raw material procurement and initial fabrication of lava abrading tools within areas containing suitable raw material. The historical documentation, especially *Māhele* and *Kuleana* data, indicates that The land *mauka* of 'Anaeho'omalu, Waikoloa *nui* was given by Kamehameha I to one of his two *haole* chiefs, John Young or Isaac Davis; the record is contradictory on this point. Waikoloa was listed among John Young's lands at the time the king and chiefs apportioned them to his heirs – his own children and three of Isaac Davis' children (Privy Council Records, 1848, 3:98-99).

By 1867, Supreme Court Justice G. M. Robertson found that the land had been given to Isaac Davis by Kamehameha I and had been inherited by his son Hueu. George Hu'e'u Davis himself referred to Waikoloa as an *'i'i*. Several maps at the State Survey Office indicate this latter division to be the most common. An exception is Marion Kelly's citation of Waikoloa as an *'i'i kupo*. It should be noted that the *'i'i* of Anaeho'omalu and Kalahuipua'a were detached from Davis' award of Waikoloa and were awarded to Queen Kalama. Kamehameha III kept the *ahupua'a* of Waimea, Kohala as a crown land indicating that the Kamehameha dynasty had retained control of 'Anaeho'omalu up to that time. Following the death of Kamehameha III in 1854 these lands were retained by his queen, Kalama Kapakuhālii Hakaleleponi. In 1877 Waikoloa *nui* eventually was bought by the Parker Ranch, and was used as grazing land for the Ranch.

By the early decades of the 20th century, 'Anaeho'omalu, perhaps from the time of its original purchase by Samuel Parker in 1877, appears to have served as a recreation and fishing area for Parker Ranch employees and as a supply of pond fish for Ranch *ʻiʻi au*s.

Archaeological studies suggest that there have been few studies in the uplands of Waikoloa Ahupua'a. Though, reported site densities are very low with several reports on large parcels finding no archaeological sites at all. Most of what few sites have been identified are either small traditional Hawaiian hard rock quarries on ridges, military sites related to army maneuvers between 1943 and 1945, or lava tubes. Many of these sites are quite subtle and would be easy to miss. A notable exception to the general pattern is a curious complex of 19 sites, mostly platforms, documented by Jensen and Burgett (1991) located approximately 2.5 kilometers west of the current project area. This complex of numerous platforms was thought to have a burial function. Although a number of these platforms were subtle enough to be missed in two helicopter reconnaissance flights by archaeologists it certainly seems unlikely that a complex of

this scale could have been missed in the present study area. The Jensen (1990) study identified only one archaeological feature a wall segment identified as Site T-1. An area located c. 300 meters north of Pu u Hinai contained a "single low wall or of poorly stacked, rough pahoehoe cobbles and boulders" (Jensen 1990: ii). The wall of unknown function was 2.5 meters long with a maximum height of 1.21 meters.

For the purpose of this cultural impact assessment, an effort was made to contact and consult with Hawaiian cultural organizations, government agencies, and individuals who might have knowledge of and/or concerns about the project area. Cultural practitioner and *kama āina* to Kukuiohiwai, Ms. Hannah Springer stated that there is a need to understand that the whole landscape is a cultural landscape which is an impact. Just because nothing is found does not mean there is no cultural impact to a landscape. It is dependent on the cultural practitioners of the lands in question in order to see the depth of impact. It requires the people of the land. People who live and know lava lands look at the land with a different eye, therefore there is a deeper familiarity with body forms of the lava lands. None of the community contacts queried for this assessment identified any on-going traditional cultural practices, cultural sites or concerns specifically within the project area.

Addressing the cultural concerns of Ms. Hannah Springer will help to minimize the impact of the project on Hawaiian culture, its practices and traditions.

Finally, it should be noted that subsurface properties associated with former traditional Hawaiian activities in the project area, such as burials, artifacts and cultural layers, may be present despite the previous archaeological research within the project area. As a precautionary measure, personnel involved in future development activities in the area should be informed of the possibility of inadvertent cultural finds, and should be made aware of the appropriate notification measures to follow.

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APPENDIX G

**Traffic Impact Analysis Report
Julian Ng, Incorporated, July 2005.**

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TRAFFIC IMPACT ANALYSIS REPORT

Waikoloa Highlands Subdivision

Waikoloa, South Kohala, Hawai'i

July 28, 2006
Revised January 12, 2007

Prepared for:

Waikoloa Mauka, LLC
431 N. Brand Boulevard, Suite 201
Glendale, CA 91203

<HI PE stamp>

Expiration Date 4/30/2008

Prepared by:

Julian Ng, Incorporated
P.O. Box 816
Kāne'ōhe, Hawai'i 96744

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**Traffic Impact Analysis Report
Waikoloa Highlands Subdivision
Waikoloa, South Kohala, Hawaii**

July 28, 2006 DRAFT

Introduction

The proposed Waikoloa Highlands project will include the subdivision of approximately 732 acres to create approximately 400 one-acre residential lots (portions of the site will remain vacant). The project is located southeast of the intersection of Waikoloa Road, Pua Melia Street, and Paniolo Avenue and will be developed in two phases. This report summarizes the findings of a traffic study of the potential impacts of the entire project. The project location and the vicinity are shown in Figure 1.

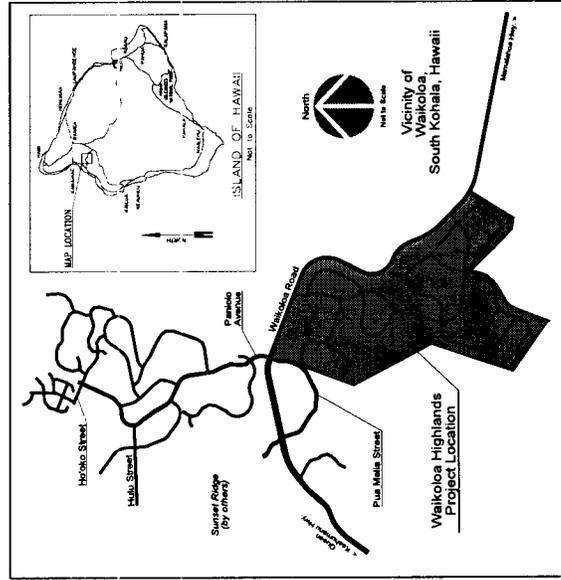


Figure 1 – Project Location

The project will provide a new traffic signal system to control vehicular and pedestrian movements at the intersection of Waikoloa Road, Pua Melia Street, and Paniolo Avenue, as conditioned by the zoning approval for the project. The preliminary subdivision layout proposes that three street connections provide vehicular access into the project. One project street will intersect with Pua Melia Street at a new "T"-intersection south of its intersection with Waikoloa Road, another project street will intersect with Waikoloa Road at two locations, at each location as the south leg of a new "T"-intersection. Future conditions at each of these new intersections, as well as the intersection of Waikoloa Road, Pua Melia Street, and Paniolo Avenue were determined. In addition, the project impact to Waikoloa Road to the west and to the east were identified and compared with growth that would otherwise be expected on Waikoloa Road.

The analyses were based on the concepts and the procedures for two-lane highways and for signalized and unsignalized intersections described in the *Highway Capacity Manual*. For two-lane highways, the level of service is determined based on potential delays due to the inability to pass a slow-moving vehicle.

At intersections, the *Highway Capacity Manual* defines "Levels of Service" using average delays. The analytical procedure computes intersection capacity based on intersection layout and other traffic characteristics, and traffic signal operation parameters at signalized intersections; average delays are also computed and used to identify the Levels of Service for each approach. An overall average delay is computed and an overall Level of Service for the intersection is determined for signalized intersections. Level of Service C is desirable, and Level of Service D is considered acceptable for urban conditions. Criteria for levels of service are:

Level of Service	Average delay per vehicle (seconds)					
	A	B	C	D	E	F
Signalized intersection	≤ 10	> 10 and ≤ 20	> 20 and ≤ 35	> 35 and ≤ 55	> 55 and ≤ 80	> 80
Unsignalized intersection	≤ 10	> 10 and ≤ 15	> 15 and ≤ 25	> 25 and ≤ 35	> 35 and ≤ 55	> 55

Reference: *Highway Capacity Manual 2000*

Existing (2005) Traffic

Manual counts taken in the field during weekday morning and afternoon peak periods in October 2005 were used to represent existing AM Peak Hour and PM Peak Hour traffic volumes at the Waikoloa Road intersection with Pua Melia Street and Paniolo Avenue. The field data are summarized in the attached appendix. Existing lane arrangements and peak hour traffic volumes at these intersections are shown in Figure 2.

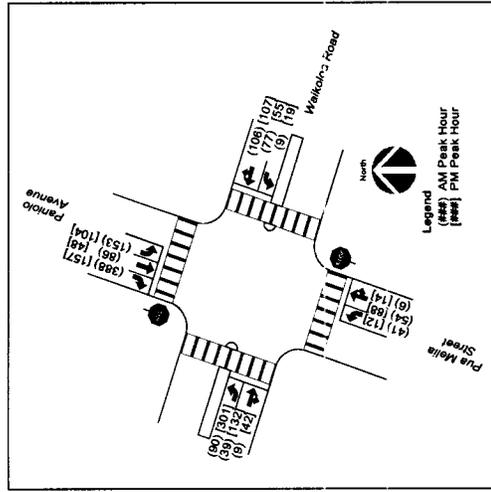


Figure 2 – Existing (2005) Peak Hour Traffic at Intersection of Waikoloa Road, Pua Melia Street, and Paniolo Avenue

Stop signs control traffic on the Paniolo Avenue southbound approach and the Pua Melia Street northbound approach. Through traffic on Waikoloa Road have the right-of-way at this unsignalized intersection. Left turns from Waikoloa Road yield to opposing traffic, and a median is provided to separate opposing traffic on Waikoloa Road. There is sufficient capacity to serve even peak hour volumes, although left turns experience some long delays. Queues of up to four vehicles form in the southbound and northbound left turn lanes during

short periods within each the peak hour. The results of the analyses, shown in Table 1, correspond with conditions observed in the field.

Table 1 – Existing Conditions – Unsignalized Intersection of Waikoloa Road, Pua Melia Street, and Paniolo Avenue

	AM Peak Hour			PM Peak Hour		
	v/c	AD	LOS	v/c	AD	LOS
Left turns from Waikoloa Road (yields)						
Westbound	0.01	7.4	A	0.02	7.7	A
Eastbound	0.08	8.0	A	0.24	8.5	A
Stopped southbound approach (Paniolo Avenue)						
Left turn lane	0.35	15.6	C	0.86	106.7	F
Through lane	0.18	13.0	B	0.22	24.0	C
Right turn lane	0.53	13.9	B	0.20	10.0	B
Approach (average)		14.2	B		44.7	E
Stopped northbound approach (Pua Melia Street)						
Left turn lane	0.41	55.0	F	0.08	29.0	D
Through / right turn lane	0.13	12.7	B	0.41	26.8	D
Approach (average)		29.9	D		27.0	D

v/c = volume/capacity ratio
AD = average delay (seconds)
LOS = Level of Service

Future Baseline Traffic Conditions (without Waikoloa Highlands)

Traffic on all roadways in the area will increase as development continues with several projects. The following projects are expected to be completed by 2010 and the traffic volumes generated by these projects have been estimated using methods similar to the methods used for project traffic (discussed later):

- completion and full occupancy of 200 single-family detached dwelling units at Kiloohana Kai (currently under construction).
- completion of the Sunset Ridge project and a new bridge over Auwaikeakua Gulch and linking roadways west of the existing Waikoloa Village, which will provide an alternative route for traffic from the existing Waikoloa Village via Hulu Street.
- partial completion and occupancy of two projects located beyond the existing north end of Paniolo Avenue (the County of Hawaii workforce housing project and Waikoloa Heights, assuming a 50/50 mix of detached single-family units and multi-

family units, based on four years of product delivery at 10 units per month, or a total of 480 dwelling units).

Other projects, including infill of existing undeveloped property, are not expected to generate significant volumes of traffic. The new bridge over Auwaikeakua Gulch is part of an ongoing development that has access directly to Waikoloa Road, but will also relieve traffic on Paniolo Avenue. The impact of the new bridge on peak hour traffic volumes at the intersection of Paniolo Avenue and Waikoloa Road has been based on traffic forecasts from the traffic report for that project*. Figure 3 shows the traffic assignments for 2010 at the intersection of Waikoloa Road, Pua Melia Street, and Paniolo Avenue.

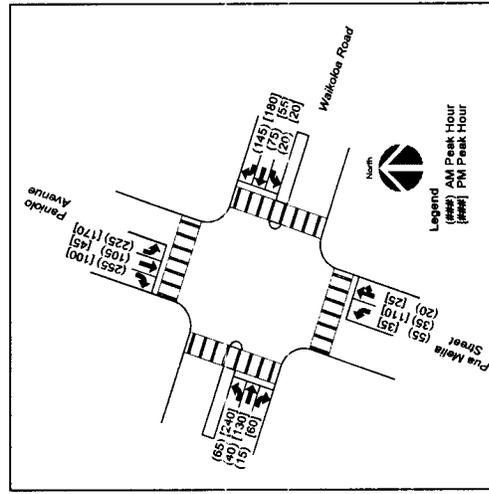


Figure 3 – 2010 Baseline Peak Hour Traffic Intersection of Waikoloa Road, Pua Melia Street, and Paniolo Avenue

* M&E Pacific, Inc., Auwaikeakua Gulch Bridge Crossing Traffic Study Update, April 2004.

Table 2 shows the peak hour conditions at the intersection, assuming the existing paved shoulder areas on Waikoloa Road have been restriped as dedicated right turn lanes. Even with the separate right turn lanes, the changes in traffic volumes will result in over-capacity conditions at the intersection of Waikoloa Road, Pua Melia Street, and Paniolo Avenue.

Table 2 – 2010 Peak Hour Conditions
Unsignalized Intersection of Waikoloa Road, Pua Melia Street, and Paniolo Avenue

	AM Peak Hour		PM Peak Hour		
	v/c	AD	LOS	AD	LOS
Left turns from Waikoloa Road (yields)					
Westbound	0.02	7.5	A	0.02	7.8
Eastbound	0.06	8.0	A	0.21	8.6
Stopped southbound approach (Paniolo Avenue)					
Left turn lane	0.46	16.5	C	1.17	179.9
Through lane	0.21	12.8	B	0.17	20.0
Right turn lane	0.32	10.7	B	0.12	9.2
Approach (average)		13.3	B		102.7
Stopped northbound approach (Pua Melia Street)					
Left turn lane	0.27	25.4	D	0.15	22.1
Through / right turn lane	0.10	11.6	B	0.45	24.6
Approach (average)		18.5	D		24.1

v/c = volume/capacity ratio
AD = average delay (seconds)
LOS = Level of Service

Figure 4 shows that traffic signals would be warranted with traffic volumes at the intersection for four hours of an average day, using projections based on the peak hour traffic assignments and the hourly distribution from the traffic counts.

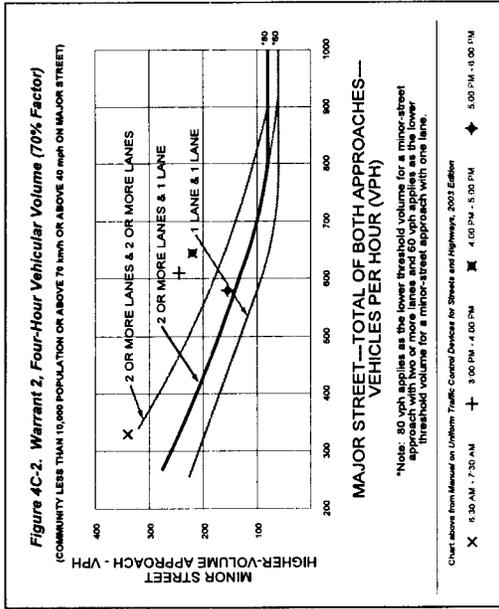


Figure 4 – Signal Warrant (2010 traffic) at Intersection of Waikoloa Road, Pua Melia Street, and Paniolo Avenue

Traffic signals at the Waikoloa Road intersection with Paniolo Avenue and Pua Melia Street will distribute the delays to all movements, mitigating the over-capacity condition. Analyses of the intersection, assuming separate phases for left turns from Waikoloa Road, show that the intersection would operate at 60 percent of capacity in the AM Peak Hour and 80 percent of capacity in the PM Peak Hour. Table 3 shows the results of the analysis of this intersection as a signalized intersection.

**Table 3 – 2010 Baseline Conditions
Signalized Intersection of Waikoloa Road, Pua Melia Street, and Paniolo Avenue**

	AM Peak Hour			PM Peak		
	v/c	AD	LOS	v/c	AD	LOS
overall intersection:	0.39	27.4	C	0.45	37.7	D
Southbound approach (Paniolo Avenue)	0.63	26.4	C	0.54	36.7	D
Left turn lane	0.25	34.6	C	0.14	48.9	D
Through lane	0.39	26.4	C	0.14	40.2	D
Right turn lane	0.13	17.2	B	0.09	14.2	B
Westbound approach (Waikoloa Road)	0.13	23.0	B	0.09	36.6	D
Left turn lane	0.27	37.4	D	0.23	45.5	D
Through lane	0.25	34.1	C	0.23	47.8	D
Right turn lane	0.25	15.3	B	0.39	32.1	C
Eastbound approach (Waikoloa Road)	0.40	38.1	D	0.52	36.6	D
Left turn lane	0.15	43.3	D	0.27	39.3	D
Through lane	0.07	32.2	C	0.15	33.9	C
Right turn lane	0.18	31.3	C	0.11	31.6	C
Northbound approach (Pua Melia Street)	0.18	30.2	C	0.11	44.4	D
Left turn lane	0.18	30.2	C	0.11	39.9	D
Through / Right turn lane	0.18	30.2	C	0.42	43.5	D

v/c = volume/capacity ratio
AD = average delay (seconds)
LOS = Level of Service

Further development of the County workforce housing project and Waikoloa Heights is expected beyond 2010. Other projects may also be proposed and developed. For the purpose of estimating future traffic volumes beyond 2010, individual projects were not considered; rather, the traffic assignments for 2010 were increased at an average rate of 2.5% per year to account for the expected continued growth. Figure 5 shows the 2025 peak hour baseline (without Waikoloa Highlands) traffic assignments and Table 4 shows the results of the analyses.

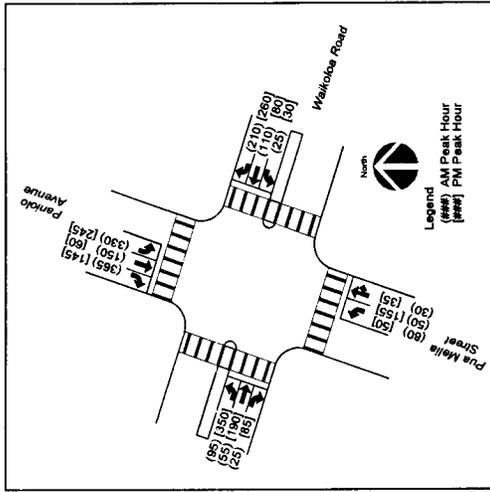


Figure 5 – 2025 Baseline Peak Hour Traffic Intersection of Waikoloa Road, Pua Melia Street, and Paniolo Avenue

Table 4 – 2025 Baseline Conditions Signalized Intersection of Waikoloa Road, Pua Melia Street, and Paniolo Avenue

	AM Peak Hour			PM Peak Hour		
	v/c	AD	LOS	v/c	AD	LOS
overall intersection:	0.54	31.0	C	0.64	39.7	D
Southbound approach (Paniolo Avenue)		31.3	C		30.3	C
Left turn lane	0.81	44.2	D	0.48	47.1	D
Through lane	0.35	27.9	C	0.21	41.4	D
Right turn lane	0.63	21.1	C	0.31	15.9	B
Westbound approach (Waikoloa Road)		24.2	C		40.2	D
Left turn lane	0.15	37.8	D	0.13	46.2	D
Through lane	0.40	36.4	D	0.34	50.0	D
Right turn lane	0.35	16.2	B	0.56	36.5	D
Eastbound approach (Waikoloa Road)		42.4	D		42.8	D
Left turn lane	0.59	30.6	D	0.76	48.9	D
Through lane	0.20	33.0	C	0.39	36.1	D
Right turn lane	0.11	31.8	C	0.21	32.3	C
Northbound approach (Pua Melia Street)		31.3	C		48.5	D
Left turn lane	0.26	31.3	C	0.16	40.6	D
Through / right turn lane	0.26	31.4	C	0.59	30.6	D

v/c = volume/capacity ratio
AD = average delay (seconds)
LOS = Level of Service

Future (2025) Traffic Conditions with Waikoloa Highlands

In order to assess the project impact to future traffic conditions, the additional traffic generated by the project during the morning (AM) and afternoon (PM) peak hours of a typical weekday were developed using factors for dwelling units from *Trip Generation, 7th Edition*, a publication of the Institute of Transportation Engineers. The applicable trip factors and directional distribution are shown in Table 5.

Table 5 – Trip Generation

Time Period	Trip rates per detached dwelling unit *		Trips Generated by 398 dwelling units	
	Vehicle trips	% entering	entering	exiting
Average Weekday	9.57	50%	1,900	1,900
AM Peak Hour	0.75	25%	75	224
PM Peak Hour	1.01	63%	252	149

* Source: Institute of Transportation Engineers, *Trip Generation, 7th Edition*

The project traffic was distributed to local destinations within Waikoloa Village and onto Waikoloa Road in proportion to the existing turning movements at the intersection of Waikoloa Road, Pua Melia Street, and Paniolo Avenue. The project impact to Waikoloa Road are summarized in Tables 6 and 7.

Table 6 – Waikoloa Road Traffic Increases

	West of Waikoloa Village		East of Waikoloa Village	
	AM Peak Hour	PM Peak Hour	AM Peak Hour	PM Peak Hour
Existing	140	505	475	225
2025 without project	300	800	900	450
Project impact	30	110	85	45
2025 with project	330	910	985	495
% increase in volume	10%	14%	9%	10%
			12%	9%
				6%
				8%

Table 7 – Waikoloa Road Levels of Service

v/c = volume/capacity LOS=Level of Service	AM Peak Hour			PM Peak Hour		
	Eastbound	Westbound	LOS	Eastbound	Westbound	LOS
West of Waikoloa Village						
Existing (2005 counts)	0.14	D	0.36	E	0.34	F
2025 without project	0.13	D	0.39	F	0.42	F
2025 with project	0.16	D	0.47	F	0.48	F
East of Waikoloa Village						
Existing (2005 counts)	0.15	D	0.15	D	0.18	D
2025 without project	0.32	E	0.26	D	0.34	E
2025 with project	0.33	E	0.29	D	0.34	E

Figure 6 shows the 2025 peak hour traffic assignments.

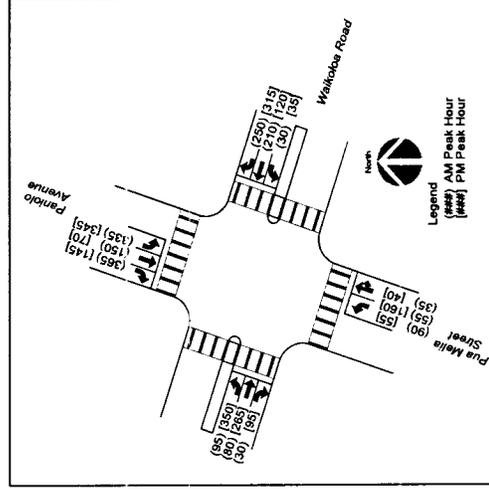


Figure 6 – 2025 Peak Hour Traffic with Waikoloa Highlands Intersection of Waikoloa Road, Pua Melia Street, and Paniolo Avenue

Table 8 shows the results of the analyses of the intersection of Waikoloa Road, Pua Melia Street, and Paniolo Avenue with the 2025 peak hour traffic assignments. While overall intersection level of service can be maintained within acceptable range, the high volume left turn movements (westbound and southbound) will experience very long delays and Level of Service E conditions.

Table 8 – 2025 With Waikoloa Highlands
Signalized Intersection of Waikoloa Road, Pua Melia Street, and Paniolo Avenue

	AM Peak Hour			PM Peak Hour		
	v/c	AD	LOS	v/c	AD	LOS
overall intersection:	0.63	33.3	C	0.73	44.0	D
Southbound approach (Paniolo Avenue)		31.8	C		36.1	D
Left turn lane	0.82	45.3	D	0.73	55.5	E
Through lane	0.35	27.9	C	0.22	40.0	D
Right turn lane	0.63	21.1	C	0.29	13.6	B
Westbound approach (Waikoloa Road)		32.9	C		40.4	D
Left turn lane	0.18	38.4	D	0.16	46.6	D
Through lane	0.77	51.2	D	0.51	54.6	D
Right turn lane	0.42	16.9	B	0.41	31.3	C
Eastbound approach (Waikoloa Road)		41.6	D		49.3	D
Left turn lane	0.59	50.6	D	0.89	59.5	E
Through lane	0.29	34.4	C	0.52	37.5	D
Right turn lane	0.13	32.1	C	0.16	30.4	C
Northbound approach (Pua Melia Street)		31.9	C		53.3	D
Left turn lane	0.29	31.9	C	0.08	42.7	D
Through / right turn lane	0.29	31.9	C	0.59	54.6	D

v/c = volume/capacity ratio
AD = average delay (seconds)
LOS = Level of Service

On Waikoloa Road, at each approach to the intersection with Pua Melia Street and Paniolo Avenue, the left turn lane is separated from the through lane by a paved area that is striped as a traffic island. Conversion of this striped area on the eastbound approach to a second left turn lane into Paniolo Avenue, along with a retiming of the traffic signal, would mitigate the unacceptable Level of Service E conditions in the 2025 PM Peak Hour. Table 9 shows the results of the analyses of peak hour traffic volumes with these changes.

Table 9 – 2025 With Waikoloa Highlands (mitigated)

Signalized Intersection of Waikoloa Road, Pua Melia Street, and Paniolo Avenue

	AM Peak Hour			PM Peak Hour		
	v/c	AD	LOS	v/c	AD	LOS
overall intersection:	0.57	32.7	C	0.59	38.3	D
Southbound approach (Paniolo Avenue)		31.8	C		31.8	C
Left turn lane	0.82	45.3	D	0.63	47.0	D
Through lane	0.35	27.9	C	0.19	36.4	D
Right turn lane	0.63	21.1	C	0.29	13.6	B
Westbound approach (Waikoloa Road)		32.9	C		40.4	D
Left turn lane	0.18	38.4	D	0.16	46.6	D
Through lane	0.77	51.2	D	0.51	54.6	D
Right turn lane	0.42	16.9	B	0.41	31.3	C
Eastbound approach (Waikoloa Road)		41.6	D		39.5	D
Left turn lane	0.30	38.9	D	0.52	38.8	D
Through lane	0.29	34.4	C	0.58	42.3	D
Right turn lane	0.13	32.1	C	0.18	33.4	C
Northbound approach (Pua Melia Street)		31.9	C		53.3	D
Left turn lane	0.29	31.9	C	0.08	42.7	D
Through / right turn lane	0.29	31.9	C	0.59	54.6	D

v/c = volume/capacity ratio
AD = average delay (seconds)
LOS = Level of Service

Three new intersections will be formed at the connections of the project roads with the existing street system. Westbound project traffic on the access road connected to Pua Melia Street will be controlled by a stop sign and the intersection has been analyzed with a single lane shared by left and right turn traffic. Figure 7 shows the year 2025 peak hour traffic assignments and Table 10 shows the results of the analyses.

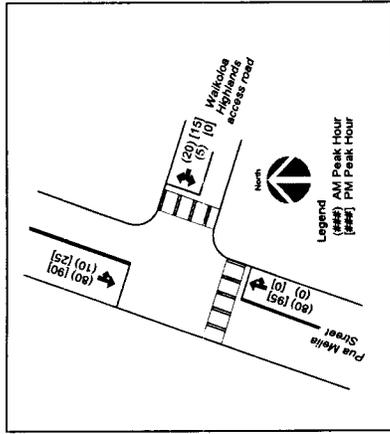


Figure 7 – 2025 Peak Hour Traffic with Waikoloa Highlands Intersection of Pua Melia Street and Access Road Connection

Table 10 – Pua Melia Street and Access Road Unsignalized Intersection

v/c=volume/capacity 95% Q=design queue CD=control delay (sec)	AM Peak Hour			PM Peak Hour				
	v/c	95% Q (sec)	CD (sec)	v/c	95% Q (sec)	CD (sec)		
Southbound left turn, Pua Melia Street (yield)	0.01	0.02	7.6	A	0.02	0.06	7.7	A
Westbound approach, Project Road (stop)	0.04	0.11	9.9	A	0.02	0.07	9.8	A

Traffic assignments for year 2025 at the two new intersections with Waikoloa Road are shown in Figures 8 and 9. At each intersection, the project street will be the stem of a “T”. intersection and traffic on this approach will be controlled by a stop sign. The approach is assumed to be wide enough to accommodate separate lanes for left turns and for right turns. On Waikoloa Road, a separate median left turn lane would be provided, and extended to the west to serve as a median shelter lane to provide a refuge area for drivers making the left turn onto Waikoloa Road. Results of the analyses of these unsignalized intersections are shown in Table 4.

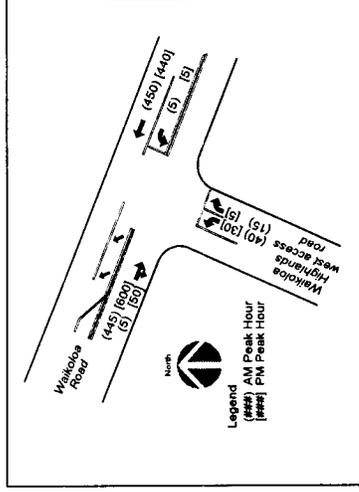


Figure 8 – 2025 Peak Hour Traffic with Waikoloa Highlands Intersection of Waikoloa Road and West Access Road Connection

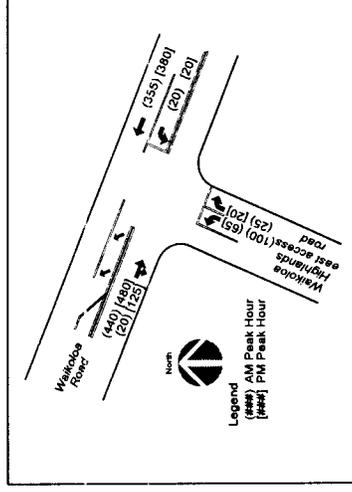


Figure 9 – 2025 Peak Hour Traffic with Waikoloa Highlands Intersection of Waikoloa Road and East Access Road Connection

Table 11 – Waikoloa Road Unsignalized Intersections

v/c=volume/capacity 95% Q=design queue CD=control delay (sec) LOS=Level of Service	AM Peak Hour			PM Peak Hour				
	v/c	95% Q	CD (sec)	LOS	v/c	95% Q	CD (sec)	LOS
Waikoloa Road and West Access Road								
Westbound left turn, Waikoloa Road (yield)	0.00	0.01	8.5	A	0.01	0.02	9.3	A
Project Road northbound approach								
Shared lane, Case A	0.22	0.84	21.2	C	0.14	0.49	20.0	C
Shared lane, Case B	0.16	0.54	15.3	C	0.10	0.33	14.9	B
Separate left turn lane, Case A	0.19	0.70	23.2	C	0.13	0.45	20.7	C
Separate left turn lane, Case B	0.12	0.42	15.9	C	0.09	0.29	15.1	B
Separate lanes (right turn lane)	0.03	0.10	11.8	B	0.01	0.03	12.3	B
Waikoloa Road and East Access Road								
Westbound left turn, Waikoloa Road (yield)	0.02	0.07	8.6	A	0.02	0.07	8.7	A
Project Road northbound approach								
Shared lane, Case A	0.49	2.58	28.6	D	0.29	1.16	19.5	C
Shared lane, Case B	0.35	1.54	18.2	C	0.22	0.82	15.1	C
Separate left turn lane, Case A	0.44	2.13	28.9	D	0.25	0.94	20.3	C
Separate left turn lane, Case B	0.30	1.22	17.9	C	0.18	0.63	15.1	C
Separate lanes (right turn lane)	0.05	0.17	11.9	B	0.04	0.13	11.7	B
With single connection to Waikoloa Road								
Westbound left turn, Waikoloa Road (yield)	0.03	0.09	8.6	A	0.03	0.10	8.9	A
Single Project Road northbound approach								
Shared lane, Case A	0.70	4.90	40.8	E	0.43	2.06	24.0	C
Shared lane, Case B	0.50	2.71	21.7	C	0.32	1.35	17.0	C
Separate left turn lane, Case A	0.62	3.73	38.1	E	0.38	1.68	24.3	C
Separate left turn lane, Case B	0.41	1.98	20.4	C	0.26	1.05	16.7	C
Separate lanes (right turn lane)	0.08	0.27	12.0	B	0.05	0.17	12.0	B
Case A: undivided Waikoloa Road Case B: median left turn lane and median shelter lane on Waikoloa Road								

The 95% queue lengths represent the maximum length of the queue that could be expected with a 95% probability during the peak hour. This length is used to determine the minimum length of storage that should be provided for the affected movement. The queue lengths for the westbound left turns from Waikoloa Road are much less than the two-vehicle length that is used as a minimum storage length; therefore, a design using the minimum storage would be adequate. The queue lengths for the northbound approaches could be used to determine parking restrictions on those approaches to provide separate lanes for left and right turns.

Impacts at Queen Kaahumanu Highway and at Mamalahoa Highway

As indicated in Table 6, traffic volumes on Waikoloa Road are expected to increase as a result of the proposed project. Project impacts at the Waikoloa Road intersections with Queen Kaahumanu Highway and with Mamalahoa Highway were identified by estimating future peak hour traffic volumes at these intersections, adding the project impact, and evaluating future conditions with and without the project traffic.

Traffic volumes on both the Queen Kaahumanu Highway and Mamalahoa Highway have been steadily increasing. Recent estimates of the average daily traffic volumes were used with regression analyses to extrapolate future average daily volumes on each highway, as shown in Table 12.

Table 12 – Highway Average Daily Traffic (ADT) near Waikoloa Road

Year	Queen Kaahumanu Highway		Mamalahoa Highway	
	North of Waikoloa Road	South of Waikoloa Road	North of Waikoloa Road	South of Waikoloa Road
1994	8,949	8,526	4,320	2,437
1996	9,254	9,042	4,419	2,685
1998	9,268	10,760	3,995	2,534
2000	10,251	11,592	4,818	3,061
2002	10,393	12,403	5,794	3,609

Source: State of Hawaii, Department of Transportation, Highways Division.
Traffic Summary – Island of Hawaii 2002

The average annual increases from the regression analyses and the extrapolations of future traffic volumes on these segments of roadways are shown in Table 13.

Table 13 – Extrapolation of Highway ADTs near Waikoloa Road

Year	Queen Kaahumanu Highway		Mamalahoa Highway	
	North of Waikoloa Road	South of Waikoloa Road	North of Waikoloa Road	South of Waikoloa Road
Annual increase	+2.0%	+5.1%	+3.4%	+4.7%
2007	11,510	16,230	6,270	4,280
2010	12,220	18,850	6,940	4,910
2025	16,520	39,850	11,500	9,770

The latest available “K” (peak hour volume divided by daily volume) and “D” (directional distribution) factors were applied to develop baseline future (2025) peak hour volumes on the segments of highways north and south of Waikoloa Road. While project traffic would likely be part of the future traffic, the increases in peak hour traffic from Table 6 were added to the future baseline traffic assignments for the “future with project” traffic assignments. The traffic assignments are shown in Figures 10 and 11.

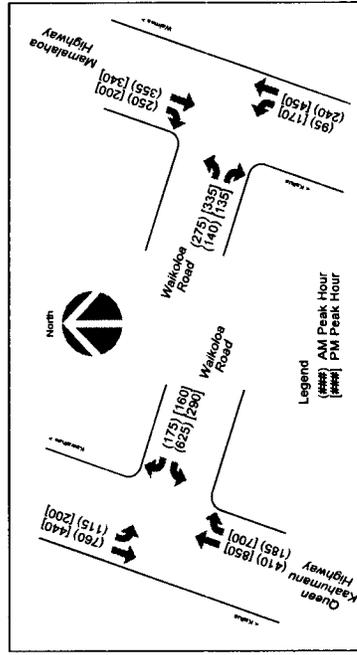


Figure 10 – 2025 Baseline Peak Hour Traffic Assignments at Highway Intersections

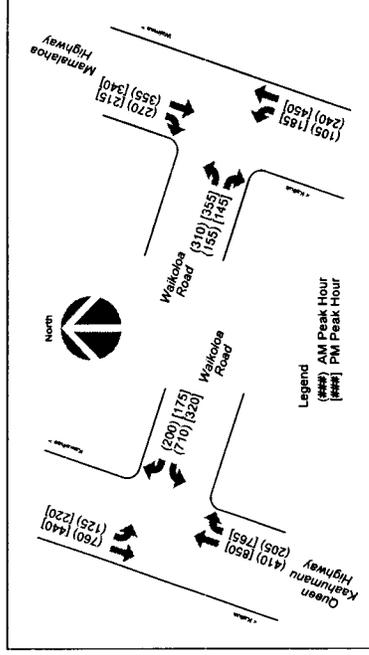


Figure 11 – 2025 With-Project Peak Hour Traffic Assignments at Highway Intersections

The analysis procedure described in the *Highway Capacity Manual* was applied to the existing intersection of Mamalahoa Highway and Waikoloa Road, where separate lanes are provided for each movement. Traffic signals would be needed for both the baseline and with-project traffic assignments, as capacity for left turns from Waikoloa Road would be exceeded. A critical movement analysis that had been described in an earlier edition of the *Highway Capacity Manual* was used to provide a planning-level evaluation of the signalized intersections. The critical movement analysis sums the peak hour volumes of the conflicting movements; sums of up to 1,200 passenger cars per hour indicate desirable “under capacity” conditions, sums greater than 1,200 and up to 1,400 describe “near capacity” conditions, and sums greater than 1,400 are “over capacity” requiring additional lanes or other improvements.

Table 14 shows the results of the critical movement analyses. At Queen Kaahumanu Highway, the daily traffic volumes indicate that widening of the existing two-lane highway to four lanes will be needed by year 2025. The high left turn volume from Waikoloa Road to Queen Kaahumanu Highway also indicate a need for a second turn lane; however, the sum of critical movements shown in Table 14 assume only a single turn lane is provided.

Table 14 – Results of Critical Movement Analyses of Signalized Intersections (2025)

Peak Hour & Case	Waikoloa Road and State Highways	
	Queen Kaahumanu Highway	Mamalahoa Highway
	Sum	Condition
AM baseline	1,075	Under capacity
AM with-project	1,160	Under capacity
PM baseline	1,095	Under capacity
PM with project	1,145	Under capacity

Table 15 compares the project traffic with the baseline traffic volumes on the highways. Project traffic will be small compared to the expected growth of traffic from all development, as shown below (less than the traffic expected due from two years' growth on either highway, from first line in Table 13).

Table 15 – Comparison of Project Traffic with 2025 Baseline Traffic

Peak Hour & Case	Queen Kaahumanu Highway		Mamalahoa Highway	
	southbound	northbound	southbound	northbound
Annual growth to north	+2.0%		+3.4%	
AM to the north	1.1%	4.3%	3.3%	6.8%
PM to the north	3.1%	1.5%	2.8%	2.5%
Annual growth to south	+5.1%		+4.7%	
AM to the south	6.1%	3.4%	3.0%	3.0%
PM to the south	4.1%	4.2%	2.1%	2.4%

Traffic assignments were also made for year 2010, to provide estimates of the possible timing of the improvements that will be needed at each intersection. Figure 12 shows the 2010 baseline traffic assignments and Figure 13 shows the 2010 with-project traffic. The results of the unsignalized intersection analysis of the Mamalahoa Highway intersection are shown in Table 16 for the with-project traffic assignments. The very long delays for left turns onto Mamalahoa Highway in the PM Peak Hour could be mitigated by providing a shelter lane to allow left turn traffic to cross the southbound traffic and wait for a gap in the

northbound traffic before completing the turn. The shelter lane could be provided by restriping the existing median north of the intersection if the improvement is considered a temporary measure (the shelter lane will not be needed when the intersection is signalized; further discussion follows).

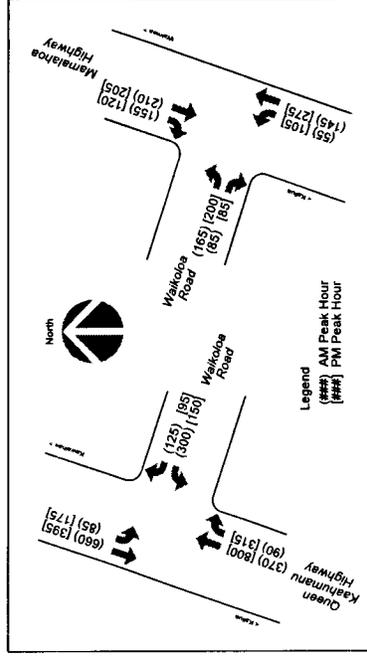


Figure 12 – 2010 Baseline Peak Hour Traffic Assignments at Highway Intersections

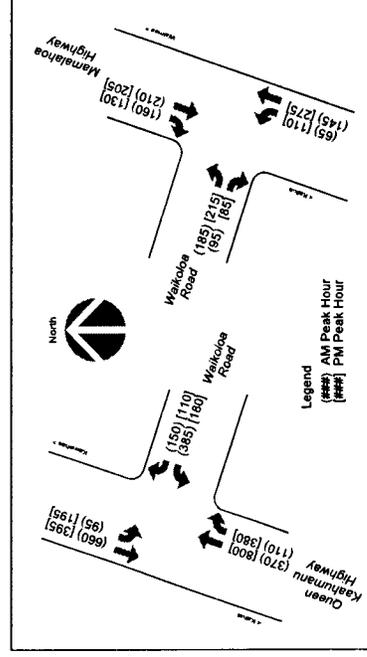


Figure 13 – 2010 With-Project Peak Hour Traffic Assignments at Highway Intersections

Table 16 – Results of Unsignalized Intersection Analysis (2010)
Waikoloa Road and Māmālahoa Highway

Peak Hour & Case	AM Peak Hour			PM Peak Hour		
	Waikoloa Road Right Turn	190NB Left Turn	190NB Right Turn	Waikoloa Road Left Turn	190NB Left Turn	190NB Right Turn
With-project traffic and existing striping at Intersection						
Volume/capacity ratio	0.15	0.52	0.07	0.13	0.90	0.12
Average delay (seconds)	10.5	22.1	8.6	10.3	68.7	8.6
Level of Service	B	C	A	B	F	A
With-project traffic and improved intersection (shelter lane added)						
Volume/capacity ratio	0.15	0.43	0.07	0.13	0.67	0.12
Average delay (seconds)	10.5	17.1	8.6	10.3	31.2	8.6
Level of Service	B	C	A	B	D	A

190 NB = Highway 190 (Māmālahoa Highway) Northbound
 RT = right turn (stop condition)
 LT = left turn (stopped or yield)

The analyses of the unsignalized intersection also show that the intersection with the addition of a shelter lane could adequately serve peak hour traffic until the year 2014, with the assumed growth rates and a maximum volume-to-capacity ratio of 0.85. The project impact would be to accelerate the need for improvements at the intersection of Māmālahoa Highway and Waikoloa Road, such as traffic signals, by about 1½ years.

At the intersection of Queen Kaahumanu Highway and Waikoloa Road, the project impact would be a similar acceleration of needed improvements. If the project were completed and fully occupied by 2010, the additional traffic would not significantly affect conditions in 2010. With the sum of critical movements is increasing at about 3.5% per year at the intersection of Queen Kaahumanu Highway and Waikoloa Road, near-capacity conditions are projected to occur between 2012 and 2018 with the baseline traffic assignments, and between 2011 and 2017 with project traffic added to the baseline volumes. The net effect of adding the traffic generated by the project, therefore, is the accelerating of the need for

improvements by one year. Table 17 shows the results of the critical movement analyses of the 2010 peak hour traffic assignments for the existing lane configuration at the intersection of Queen Kaahumanu Highway and Waikoloa Road.

Table 17 – Results of Critical Movement Analyses of Signalized Intersection (2010)
Queen Kaahumanu Highway and Waikoloa Road

Peak Hour & Case	AM Peak Hour		PM Peak Hour	
	Sum	Condition	Sum	Condition
baseline	960	Under capacity	1,125	Under capacity
with-project	1,045	Under capacity	1,175	Under capacity

As discussed earlier, the daily traffic volumes on Queen Kaahumanu Highway indicate a need to widen the highway to four lanes before 2025. At the growth rates assumed in this study, daily volumes on the highway in 2015 will be greater than 13,500 vehicles per day north of Waikoloa Road and greater than 24,000 vehicles per day south of Waikoloa Road.

If the widening of Queen Kaahumanu Highway through the Waikoloa Road intersection does not occur by 2017, other improvements will be necessary to alleviate over-capacity conditions at the intersection. A second left turn lane from Waikoloa Road to Queen Kaahumanu Highway could reduce the sum of critical movements, but will require a second southbound lane to accept the second lane of turning traffic. Alternatives that would reduce the sum of critical movements by eliminating left turn conflicts (two examples are shown in Figure 14 with 2010 PM with-project traffic assignments) could also be considered.

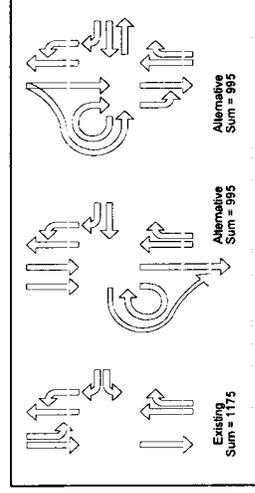


Figure 14 – Alternatives to Reduce Conflicts at Queen Kaahumanu Highway Intersection

Appendix – Field Traffic Count Data

Unsignalized Intersection: Tuesday, October 25, 2005

Major Street, Waikoloa Road	West Leg (Eastbound approach)				East Leg (Westbound approach)			
	LEFT	THRU	RIGHT	BIKE	LEFT	THRU	RIGHT	BIKE
06:30 AM - 06:45 AM	14	5	4	0	2	30	18	1
06:45 AM - 07:00 AM	18	2	1	0	2	18	35	0
07:00 AM - 07:15 AM	20	9	4	1	1	20	17	0
07:15 AM - 07:30 AM	31	7	1	0	3	24	16	0
07:30 AM - 07:45 AM	17	7	1	0	2	15	37	0
07:45 AM - 08:00 AM	22	16	3	0	3	18	36	1
08:00 AM - 08:15 AM	16	11	3	0	2	11	20	0
08:15 AM - 08:30 AM	26	8	0	1	1	18	15	0
03:00 PM - 03:15 PM	43	27	8	2	0	6	23	0
03:15 PM - 03:30 PM	57	34	9	1	0	4	11	24
03:30 PM - 03:45 PM	71	22	7	2	0	3	10	34
03:45 PM - 04:00 PM	85	41	12	3	0	6	15	30
04:00 PM - 04:15 PM	68	31	12	2	0	4	21	19
04:15 PM - 04:30 PM	73	33	10	4	0	4	11	28
04:30 PM - 04:45 PM	75	27	8	0	0	5	8	30
04:45 PM - 05:00 PM	72	27	9	0	0	3	12	27
05:00 PM - 05:15 PM	76	21	11	0	0	4	11	31
05:15 PM - 05:30 PM	71	20	9	0	0	0	3	30
05:30 PM - 05:45 PM	75	17	6	1	0	0	8	31
05:45 PM - 06:00 PM	80	6	9	0	0	2	5	28

Minor Street (Paniolo Avenue and Pua Melia Street)	North Leg (Southbound approach)				South Leg (Northbound approach)			
	LEFT	THRU	RIGHT	BIKE	LEFT	THRU	RIGHT	BIKE
06:30 AM - 06:45 AM	30	13	105	0	0	5	10	2
06:45 AM - 07:00 AM	37	7	80	0	0	3	4	1
07:00 AM - 07:15 AM	51	53	97	0	0	17	23	1
07:15 AM - 07:30 AM	45	10	106	0	0	7	17	2
07:30 AM - 07:45 AM	35	13	96	4	0	9	4	2
07:45 AM - 08:00 AM	22	10	89	0	0	8	10	1
08:00 AM - 08:15 AM	31	12	70	0	0	4	10	2
08:15 AM - 08:30 AM	33	16	47	0	0	3	6	1
03:00 PM - 03:15 PM	24	22	46	0	0	2	16	1
03:15 PM - 03:30 PM	30	15	28	1	0	4	27	1
03:30 PM - 03:45 PM	34	9	36	0	0	1	21	4
03:45 PM - 04:00 PM	24	18	40	0	0	5	22	2
04:00 PM - 04:15 PM	30	12	40	0	0	5	19	7
04:15 PM - 04:30 PM	28	9	32	0	0	2	23	1
04:30 PM - 04:45 PM	22	9	45	0	0	0	24	4
04:45 PM - 05:00 PM	40	9	37	0	0	3	17	2
05:00 PM - 05:15 PM	24	4	28	0	0	2	20	3
05:15 PM - 05:30 PM	25	4	30	0	0	1	17	2
05:30 PM - 05:45 PM	22	3	35	0	0	0	11	1
05:45 PM - 06:00 PM	21	7	33	0	0	1	17	0

Source: R. M. Towill Corporation

Conclusions and Recommendations

The analyses show that while the proposed project will increase traffic volumes, the impact will not be significant enough to change the levels of service. In the short term, the installation of traffic signals at the intersection of Waikoloa Road, Pua Melia Street, and Paniolo Avenue will mitigate existing poor levels of service during the peak hours for left turns onto Waikoloa Road. With traffic signals and separate right turn lanes on Waikoloa Road, the intersection will have adequate capacity to serve peak hour volumes with the proposed project fully occupied. As traffic volumes increase due to other development in the Waikoloa area, peak hour conditions will worsen; a second eastbound left turn lane at the intersection is a mitigation measure that will improve conditions to acceptable levels for the peak hour volumes projected to year 2025.

The project road connections to Waikoloa Road and to Pua Melia Street will adequately serve peak hour volumes. Stop signs on the project road approaches will control turning movements at these "T"-intersections (left turns into the project would cross oncoming traffic and would yield). At the Waikoloa Road intersections, acceptable conditions will result from the provision of separate left turn lanes with median shelter lanes.

The addition of traffic from the proposed project will affect the Waikoloa Road intersections with Queen Kaahumanu Highway and with Mamalahoa Highway by accelerating the rate of growth of traffic volumes at each intersection. The analyses show that full occupancy of the project is expected to result in increases in traffic that would otherwise be expected in one to two more years. For the years 2010 and 2025, however, the addition of project traffic does not significantly change conditions at either intersection. The following improvements to State highway facilities are indicated by the analyses:

- add a shelter lane on Mamalahoa Highway for left turns from eastbound Waikoloa Road to northbound Mamalahoa Highway to serve expected growth in traffic (without project traffic) before 2010.
- signalize, when needed and warranted, the intersection of Mamalahoa Highway and Waikoloa Road; the analyses indicate that the most critical movement at the unsignalized intersection would exceed 85% of its capacity by 2014 (2013 with the addition of project traffic).
- widen Queen Kaahumanu Highway to a four-lane highway by 2015 (2014 with the addition of project traffic)

APPENDIX H

**Flood Plain Limits and Flood Control Plan for the Waikoloa Highlands
Subdivision
R.M. Towill Corporation, September 2006.**

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FLOODPLAIN LIMITS AND FLOOD CONTROL PLAN

for the

WAIKOLOA HIGHLANDS SUBDIVISION

September, 2006

Prepared for:

Waikoloa Mauka, LLC

Prepared by:

R. M. Towill Corporation
420 Waikamilo Road, Suite 411
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WAIKOLOA HIGHLANDS SUBDIVISION

Waikoloa, Island of Hawaii
TMK: 6-8-02:16, 6-8-03:32
Subdivision No. 89-179
DPW Folder No. 6858

SEPTEMBER 2006

Prepared For:

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1 INTRODUCTION

1.1 PURPOSE AND SCOPE

The purpose of this study is to update a previous flood analyses report (Reference 1), prepared by R.M. Towill Corporation (RMTC) for the Waikoloa Highlands Subdivision. The analyses will determine the design flows for each Flood Route identified within the project site and size appropriate channels and culverts to pass the design flows. It will also include determining the floodplain limits for the Flood Routes through the project site.

1.2 PROJECT LOCATION AND DESCRIPTION

The project site is located 22 miles northeast of Keahole International Airport in Waikoloa, District of South Kohala, Island of Hawaii (Tax Map Key: Third Division 6-8-02:16, 6-8-03:32). The project consists of 744.4 acres located south of Waikoloa Villages, west of Pua Hinae Clusters. Some between Auwaikeakua Gulch and Waikoloa Road. It consists of grading, construction of roadways and utilities for the purpose of 398 single-family residential lots for Phases 1 and 2 (Figures 1 and 2).

2 GENERAL AND METHODOLOGY

There is one (1) major stream identified in this study, which is Auwaikeakua Gulch. The gulch and its sub-tributaries pass south of the project site. A previous flood study conducted by R.M. Towill Corporation (RMTC, Reference 1) indicated that there were nine (9) Flood Routes within the project site (Auwaikeakua Gulch and 8 tributaries). Figure 3, which is taken from Reference 1, shows the location of each Flood Route.

2.1 HYDROLOGIC CRITERIA AND METHODOLOGY

The RMTC report utilized the regression equation to calculate 100-year storm for the 9 Flood Routes. The regression equation was adopted in the 1995 Hawaii County Flood Insurance Study published by Federal Emergency Management Agency (FEMA, Reference 2). It was intended to incorporate basin and climatological characteristics to determine peak discharge-frequency relationships. Two groups of regression equations were established for windward and leeward areas. Waikoloa Highlands is located at leeward side (Figure 4).

For this study, the regression equation was mainly used to determine the 100-year peak discharges for Flood Routes originated off-site (Flood Routes 1, 3, and 5) and the culverts at roadway crossing. Flood Routes 2, 6, 7, 8, and 9, which originate onsite, are concentration areas contributing to the Auwaikeakua Gulch (Flood Route 5). They have drainage areas considerably below 100 acres, and are not considered for flood mapping under proposed conditions. Instead, they will be considered as subdivision drainage, which is not the scope of this study.

Hydrologic Criteria

- Flood Mapping, Ditches, Culverts (off-site Flood Routes, area > 100acres)

Method	Regression Equation
Return Interval	100-year
Design Storm Duration	24-hour

Hydrologic Methodology

- Flood Mapping, Ditches, Culverts (off-site Flood Routes, area > 100acres)

$$Q_{100} = 34.3 (DA)^{0.77} (P24-2)^{2.26}$$

where:

- Q_{100} = Peak discharge with 100-year return interval (cfs)
- DA = Drainage area (mi²)
- P24-2 = 2-year, 24-hour rainfall depth (inches)
- = 3" for Waikoloa Highlands area (Reference 1)

2.2 HYDROLOGIC ANALYSIS

Drainage areas were delineated and interpolated based on the field observation and previous report (Reference 1), and the watershed boundary was digitized on the USGS Quadrangle Map (Figure 5). Runoff quantities were calculated using the regression equation. The final tabulated results of hydrologic analysis were presented in Table 1

Table 1 Hydrologic Analysis Results

Location	Drainage Area (acres)	Q ₁₀₀ (cfs)
Flood Route 1		
at Waikoloa Road before entering project site	888	529
at Road "A" crossing	975	567
at d/s project boundary exiting project site	1,023	590
Flood Route 3		
at Waikoloa Road before entering project site	64.4	70
before confluence point with Flood Route 5	136	125
Flood Route 5		
before entering project site	32,217	8,396
before confluence point with Flood Route 3	32,685	8,489
after confluence point with Flood Route 3	32,821	8,516
at d/s project boundary exiting project site	33,314	8,615

2.3 HYDRAULIC CRITERIA AND METHODOLOGY

Hydraulic Criteria

- Culverts sizing

- Method: CulvertMaster (Reference 5)
- Entrance Type: Headwall
- Max. HW/D: 1.0 - 1.1
- Material: CMP

- Ditches sizing

- Method: HEC-RAS
- Flow Regime: FlowMaster (Reference 6)
- Boundary Condition: Mixed Flow
- Manning's n: Natural Depth
- 0.040 for rock channel
- 0.045 for overbank areas

- Flood Mapping:

- Method: HEC-RAS
- Flow Regime: Mixed Flow
- Boundary Condition: Normal Depth, Known Water Surface Elevation
- Manning's n: 0.040 for rock channel
- 0.045 for overbank areas

Hydraulic Methodology

The standard step method, using the Corps of Engineer's hydraulic model HEC-RAS and GIS pre-process tool HEC-GeoRAS to take geometry data, was used to determine the bare floodwater surface elevations and 100-year flood limits.

The mixed flow regime method was in the analysis due to slopes generally observed in the field. As expected of watercourses in Hawaii, majority of the stream segments were under supercritical conditions.

Boundary conditions were determined using the normal depth and known water surface elevation options in HEC-RAS. The normal depth could be entering as energy slope. The energy slope could be approximated by calculating the channel bed slope.

Manning's roughness coefficient, n , was estimated from the Hawaii County's standard and field observation. The Hawaii County's standard suggested values of n between 0.035 to 0.04 for unlined channel with rock ranging from smooth and uniform to jagged and irregular. In this study, values of n for unlined channel and overbank areas were estimated to be 0.04 to 0.045. The higher n value was used to account for rougher surface as observed in the field.

With the given design flows from the hydrologic analysis, HEC-RAS and FlowMaster were utilized to size the ditches. Freeboard was provided for the ditches following the guideline stated in the Hawaii County Drainage Standard. Culverts sizing was performed by using CulvertMaster and entrance control nomograph (Reference 3).

2.4 HYDRAULIC ANALYSIS

With the given geometry and flow data, hydraulic analysis was performed by using the chosen computer programs and nomograph. Ditches and culverts information were presented in Appendix A. HEC-RAS output files and summary were prepared in Appendix B. The 100-year flood boundary was shown in Figure 6. Cross-section labels used in the HEC-RAS analysis was presented in Figure 7.

2.5 FLOODPLAIN MAPPING

The 100-year floodplain boundaries were delineated using the HEC-RAS modeling results. The HEC-RAS model provided water surface elevation and flood limits at each cross section of the stream. The HEC-RAS output files were imported back to HEC-GeoRAS for automatic floodplain delineation. Where there was disconnecting portion of the floodplain from HEC-GeoRAS outputs, the floodplain boundaries were drawn manually using engineer's judgment by checking left and right flood limit at said cross section and connected to downstream flood limits.

3 EXISTING DRAINAGE CONDITIONS

The nine (9) Flood Routes stated in previous study (Reference 1) that impact the project site are Auwaiakeakua Gulch (Flood Route 5) and its tributaries (Flood Routes 1 to 4, 6 to 8) (see Figure 3). Auwaiakeakua Gulch, originating from the summit of Mauna Kea, flows in a northwest direction, ending up Pacific Ocean.

Auwaiakeakua Gulch passes south of project site and crosses Waikoloa Road further downstream of the project site. The existing topography consists of rolling terrain with flat to moderately steep slopes. Slopes are steep in the upper watershed areas and gradually reduce to flat through the project site. Ground cover primarily consists of low lying brush and scattered Kiawe trees. Flood Routes 1 and 3 originate off-site and enter the project site from east through culverts at Waikoloa Road. Flood Route 4 is located outside of the project site and is upstream of Auwaiakeakua Gulch. Other Flood Routes are minor tributaries originate onsite eventually contribute to Auwaiakeakua Gulch.

4 PROPOSED DRAINAGE PLAN

For this study, the main focus is to prepare a flood control plan for the future development of Waikoloa Highlands. Sizing culverts at the proposed roadway crossing and proposed diversion ditches will be discussed. A brief description of the proposed drainage improvements is summarized as follows:

Ditches:

- Ditch 1:
Off-site Flood Route 1 enters the project site through existing 2 - 8'-2" x 5'-9" pipe arch culverts at Waikoloa Road. The proposed ditch will route Flood Route 1 flows along Waikoloa Road and pass through Culvert A at the proposed Road "A" crossing. The proposed ditch is 15' wide bottom width with a 2:1 side slope. The excavated ditch is a rock channel with maximum channel slope of 7%, and the design flow (Q_{100}) is 567 cfs. The ditch is designed to meet the requirement specified in the Hawaii County Drainage Standard.

Culverts:

- Culvert A
Culvert A (2-84" CMP) is located at STA. 2+11.33 of Road "A" crossing. The culverts are at the end of Ditch 1 and will pass the design flows to the existing terrain. The design peak discharge, (Q_{100}) calculated using regression equation, is 567 cfs.
- Culvert F (60" CMP) is located at STA. 44+55.64 of Road "A" crossing. The drainage area is part of Flood Route 3, which originates off-site. Flood Route 3 enters the project site through existing 42" CMP at Waikoloa Road. It flows in southwest direction, crossing proposed Road "A" and eventually connects to Flood Route 5 as its tributary. The design peak discharge, (Q_{100}) calculated using regression equation, is 125 cfs.

5 SUMMARY AND CONCLUSION

To protect the project site from flooding problems, drainage improvements are proposed in this study to accommodate the design flows. This will increase the developable lands in the future Waikoloa Highlands development.

A proposed ditch (Ditch 1) will direct Flood Route 1 flow (567 cfs) along Waikoloa Road to downstream open area. There are 2 culverts (Culvert A and F) proposed at roadway crossing to pass the design 100-year flows to open area. Culvert A (2-84" CMP) is located at the proposed Road "A" crossing to pass Flood Route 1 flow. Culvert F (60" CMP) passes Flood Route 3 flow (125 cfs) at another Road "A" crossing. The proposed drainage improvements will decrease the risk of flooding problems in the Waikoloa Highlands development and are in compliance with current design standard.

6 REFERENCES

1. "Floodway Limits and Flood Control Plan for the Highlands Golf Estate at Waikoloa", R.M. Towill Corporation, 12/1992
2. "Flood Insurance Study for Hawaii County", Federal Emergency Management Agency, 6/2/1995
3. "Storm Drainage Standard", Department of Public Works, County of Hawaii, 10/1970
4. USGS Quadrangle (7.5 Minutes Series, 1:24K): Puu Hinai, Nohonachae, Makahaiau, Keamulu, Ahunoo, and Mauna Kea
5. CulvertMaster v3.1, Bentley System, Inc., 12/2005
6. FlowMaster v7.0, Hecsoft Methods, Inc., 6/2003
7. "HEC-GeoRAS User's Manual", U.S. Army Corps of Engineers, v3.1, 10/2002
8. HEC-RAS v3.1.3, U.S. Army Corps of Engineers, 5/2005

Appendix A Culverts and Ditches

Culvert Calculator Report

90806 WH Culvert A Rd A (FR-1)

Solve For: Section Size

Culvert Summary			
Allowable HW Elevation	1,076.00 ft	Headwater Depth/Height	0.99
Computed Headwater Elevation	1,075.82 ft	Discharge	567.00 cfs
Inlet Control HW Elev.	1,075.15 ft	Tailwater Elevation	0.00 ft
Outlet Control HW Elev.	1,075.62 ft	Control Type	Outlet Control
Grades			
Upstream Invert	1,068.68 ft	Downstream Invert	1,068.14 ft
Length	107.83 ft	Constructed Slope	0.005008 ft/ft
Hydraulic Profile			
Profile	M2	Depth, Downstream	4.43 ft
Slope Type	Mild	Normal Depth	N/A ft
Flow Regime	Subcritical	Critical Depth	4.43 ft
Velocity Downstream	11.06 ft/s	Critical Slope	0.012714 ft/ft
Section			
Section Shape	Circular	Manning's Coefficient	0.024
Section Material	CMP	Span	7.00 ft
Section Size	84 inch	Rise	7.00 ft
Number Sections	2		
Outlet Control Properties			
Outlet Control HW Elev.	1,075.62 ft	Upstream Velocity Head	1.17 ft
Kc	0.20	Entrance Loss	0.23 ft
Inlet Control Properties			
Inlet Control HW Elev.	1,075.15 ft	Flow Control	N/A
Inlet Type	Beveled ring, 33.7' (1.5:1) bevels	Area Full	77.0 ft ²
K	0.00190	HDS 5 Chart	3
M	2.50000	HDS 5 Scale	B
C	0.02430	Equation Form	1
Y	0.83000		

Slope = 0.5%

2-# CMP, L = 107.83 ft

Culvert at Start of Road A

Station	Q (cfs)	Invert Elev (ft)	WS Elev (ft)	Depth (ft)	Vel (ft/s)	FB (ft)	EW Elev (ft)	FB (ft)	EW Elev (ft)	Remarks
4235.087	567	1170.66	1172.77	2.11	13.95	2.45	1175.22	SFA 20'-25.3'		
4232.012	567	1168.40	1174.50	3.10	8.61	2.31	1172.81	SFA 19'-13.30		
4108.728	567	1167.46	1169.78	2.32	12.45	2.41	1172.19	SFA 18'-00		
4058.754	567	1163.96	1166.00	2.04	14.60	2.46	1168.46	HRC-RAS Impounded XS		
4008.724	567	1160.46	1162.82	2.06	14.85	2.46	1164.96	SFA 16'-00		
3908.738	567	1153.48	1155.51	2.06	14.85	2.46	1158.96	SFA 14'-00		
3808.754	567	1143.48	1145.54	2.06	14.43	2.46	1148.96	SFA 12'-58		
3813.330	567	1137.66	1140.19	2.51	11.26	2.38	1142.67	SFA 14'-22.58		
3808.754	567	1136.71	1139.13	2.42	11.79	2.40	1141.53	SFA 14'-00		
3808.754	567	1132.73	1137.78	2.03	13.48	2.44	1138.82	SFA 13'-80		
3808.754	567	1128.75	1133.79	2.07	14.27	2.45	1134.82	SFA 13'-00		
3808.754	567	1124.77	1129.81	2.07	14.30	2.46	1130.84	SFA 12'-00		
3808.754	567	1120.79	1125.83	2.07	14.30	2.46	1126.86	SFA 11'-00		
3808.754	567	1116.81	1121.85	2.07	14.30	2.46	1122.88	SFA 10'-00		
3808.754	567	1112.83	1117.87	2.07	14.30	2.46	1118.90	SFA 9'-00		
3808.754	567	1108.85	1113.89	2.07	14.30	2.46	1114.92	SFA 8'-00		
3808.754	567	1104.87	1109.91	2.07	14.30	2.46	1110.94	SFA 7'-10		
3808.754	567	1100.89	1105.93	2.07	14.30	2.46	1106.96	SFA 6'-00		
3808.754	567	1096.91	1101.95	2.07	14.30	2.46	1102.98	SFA 5'-00		
3808.754	567	1092.93	1097.97	2.07	14.30	2.46	1099.00	SFA 4'-00		
3808.754	567	1088.95	1093.99	2.07	14.30	2.46	1095.02	SFA 3'-00		
3808.754	567	1084.97	1089.99	2.07	14.30	2.46	1091.04	SFA 2'-00		
3808.754	567	1080.99	1085.99	2.07	14.30	2.46	1087.06	SFA 1'-00		
3808.754	567	1077.01	1082.01	2.07	14.30	2.46	1083.08	SFA 0'-00		
3808.754	567	1073.03	1078.03	2.07	14.30	2.46	1079.10	SFA 0'-00		
3808.754	567	1069.05	1074.05	2.07	14.30	2.46	1075.12	SFA 0'-00		
3808.754	567	1065.07	1070.07	2.07	14.30	2.46	1071.14	SFA 0'-00		
3808.754	567	1061.09	1066.09	2.07	14.30	2.46	1067.16	SFA 0'-00		
3808.754	567	1057.11	1062.11	2.07	14.30	2.46	1063.18	SFA 0'-00		
3808.754	567	1053.13	1058.13	2.07	14.30	2.46	1059.20	SFA 0'-00		
3808.754	567	1049.15	1054.15	2.07	14.30	2.46	1055.22	SFA 0'-00		
3808.754	567	1045.17	1050.17	2.07	14.30	2.46	1051.24	SFA 0'-00		
3808.754	567	1041.19	1046.19	2.07	14.30	2.46	1047.26	SFA 0'-00		
3808.754	567	1037.21	1042.21	2.07	14.30	2.46	1043.28	SFA 0'-00		
3808.754	567	1033.23	1038.23	2.07	14.30	2.46	1039.30	SFA 0'-00		
3808.754	567	1029.25	1034.25	2.07	14.30	2.46	1035.32	SFA 0'-00		
3808.754	567	1025.27	1030.27	2.07	14.30	2.46	1031.34	SFA 0'-00		
3808.754	567	1021.29	1026.29	2.07	14.30	2.46	1027.36	SFA 0'-00		
3808.754	567	1017.31	1022.31	2.07	14.30	2.46	1023.38	SFA 0'-00		
3808.754	567	1013.33	1018.33	2.07	14.30	2.46	1019.40	SFA 0'-00		
3808.754	567	1009.35	1014.35	2.07	14.30	2.46	1015.42	SFA 0'-00		
3808.754	567	1005.37	1010.37	2.07	14.30	2.46	1011.44	SFA 0'-00		
3808.754	567	1001.39	1006.39	2.07	14.30	2.46	1007.46	SFA 0'-00		
3808.754	567	997.41	1002.41	2.07	14.30	2.46	1003.48	SFA 0'-00		
3808.754	567	993.43	998.43	2.07	14.30	2.46	999.50	SFA 0'-00		
3808.754	567	989.45	994.45	2.07	14.30	2.46	995.52	SFA 0'-00		
3808.754	567	985.47	990.47	2.07	14.30	2.46	991.54	SFA 0'-00		
3808.754	567	981.49	986.49	2.07	14.30	2.46	987.56	SFA 0'-00		
3808.754	567	977.51	982.51	2.07	14.30	2.46	983.58	SFA 0'-00		
3808.754	567	973.53	978.53	2.07	14.30	2.46	979.60	SFA 0'-00		
3808.754	567	969.55	974.55	2.07	14.30	2.46	975.62	SFA 0'-00		
3808.754	567	965.57	970.57	2.07	14.30	2.46	971.64	SFA 0'-00		
3808.754	567	961.59	966.59	2.07	14.30	2.46	967.66	SFA 0'-00		
3808.754	567	957.61	962.61	2.07	14.30	2.46	963.68	SFA 0'-00		
3808.754	567	953.63	958.63	2.07	14.30	2.46	959.70	SFA 0'-00		
3808.754	567	949.65	954.65	2.07	14.30	2.46	955.72	SFA 0'-00		
3808.754	567	945.67	950.67	2.07	14.30	2.46	951.74	SFA 0'-00		
3808.754	567	941.69	946.69	2.07	14.30	2.46	947.76	SFA 0'-00		
3808.754	567	937.71	942.71	2.07	14.30	2.46	943.78	SFA 0'-00		
3808.754	567	933.73	938.73	2.07	14.30	2.46	939.80	SFA 0'-00		
3808.754	567	929.75	934.75	2.07	14.30	2.46	935.82	SFA 0'-00		
3808.754	567	925.77	930.77	2.07	14.30	2.46	931.84	SFA 0'-00		
3808.754	567	921.79	926.79	2.07	14.30	2.46	927.86	SFA 0'-00		
3808.754	567	917.81	922.81	2.07	14.30	2.46	923.88	SFA 0'-00		
3808.754	567	913.83	918.83	2.07	14.30	2.46	919.90	SFA 0'-00		
3808.754	567	909.85	914.85	2.07	14.30	2.46	915.92	SFA 0'-00		
3808.754	567	905.87	910.87	2.07	14.30	2.46	911.94	SFA 0'-00		
3808.754	567	901.89	906.89	2.07	14.30	2.46	907.96	SFA 0'-00		
3808.754	567	897.91	902.91	2.07	14.30	2.46	903.98	SFA 0'-00		
3808.754	567	893.93	898.93	2.07	14.30	2.46	899.99	SFA 0'-00		
3808.754	567	889.95	894.95	2.07	14.30	2.46	895.99	SFA 0'-00		
3808.754	567	885.97	890.97	2.07	14.30	2.46	891.99	SFA 0'-00		
3808.754	567	881.99	886.99	2.07	14.30	2.46	887.99	SFA 0'-00		
3808.754	567	878.01	882.99	2.07	14.30	2.46	883.99	SFA 0'-00		
3808.754	567	874.03	878.99	2.07	14.30	2.46	879.99	SFA 0'-00		
3808.754	567	870.05	874.99	2.07	14.30	2.46	875.99	SFA 0'-00		
3808.754	567	866.07	870.99	2.07	14.30	2.46	871.99	SFA 0'-00		
3808.754	567	862.09	866.99	2.07	14.30	2.46	867.99	SFA 0'-00		
3808.754	567	858.11	862.99	2.07	14.30	2.46	863.99	SFA 0'-00		
3808.754	567	854.13	858.99	2.07	14.30	2.46	859.99	SFA 0'-00		
3808.754	567	850.15	854.99	2.07	14.30	2.46	855.99	SFA 0'-00		
3808.754	567	846.17	850.99	2.07	14.30	2.46	851.99	SFA 0'-00		
3808.754	567	842.19	846.99	2.07	14.30	2.46	847.99	SFA 0'-00		
3808.754	567	838.21	842.99	2.07	14.30	2.46	843.99	SFA 0'-00		
3808.754	567	834.23	838.99	2.07	14.30	2.46	839.99	SFA 0'-00		
3808.754	567	830.25	834.99	2.07	14.30	2.46	835.99	SFA 0'-00		
3808.754	567	826.27	830.99	2.07	14.30	2.46	831.99	SFA 0'-00		
3808.754	567	822.29	826.99	2.07	14.30	2.46	827.99	SFA 0'-00		
3808.754	567	818.31	822.99	2.07	14.30	2.46	823.99	SFA 0'-00		
3808.754	567	814.33	818.99	2.07	14.30	2.46	819.99	SFA 0'-00		
3808.754	567	810.35	814.99	2.07	14.30	2.46	815.99	SFA 0'-00		
3808.754	567	806.37	810.99	2.07	14.30	2.46	811.99	SFA 0'-00		
3808.754	567	802.39	806.99	2.07	14.30	2.46	807.99	SFA 0'-00		
3808.754	567	798.41	802.99	2.07	14.30	2.46	803.99	SFA 0'-00		
3808.754	567	794.43	798.99	2.07	14.30	2.46	799.99	SFA 0'-00		
3808.754	567	790.45	794.99	2.07	14.30	2.46	795.99	SFA 0'-00		
3808.754	567	786.47	790.99	2.07	14.30	2.46	791.99	SFA 0'-00		
3808.754	567	782.49	786.99	2.07	14.30	2.46	787.99	SFA 0'-00		
3808.754										

Culvert Calculator Report
90806 WH Culvert F Rd A (FR-3)

Solve For: Section Size

Culvert Summary			
Allowable HW Elevation	1,106.30 ft	Headwater Depth/Height	1.03
Computed Headwater Elevation	1,106.09 ft	Discharge	125.00 cfs
Inlet Control HW Elev.	1,105.63 ft	Tailwater Elevation	0.00 ft
Outlet Control HW Elev.	1,106.09 ft	Control Type	Outlet Control
Grades			
Upstream Invert	1,100.94 ft	Downstream Invert	1,100.42 ft
Length	104.72 ft	Constructed Slope	0.004965 ft/ft
Hydraulic Profile			
Profile	M2	Depth, Downstream	3.20 ft
Slope Type	Mild	Normal Depth	N/A ft
Flow Regime	Subcritical	Critical Depth	3.20 ft
Velocity Downstream	9.43 ft/s	Critical Slope	0.014379 ft/ft
Section			
Section Shape	Circular	Mannings Coefficient	0.024
Section Material	CHP	Span	5.00 ft
Section Size	60 inch	Rise	5.00 ft
Number Sections	1		
Outlet Control Properties			
Outlet Control HW Elev.	1,106.09 ft	Upstream Velocity Head	0.78 ft
Ke	0.20	Entrance Loss	0.18 ft
Inlet Control Properties			
Inlet Control HW Elev.	1,105.63 ft	Flow Control	Unsubmerged
Inlet Type	Beveled ring, 33.7° (1.6:1) bevels	Area Full	19.6 ft²
K	0.00180	HDS 5 Chart	3
M	2.50000	HDS 5 Scale	B
C	0.02430	Equation Form	1
Y	0.63000		

Appendix B
HEC-RAS Output



Appendix B1

Flood Route 1



Appendix B2

Flood Route 3

Appendix B3
Flood Route 5

Appendix C
Figures

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APPENDIX I

**Drainage Report for the Waikoloa Highlands Subdivision, Phase 1
R.M. Towill Corporation, September 2006.**

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**DRAINAGE REPORT for the
WAIKOLOA HIGHLANDS SUBDIVISION, PHASE 1**

September, 2006

Prepared for:
Waikoloa Mauka, LLC

Prepared by:
R. M. Towill Corporation
420 Waiakamilo Road, Suite 411
Honolulu, Hawaii 96817-4941

**WAIKOLOA HIGHLANDS SUBDIVISION
PHASE 1**

Waikoloa, Island of Hawaii
TMK: 6-8-02:16, 6-8-03:32
Subdivision No. 89-179
DPW Folder No. 6858

SEPTEMBER 2006



Prepared For:
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Appendix A Culverts

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1 INTRODUCTION

1.1 PURPOSE AND SCOPE

The purpose of this study includes a brief description of the existing drainage patterns, proposed drainage improvements, and calculation for local subdivision drainage for the Phase 1 of Waikoloa Highlands Subdivision.

1.2 PROJECT LOCATION AND DESCRIPTION

The project site is located 22 miles northeast of Keahole International Airport in Waikoloa, District of South Kohala, Island of Hawaii (Tax Map Key: Third Division 6-8-02:16, 6-8-03:32). The project consists of 744.4 acres located south of Waikoloa Villages, north of Puu Hinai Cinder Cone between Auwaiakeakua Gulch and Waikoloa Road. Phase 1 is situated in the west portion of the Waikoloa Highlands Subdivision. It consists of grading, construction of roadways and utilities for the purpose of 140 single-family residential lots for Phase 1 (Figure 1 and 2).

2 GENERAL AND METHODOLOGY

There is one (1) major stream identified in this study, which is Auwaiakeakua Gulch. The gulch and its sub-tributaries pass south of the project site. A previous drainage study conducted by R.M. Towill Corporation (RMTC, Reference 1) indicated that there were nine (9) Flood Routes within the project site (Auwaiakeakua Gulch and 8 tributaries). Figure 3, which is taken from Reference 1, shows the location of each Flood Route.

2.1 HYDROLOGIC CRITERIA AND METHODOLOGY

The RMTC report utilized the regression equation to calculate 100-year storm for the 9 flood routes. The regression equation was adopted in the 1995 Hawaii County Flood Insurance Study published by Federal Emergency Management Agency (FEMA, Reference 2). It was intended to incorporate basin and climatological characteristics to determine peak discharge-frequency relationships. Two groups of regression equations were established for watershed and leeward areas. Waikoloa Highlands is located at leeward side (Figure 4).

For this study, the regression equation was mainly used to determine the 100-year peak discharges for culverts located at flood routes originated off-site. For culverts located at onsite flood routes and roadway drywells, the rational method was used to determine runoff quantities per County of Hawaii Storm Drainage Standard (Reference 3).

Hydrologic Criteria

- Culverts (off-site flood routes, area > 100acres):

Method	Regression Equation
Return Interval	100-year
Design Storm Duration	24-hour

- Culverts (onsite flood routes, area <100 acres):

Method	Rational Method
Return Interval	50-year
Design Storm Duration	1-hour

- Drywells:

Method	Rational Method
Return Interval	10-year
Design Storm Duration	1-hour
Maximum Capacity	6 cfs per drywell

Hydrologic Methodology

- Culverts (off-site flood routes):
 - $Q_{100} = 34.3 (DA)^{0.77} (P24-2)^{2.26}$
 - where:
 - Q_{100} = Peak discharge with 100-year return interval (cfs)
 - DA = Drainage area (mi²)
 - P24-2 = 2-year, 24-hour rainfall depth (inches)
 - = 3" for Waikoloa Highlands area (Reference 1)
- Culverts (onsite flood routes) and Drywells:
 - $Q = CIA$
 - where:
 - Q = Flow rate (cfs)
 - C = Runoff coefficient (Reference 3 and Appendix B)
 - I = Rainfall intensity (in/hour) (Reference 3)
 - A = Drainage area (acres)

2.2 HYDRAULIC CRITERIA AND METHODOLOGY

Hydraulic Criteria and Methodology

- Culverts sizing

Method	CulvertMaster (Reference 5)
Entrance Type	Headwall
Max. HW/D	1.0 – 1.1
Material	CMP

3 EXISTING DRAINAGE CONDITIONS

The nine (9) Flood Routes stated in previous study (Reference 1) that impact the project site are Auwaikeakua Gulch (Flood Route 5) and its tributaries (Flood Routes 1 to 4, 6 to 8) (see Figure 3). Auwaikeakua Gulch, originating from the summit of Mauna Kea, flows in a northwest direction, ending up Pacific Ocean.

Auwaikeakua Gulch passes south of project site and crosses Waikoloa Road further downstream of the project site. The existing topography consists of rolling terrain with flat to moderately steep slopes. Slopes are steep in the upper watershed areas and gradually reduce to flat through the project site. Ground cover primarily consists of low lying brush and scattered Kiawe trees. Flood Routes 1 and 3 originate off-site and enter the project site from east through culverts at Waikoloa Road. Flood Route 4 is located outside of the project site and is upstream of Auwaikeakua Gulch. Other Flood Routes are minor tributaries originate onsite to eventually contribute to Auwaikeakua Gulch.

4 PROPOSED DRAINAGE PLAN

For this study, the main focus is to size culverts at the proposed roadway crossing and determine the number of drywells required to be installed at Phase 1 of the project site. The onsite drainage area map was prepared and shown in Figure 5. The tabulated summaries of runoff quantities for culverts and drywells were presented in Appendices A and B. A brief description of the proposed drainage improvements is summarized as follows:

Culverts:

- Culvert A (2-84" CMP) is located at STA. 2+11.33 of Road "A" crossing. The drainage area is part of Flood Route 1, which originates off-site. The design peak discharge, (Q_{100}) calculated using the regression equation, is 567 cfs.
- Culvert B (30" CMP) is located at STA. 40+70.07 of Road "C" crossing. Culvert B is designed to pass onsite runoff generated by 50-year, 1-hour storm. The design peak discharge, calculated using the rational method, is 19.00 cfs.
- Culvert C (30" CMP) is located at STA. 4+96.19 of Road "B-3" crossing. Culvert C is designed to pass onsite runoff generated by 50-year, 1-hour storm. The design peak discharge, calculated using the rational method, is 16.34 cfs.
- Culvert D (30" CMP) is located at STA. 20+50.69 of Road "B" crossing. Culvert D is designed to pass onsite runoff generated by 50-year, 1-hour storm. The design peak discharge, calculated using the rational method, is 20.50 cfs.
- Culvert E (36" CMP) is located at STA. 2+30 of Road "B-1" crossing. Culvert E is designed to pass onsite runoff generated by 50-year, 1-hour storm. The design peak discharge, calculated using the rational method, is 35.05 cfs.
- Culvert F (60" CMP) is located at STA. 44+55.64 of Road "A" crossing. The drainage area is part of Flood Route 3, which originates off-site. The design peak discharge, (Q_{100}) calculated using the regression equation, is 125 cfs.

Drywells:

There are thirty-five (35) drywells proposed to be installed in road swales throughout the entire Phase 1 of the project site. The proposed will provide sufficient capacity for the new development (Appendix B). They are designed for onsite runoff generated by 10-year, 1-year storm with maximum capacity of 6 cfs per drywell.

5 SUMMARY AND CONCLUSION

To protect the project site from flooding problems, drainage improvements are proposed in this study to accommodate the design flows. This will increase the developable lands in the Phase 1 of Waikoloa Highlands Subdivision development.

There are 6 culverts (Culvert A, B, C, D, E, and F) proposed at roadway crossing to pass the design flows to open area. Drywells will be installed in road swales to take care of onsite runoff. Total number of drywells expected to be installed is 35. The proposed drainage improvements will decrease the risk of flooding problems in the Phase 1 of Waikoloa Highlands Subdivision development and are in compliance with current design standard.

6 REFERENCES

1. "Floodway Limits and Flood Control Plan for the Highlands Golf Estate at Waikoloa", R.M. Towill Corporation, 12/1992
2. "Flood Insurance Study for Hawaii County", Federal Emergency Management Agency, 6/2/1995
3. "Storm Drainage Standard", Department of Public Works, County of Hawaii, 10/1970
4. USGS Quadrangle (7.5 Minutes Series, 1:24K): Puu Hinai
5. CulvertMaster v3.1, Bentley Systems, Inc., 12/2005

Culvert Calculator Report
90806 WH Culvert A Rd A (FR-1)

Solve For: Section Size

Culvert Summary

Allowable HW Elevation	1,076.00 ft	Headwater Depth/Height	0.99
Computed Headwater Elevation	1,075.62 ft	Discharge	567.00 cfs
Inlet Control HW Elev.	1,075.15 ft	Tailwater Elevation	0.00 ft
Outlet Control HW Elev.	1,075.82 ft	Control Type	Outlet Control

Appendix A

Culverts

Grades

Upstream Invert	1,068.88 ft	Downstream Invert	1,068.14 ft
Length	107.83 ft	Constructed Slope	0.005008 ft/ft

Hydraulic Profile

Profile	M2	Depth, Downstream	4.43 ft
Slope Type	Mild	Normal Depth	N/A ft
Flow Regime	Subcritical	Critical Depth	4.43 ft
Velocity Downstream	11.06 ft/s	Critical Slope	0.012714 ft/ft

Section

Section Shape	Circular	Manning's Coefficient	0.024
Section Material	CMP	Span	7.00 ft
Section Size	84 inch	Rise	7.00 ft
Number Sections	2		

Outlet Control Properties

Outlet Control HW Elev.	1,075.62 ft	Upstream Velocity Head	1.17 ft
Ke	0.20	Entrance Loss	0.23 ft

Inlet Control Properties

Inlet Control HW Elev.	1,075.15 ft	Flow Control	N/A
Inlet Type	Beverly ring, 33.7' (1.5:1) bevels	Area Full	77.0 ft ²
K	0.00180	HDS 5 Chart	3
M	2.50000	HDS 5 Scale	B
C	0.02430	Equation Form	1
Y	0.83000		

Culvert Calculator Report 90806 WH Culvert B Rd C

Solve For: Section Size

Culvert Summary		1,098.50 ft	Headwater Depth/Height	0.98
Allowable HW Elevation	1,098.50 ft	Discharge	19.00 cfs	
Computed Headwater Elevation	1,098.15 ft	Tailwater Elevation	0.00 ft	
Inlet Control HW Elev.	1,097.82 ft	Control Type	Outlet Control	
Outlet Control HW Elev.	1,098.15 ft			
Grades				
Upstream Invert	1,095.69 ft	Downstream Invert	1,065.29 ft	
Length	80.75 ft	Constructed Slope	0.004954 ft/ft	
Hydraulic Profile				
Profile	M2	Depth, Downstream	1.48 ft	
Slope Type	Mild	Normal Depth	N/A ft	
Flow Regime	Subcritical	Critical Depth	1.48 ft	
Velocity Downstream	6.29 ft/s	Critical Slope	0.018948 ft/ft	
Section				
Section Shape	Circular	Mannings Coefficient	0.024	
Section Material	CMP	Span	2.50 ft	
Section Size	30 inch	Rise	2.50 ft	
Number Sections	1			
Outlet Control Properties				
Outlet Control HW Elev.	1,098.15 ft	Upstream Velocity Head	0.28 ft	
Ka	0.20	Entrance Loss	0.08 ft	
Inlet Control Properties				
Inlet Control HW Elev.	1,097.82 ft	Flow Control	Unsubmerged	
Inlet Type	Beveled Inp. 33.7" (1.5:1) bevels	Area Full	4.9 ft²	
K	0.00180	HDS 5 Chart	3	
M	2.50000	HDS 5 Scale	B	
C	0.02430	Equation Form	1	
Y	0.85000			

Culvert Calculator Report 90806 WH Culvert C Rd B-3

Solve For: Section Size

Culvert Summary		1,036.10 ft	Headwater Depth/Height	0.97
Allowable HW Elevation	1,036.10 ft	Discharge	16.34 cfs	
Computed Headwater Elevation	1,036.03 ft	Tailwater Elevation	0.00 ft	
Inlet Control HW Elev.	1,035.77 ft	Control Type	Entrance Control	
Outlet Control HW Elev.	1,036.03 ft			
Grades				
Upstream Invert	1,033.62 ft	Downstream Invert	1,031.97 ft	
Length	82.54 ft	Constructed Slope	0.019990 ft/ft	
Hydraulic Profile				
Profile	S2	Depth, Downstream	1.28 ft	
Slope Type	Sleep	Normal Depth	1.28 ft	
Flow Regime	Supercritical	Critical Depth	1.37 ft	
Velocity Downstream	8.46 ft/s	Critical Slope	0.018114 ft/ft	
Section				
Section Shape	Circular	Mannings Coefficient	0.024	
Section Material	CMP	Span	2.50 ft	
Section Size	30 inch	Rise	2.50 ft	
Number Sections	1			
Outlet Control Properties				
Outlet Control HW Elev.	1,036.03 ft	Upstream Velocity Head	0.55 ft	
Ka	0.90	Entrance Loss	0.50 ft	
Inlet Control Properties				
Inlet Control HW Elev.	1,035.77 ft	Flow Control	Unsubmerged	
Inlet Type	Projecting	Area Full	4.9 ft²	
K	0.03400	HDS 5 Chart	2	
M	1.50000	HDS 5 Scale	3	
C	0.06530	Equation Form	1	
Y	0.54000			

Culvert Calculator Report 90806 WH Culvert D Rd B

Solve For: Section Size

Culvert Summary	
Allowable HW Elevation	1,015.70 ft
Computed Headwater Elevation	1,015.57 ft
Inlet Control HW Elev.	1,015.46 ft
Outlet Control HW Elev.	1,015.57 ft
Headwater Depth/Height	0.83
Discharge	20.50 cfs
Tailwater Elevation	0.00 ft
Control Type	Entrance Control
Grades	
Upstream Invert	1,015.25 ft
Downstream Invert	1,011.17 ft
Length	104.04 ft
Constructed Slope	0.019992 ft/ft
Hydraulic Profile	
Profile	S2
Slope Type	Steep
Flow Regime	Supercritical
Velocity Downstream	6.82 ft/s
Depth, Downstream	1.47 ft
Normal Depth	1.47 ft
Critical Depth	1.54 ft
Critical Slope	0.017487 ft/ft
Section	
Section Shape	Circular
Section Material	CMP
Section Size	30 inch
Number Sections	1
Mannings Coefficient	0.024
Span	2.50 ft
Rise	2.50 ft
Outlet Control Properties	
Outlet Control HW Elev.	1,015.57 ft
Upstream Velocity Head	0.85 ft
Kc	0.20
Entrance Loss	0.13 ft
Inlet Control Properties	
Inlet Control HW Elev.	1,015.46 ft
Inlet Type	Bereaved ring, 33.7" (1.5:1) bevels
K	0.00180
M	2.50000
C	0.02430
Y	0.83000
Flow Control	Flow Control
Area Full	4.9 ft²
HDS 5 Chart	3
HDS 5 Scale	B
Equation Form	Equation Form
Unsubmerged	1

Culvert Calculator Report 90806 WH Culvert E Rd B-1

Solve For: Section Size

Culvert Summary	
Allowable HW Elevation	985.00 ft
Computed Headwater Elevation	985.78 ft
Inlet Control HW Elev.	985.60 ft
Outlet Control HW Elev.	985.78 ft
Headwater Depth/Height	1.00
Discharge	35.05 cfs
Tailwater Elevation	0.00 ft
Control Type	Outlet Control
Grades	
Upstream Invert	982.78 ft
Downstream Invert	981.75 ft
Length	102.73 ft
Constructed Slope	0.010026 ft/ft
Hydraulic Profile	
Profile	M2
Slope Type	Mild
Flow Regime	Subcritical
Velocity Downstream	7.32 ft/s
Depth, Downstream	1.92 ft
Normal Depth	2.38 ft
Critical Depth	1.92 ft
Critical Slope	0.017083 ft/ft
Section	
Section Shape	Circular
Section Material	CMP
Section Size	36 inch
Number Sections	1
Mannings Coefficient	0.024
Span	3.00 ft
Rise	3.00 ft
Outlet Control Properties	
Outlet Control HW Elev.	985.78 ft
Upstream Velocity Head	0.54 ft
Kc	0.20
Entrance Loss	0.11 ft
Inlet Control Properties	
Inlet Control HW Elev.	985.80 ft
Inlet Type	Bereaved ring, 33.7" (1.5:1) bevels
K	0.00180
M	2.50000
C	0.02430
Y	0.83000
Flow Control	Flow Control
Area Full	7.1 ft²
HDS 5 Chart	3
HDS 5 Scale	B
Equation Form	Equation Form
Unsubmerged	1

Culvert Calculator Report
90806 WH Culvert F Rd A (FR-3)

Solve For: Section Size

Culvert Summary	
Allowable HW Elevation	1,106.30 ft
Computed Headwater Elevation	1,106.09 ft
Inlet Control HW Elev.	1,105.63 ft
Outlet Control HW Elev.	1,106.09 ft
Headwater Depth/Height	1.03
Discharge	125.00 cfs
Tailwater Elevation	0.00 ft
Control Type	Outlet Control
Grades	
Upstream Invert	1,100.94 ft
Downstream Invert	1,100.42 ft
Length	104.72 ft
Constructed Slope	0.004966 ft/ft
Hydraulic Profile	
Profile	M2
Slope Type	Mild
Flow Regime	Subcritical
Velocity Downstream	9.43 ft/s
Depth Downstream	3.20 ft
Normal Depth	N/A ft
Critical Depth	3.20 ft
Critical Slope	0.014379 ft/ft
Section	
Section Shape	Circular
Section Material	OMP
Section Size	60 inch
Number Sections	1
Mannings Coefficient	0.024
Span	5.00 ft
Rise	5.00 ft
Outlet Control Properties	
Outlet Control HW Elev.	1,106.09 ft
Upstream Velocity Head	0.78 ft
K _e	0.20
Entrance Loss	0.16 ft
Inlet Control Properties	
Inlet Control HW Elev.	1,105.03 ft
Flow Control	Unsubmerged
Inlet Type	Beveled Ingt. 33.7' (1.5:1) bevels
Area Full	19.6 ft ²
K	0.00180
HDS 5 Chart	3
M	2.50000
HDS 5 Scale	B
C	0.02430
Equation Form	1
Y	0.83000

Appendix B

Drywells

Maximum capacity per drywell = 6 cfs

Roadway	Total Area	Roadway Area	Existing Land Area	Weighted	C	C	C	Existing	Final	Original	Length	Slope	Grade	Type	Tc	Adjusted	Cfs	Roadway Drainage Calculations (10-year Storm, Rational Method, Drywell) - Pre-Development	
																		Area	Area
1	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.5	360	7.2%	avg	18.0	2.71	0.23	0.00	0.00
2	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.5	1770	5.5%	avg	33.0	2.00	0.55	0.00	0.00
3	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.5	1015	7.6%	avg	24.0	2.29	0.65	0.00	0.00
4	4.70	4.59	0.11	1.64	0.00	0.00	0.00	0.00	0.00	0.00	1.5	1375	6.5%	avg	30.0	2.05	2.98	0.00	0.00
5	5.19	4.75	0.44	0.44	0.00	0.00	0.00	0.00	0.00	0.00	1.5	820	6.4%	avg	30.0	2.29	2.98	0.00	0.00
6	4.59	4.28	0.31	0.31	0.00	0.00	0.00	0.00	0.00	0.00	1.5	615	6.2%	avg	21.0	2.41	3.00	0.00	0.00
7	2.98	2.46	0.52	0.46	0.00	0.00	0.00	0.00	0.00	0.00	1.5	1650	2.2%	avg	38.0	1.89	1.61	0.00	0.00
8	10.30	9.66	0.64	0.26	0.00	0.00	0.00	0.00	0.00	0.00	1.5	1425	2.2%	avg	35.0	1.96	1.60	0.00	0.00
9	3.96	3.09	0.87	0.31	0.00	0.00	0.00	0.00	0.00	0.00	1.5	890	4.1%	avg	24.0	2.28	2.96	0.00	0.00
10	3.96	3.09	0.87	0.28	0.00	0.00	0.00	0.00	0.00	0.00	1.5	1405	3.2%	avg	31.0	1.68	2.26	0.00	0.00
11	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.5	440	5.7%	avg	19.0	2.26	0.55	0.00	0.00
12	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.5	395	1.5%	avg	24.0	2.28	0.96	0.00	0.00
13	2.71	1.04	1.64	0.47	0.00	0.00	0.00	0.00	0.00	0.00	1.5	795	5.9%	avg	22.0	2.37	1.31	0.00	0.00
14	2.98	2.36	0.62	0.56	0.00	0.00	0.00	0.00	0.00	0.00	1.5	1650	2.2%	avg	38.0	1.89	1.61	0.00	0.00
15	4.59	4.28	0.31	0.31	0.00	0.00	0.00	0.00	0.00	0.00	1.5	615	6.2%	avg	21.0	2.41	3.00	0.00	0.00
16	2.98	2.46	0.52	0.46	0.00	0.00	0.00	0.00	0.00	0.00	1.5	1650	2.2%	avg	38.0	1.89	1.61	0.00	0.00
17	2.98	1.76	1.22	0.79	0.00	0.00	0.00	0.00	0.00	0.00	1.5	460	2.6%	avg	23.0	1.90	0.53	0.00	0.00
18	4.83	4.47	0.36	0.25	0.00	0.00	0.00	0.00	0.00	0.00	1.5	795	5.9%	avg	22.0	2.37	1.31	0.00	0.00
19	4.83	4.57	0.26	0.26	0.00	0.00	0.00	0.00	0.00	0.00	1.5	725	6.6%	avg	23.0	3.15	0.20	0.00	0.00
20	0.28	0.02	0.26	0.02	0.00	0.00	0.00	0.00	0.00	0.00	1.5	285	2.1%	avg	18.0	0.96	0.20	0.00	0.00
21	0.92	0.07	0.84	0.07	0.00	0.00	0.00	0.00	0.00	0.00	1.5	1130	6.3%	avg	27.0	2.17	0.56	0.00	0.00
22	5.11	4.94	0.17	0.17	0.00	0.00	0.00	0.00	0.00	0.00	1.5	800	4.4%	avg	27.0	2.56	0.47	0.00	0.00
23	11.05	9.90	1.15	0.60	0.00	0.00	0.00	0.00	0.00	0.00	1.5	1466	7.4%	avg	28.0	6.47	0.69	0.00	0.00
24	1.96	0.77	1.19	0.50	0.00	0.00	0.00	0.00	0.00	0.00	1.5	670	5.4%	avg	23.0	2.28	0.69	0.00	0.00
25	3.50	2.94	0.56	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.5	450	2.2%	avg	23.0	2.28	0.30	0.00	0.00
26	0.47	0.00	0.47	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.5	450	2.2%	avg	23.0	2.33	0.00	0.00	0.00
27	2.11	0.47	1.64	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.5	225	6.3%	avg	38.0	1.12	0.28	0.00	0.00
28	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.5	350	6.6%	avg	17.0	0.25	0.28	0.00	0.00
29	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.5	1520	4.1%	avg	36.0	0.73	0.28	0.00	0.00
30	0.60	0.00	0.60	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.5	825	3.3%	avg	30.0	0.47	0.36	0.00	0.00
31	0.63	0.00	0.63	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.5	865	3.3%	avg	30.0	0.47	0.36	0.00	0.00
32	1.89	1.15	0.74	0.25	0.00	0.00	0.00	0.00	0.00	0.00	1.5	1400	6.1%	avg	25.0	1.89	0.59	0.00	0.00
33	1.89	1.89	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.5	1400	6.1%	avg	25.0	1.89	0.59	0.00	0.00
34	0.66	0.40	0.26	0.26	0.00	0.00	0.00	0.00	0.00	0.00	1.5	510	2.4%	avg	24.0	0.59	0.28	0.00	0.00
35	0.08	0.00	0.08	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.5	100	2.0%	avg	12.5	0.07	0.00	0.00	0.00

Maximum capacity per drywell = 6 cfs

Roadway	Total Area	Roadway Area	Existing Land Area	Weighted	C	C	C	Existing	Final	Original	Length	Slope	Grade	Type	Tc	Adjusted	Cfs	Roadway Drainage Calculations (10-year Storm, Rational Method, Drywell) - Post-Development	
																		Area	Area
1	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.5	360	7.2%	avg	18.0	2.71	0.23	0.00	0.00
2	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.5	1770	5.5%	avg	33.0	2.00	0.55	0.00	0.00
3	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.5	1015	7.6%	avg	24.0	2.29	0.65	0.00	0.00
4	4.70	4.59	0.11	1.64	0.00	0.00	0.00	0.00	0.00	0.00	1.5	1375	6.5%	avg	30.0	2.05	2.98	0.00	0.00
5	5.19	4.75	0.44	0.44	0.00	0.00	0.00	0.00	0.00	0.00	1.5	820	6.4%	avg	30.0	2.29	2.98	0.00	0.00
6	4.59	4.28	0.31	0.31	0.00	0.00	0.00	0.00	0.00	0.00	1.5	615	6.2%	avg	21.0	2.41	3.00	0.00	0.00
7	2.98	2.46	0.52	0.46	0.00	0.00	0.00	0.00	0.00	0.00	1.5	1650	2.2%	avg	38.0	1.89	1.61	0.00	0.00
8	10.30	9.66	0.64	0.26	0.00	0.00	0.00	0.00	0.00	0.00	1.5	1425	2.2%	avg	35.0	1.96	1.60	0.00	0.00
9	3.96	3.09	0.87	0.31	0.00	0.00	0.00	0.00	0.00	0.00	1.5	890	4.1%	avg	24.0	2.28	2.96	0.00	0.00
10	3.96	3.09	0.87	0.28	0.00	0.00	0.00	0.00	0.00	0.00	1.5	1405	3.2%	avg	31.0	1.68	2.26	0.00	0.00
11	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.5	440	5.7%	avg	19.0	2.26	0.55	0.00	0.00
12	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.5	395	1.5%	avg	24.0	2.28	0.96	0.00	0.00
13	2.71	1.04	1.64	0.47	0.00	0.00	0.00	0.00	0.00	0.00	1.5	795	5.9%	avg	22.0	2.37	1.31	0.00	0.00
14	2.98	2.36	0.62	0.56	0.00	0.00	0.00	0.00	0.00	0.00	1.5	1650	2.2%	avg	38.0	1.89	1.61	0.00	0.00
15	4.59	4.28	0.31	0.31	0.00	0.00	0.00	0.00	0.00	0.00	1.5	615	6.2%	avg	21.0	2.41	3.00	0.00	0.00
16	2.98	2.46	0.52	0.46	0.00	0.00	0.00	0.00	0.00	0.00	1.5	1650	2.2%	avg	38.0	1.89	1.61	0.00	0.00
17	2.98	1.76	1.22	0.79	0.00	0.00	0.00	0.00	0.00	0.00	1.5	460	2.6%	avg	23.0	1.90	0.53	0.00	0.00
18	4.83	4.47	0.36	0.25	0.00	0.00	0.00	0.00	0.00	0.00	1.5	795	5.9%	avg	22.0	2.37	1.31	0.00	0.00
19	4.83	4.57	0.26	0.26	0.00	0.00	0.00	0.00	0.00	0.00	1.5	725	6.6%	avg	23.0	3.15	0.20	0.00	0.00
20	0.28	0.02	0.26	0.02	0.00	0.00	0.00	0.00	0.00	0.00	1.5	285	2.1%	avg	18.0	0.96	0.20	0.00	0.00
21	0.92	0.07	0.84	0.07	0.00	0.00	0.00	0.00	0.00	0.00	1.5	1130	6.3%	avg	27.0	2.17	0.56	0.00	0.00
22	5.11	4.94	0.17	0.17	0.00	0.00	0.00	0.00	0.00	0.00	1.5	800	4.4%	avg	27.0	2.56	0.47	0.00	0.00
23	11.05	9.90	1.15	0.60	0.00	0.00	0.00	0.00	0.00	0.00	1.5	1466	7.4%	avg	28.0	6.47	0.69	0.00	0.00
24	1.96	0.77	1.19	0.50	0.00	0.00	0.00	0.00	0.00	0.00	1.5	670	5.4%	avg	23.0	2.28	0.69	0.00	0.00
25	3.50	2.94	0.56	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.5	450	2.2%	avg	23.0	2.28	0.30	0.00	0.00
26	0.47	0.00	0.47	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.5	450	2.2%	avg	23.0	2.33	0.00	0.00	0.00
27	2.11	0.47	1.64	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.5	225	6.3%	avg	38.0	1.12	0.28	0.00	0.00
28	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.5	350	6.6%	avg	17.0	0.25	0.28	0.00	0.00
29	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.5	1520	4.1%	avg	36.0	0.73	0.28	0.00	0.00
30	0.60	0.00	0.60	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.5	825	3.3%	avg	30.0	0.47	0.36	0.00	0.00
31	0.63	0.00	0.63	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.5	865	3.3%	avg	30.0	0.47	0.36	0.00	0.00

For a typical lot in this study, the land use types are consisted of house pad, landscape, and existing land.

- Assumption:
1. Typical lot = 1 acre = 43560 sf
 2. 50% of the lot remains as existing condition, 50% of the lot is used for mass grading
 3. Maximum house pad = 4500 sf, remaining portion is used for landscape...etc
 4. Runoff coefficient for various land use types:

Existing land runoff coefficient		
Watershed Characteristics	Description	Values
Infiltration	Medium	0.07
Relief	Rolling (5-15%)	0.03
Vegetal Cover	Good (10-50%)	0.03
Development Type	Agricultural	0.15
Total		0.28

Land Use Type	C
Existing Land	0.28
House Pad	0.90
Landscape	0.40
Paved Roadways	0.95

Weighted C for typical 1 acre lot

Total Lot Area =	43,560 sf
Existing Land Area	21,780 sf (50%)
House pad =	4,500 sf
Landscape area =	17,280 sf (50%)

Weighted C = $(21780 \times 0.28) + (4500 \times 0.9) + (17280 \times 0.4)$
43560

Weighted C = 0.39

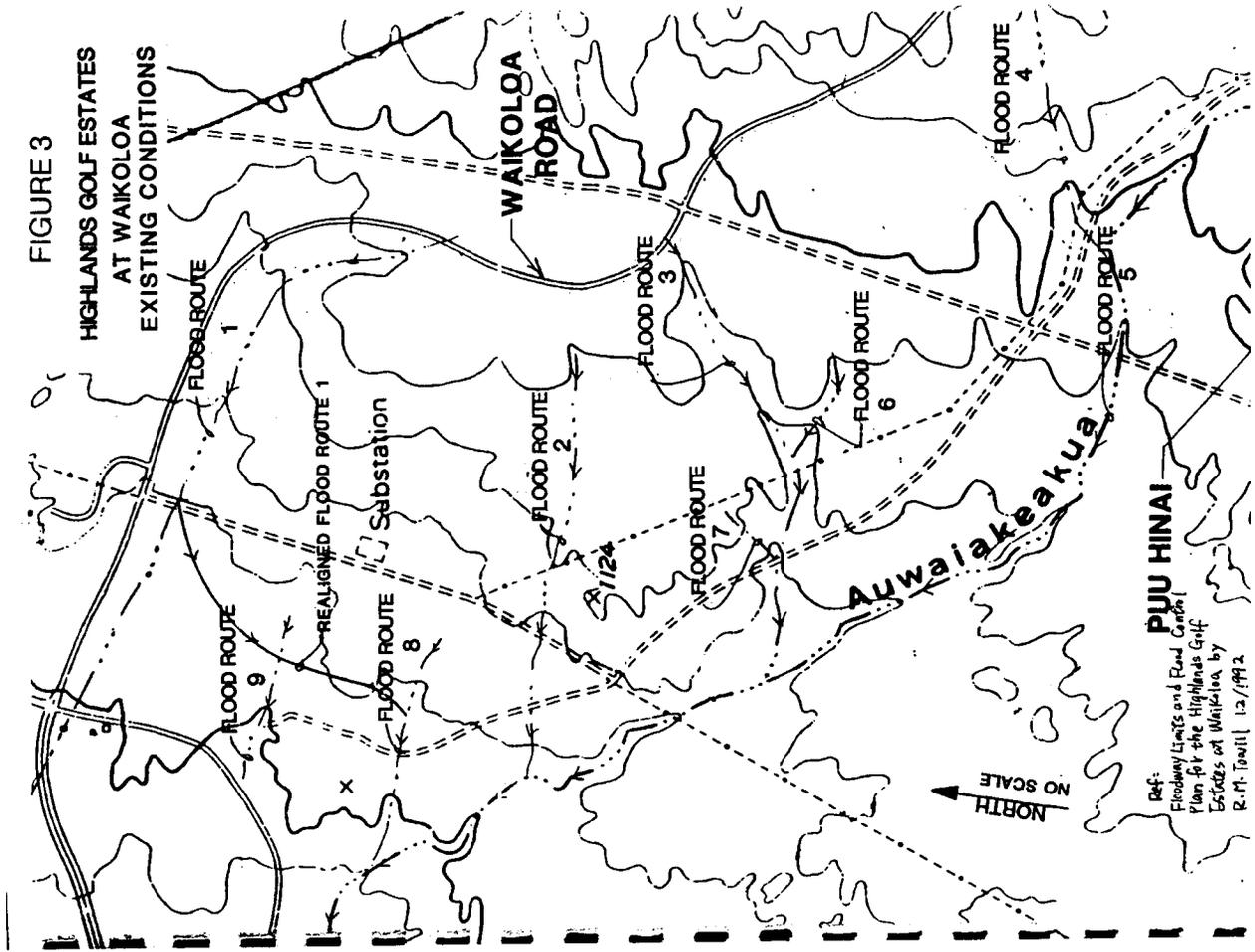
Rowway	Total Area (ac)	Lot Area (ac)	Existing Roadway Area (ac)	Existing Weighted C	Original Weighted C	Original Length (ft)	Slope	Coef. of Friction (ft/s)	Adjusted Coef. of Friction (ft/s)
A (note 1)	15.18	17.71	0.00	0.39	0.39	2000	6.1%	33.0	2.72
B	18.00	17.71	0.00	0.39	0.39	1355	4.2%	32.0	2.75
C	18.34	17.71	0.00	0.39	0.39	1750	6.4%	36.0	2.64
D	20.50	20.71	0.00	0.39	0.39	1950	6.7%	32.0	2.75
E (note 2)	14.58	14.57	0.00	0.39	0.39	1190	4.7%	28.0	2.85
F (note 3)	14.58	14.57	0.00	0.39	0.39	1190	4.7%	28.0	2.85

Note: 1. Drainage area at Road 'A' crossing is 975 ac. Thus, the runoff quantity is calculated using the regression equation for Q1 = 567 cfs, 2.64' CIP.

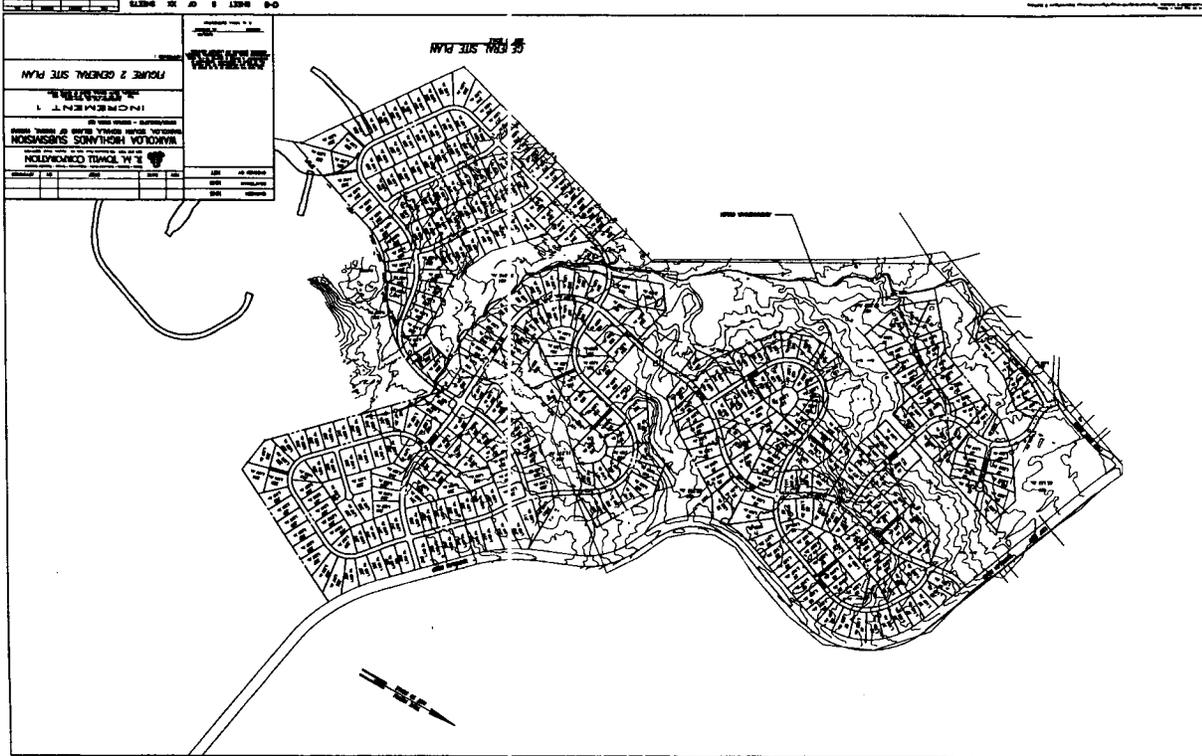
2. Drainage area at Road 'B' crossing is 975 ac. Thus, the runoff quantity is calculated using the regression equation for Q1 = 567 cfs, 2.64' CIP.

3. Drainage area below reference point with Flood Route 5 = 136 ac. Thus, the runoff quantity for Culvert E is 20.50+14.55 = 35.05 cfs.

FIGURE 3
HIGHLANDS GOLF ESTATES
AT WAIKOLOA
EXISTING CONDITIONS



Ref:
 Floodway Limits and Flood Control
 Plan for the Highlands Golf
 Estates at Waikoloa, by
 R.M. Tawill 12/1972



DRAFT

Waikoloa Highlands Water Distribution System

Waikoloa Highlands Subdivision
Waikoloa, South Kohala, Hawaii

SEPTEMBER 2006

Prepared For:

Waikoloa Mauka, LLC
120 Aspen Oak Lane
Glendale, CA 91207



R. M. TOWILL CORPORATION
Since 1954

420 Waikamilo Rd., Suite 411
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(808) 842-1133 • Fax: (808) 842-1937
RMTC Reg. 1-20080-0-0

WAIKOLOA HIGHLANDS WATER DISTRIBUTION SYSTEM

PROJECT NAME: WAIKOLOA HIGHLANDS SUBDIVISION

LOCATION: Waikoloa, South Kohala, Hawaii

TAX MAP KEY: (3rd Div.) 6-8-02:16/6-8-03:32

ZONING: RA - 1a

PROJECT AREA: 744.4 Acres

OWNER: Waikoloa Mauka, LLC
120 Aspen Oak Lane
Glendale, CA 91207

ENGINEERING CONSULTANT: R. M. Towill Corporation
420 Waikamilo Road, Suite 411
Honolulu, Hawaii 96817-4941
Phone: (808) 842-1133
Fax: (808) 842-1937

DATE: September 2006

REFERENCES:

1. Waikoloa Water Master Plans, Tom Nance Water Resources Engineering, February 1991.
2. County of Hawaii Water Supply Standards, 2002.

1. INTRODUCTION

The scope of this project includes: (1) the sizing of mains for the Waikoloa Highlands subdivision and (2) the use of existing water system components for the proposed Waikoloa Highlands Water Distribution System. The Waikoloa Highlands subdivision consists of 398 lots which are located from the 980-ft to 1310-ft elevation.

An existing tank with spillway elevation of 1210 ft will be used to service a portion of the lots. Two additional tanks however, are needed to service the remaining lots. In addition to these tanks, a booster pump is required for pumping water from the 1210' tank to fill the 1370' tanks, while also distributing water during transmission.

The sizing of the mains and the booster pump is based on design criteria.

2. DESIGN CRITERIA

The design criteria used for the water system analysis is listed in Table 1 and is based on the Waikoloa Water Master Plans (Ref. 1). The design criteria follows the County of Hawaii Water Supply Standards (Ref.2) with the following deviations:

1. The maximum day demand factor of 1.25 is used instead of the County's 1.5 factor. To account for losses through the system, 12% was added to the maximum flow rates.
2. The peak demand factor of 3.0 is also used instead of the County's 5.0 factor.
3. The maximum velocity restriction of 7 feet per second is used instead of the County's 6 feet per second restriction for distribution mains without fire flow.
4. The maximum velocity restriction of 10 feet per second for distribution mains with fire flow is an additional County of Hawaii standard used for this design.

Table 1. Water System Facilities Sizing Criteria

<p><u>Demand Factors</u></p> <ul style="list-style-type: none">• Average Day Demand = Application of the water use rates of Table 2• Maximum Day Demand = 1.25 * Average Day Demand• Peak Demand = 3.0 * Average Day Demand
<p><u>Fire Flow</u></p> <ul style="list-style-type: none">• Single Family Residential: 500 gallons per minute (gpm) for 2 hours (lots > 10,000 sq. ft.)
<p><u>Service Pressures</u></p> <ul style="list-style-type: none">• Minimum of 40 psi (except during fire flow)• Maximum of 125 psi• 20 psi at critical fire hydrant for fire flow with coincident maximum daily demand
<p><u>Pipeline Sizes</u></p> <ul style="list-style-type: none">• Meet minimum pressure criterion at peak flowrate with a maximum of 7.0 feet per second (fps) velocity• Meet minimum hydrant pressure criterion at fire plus maximum daily flowrate with no velocity restriction• Compute pipeline pressure losses using Hazen-Williams formula with: C = 100 for 6" or smaller pipelines C = 110 for 8" and 12" pipelines
<p><u>Well Pumping Capacity</u></p> <ul style="list-style-type: none">• Provide the maximum daily demand, including unmetered supply, in a 24-hour pumping day with the largest well out of service.
<p><u>Reservoir</u></p> <ul style="list-style-type: none">• Provide the maximum daily demand, including unmetered supply but excluding controllable common area irrigation, with no credit for well inflow.• Meet fire flow and coincident maximum daily demand for the duration of the fire flow with the largest reservoir 3/4 full at the start and the credit for well inflow with the largest pump out of service.

3. DESIGN ANALYSIS

The Waikoloa Highlands Water Distribution System services three zones within the site. The lower zone is served by the tank at the 1210-ft elevation. This zone serves 47 lots in addition to the existing Waikoloa Village, which has an average day demand of nearly 600,000 gallons per day (gpd) (Ref. 1). The proposed distribution system of this zone is comprised of 6-inch pipes. The 1210-ft elevation tank also serves the booster pump located at the 1060-ft elevation.

The booster pump distributes water to the upper lots, in addition to supplying the 1370-ft service reservoir. In the middle service zone, 324 lots are served by the proposed 12-inch water main supplying the proposed tank at the 1370-ft elevation. The proposed tank at the 1370-ft elevation complies with the tank proposed in the Waikoloa Water Master Plans (Ref. 1). The third tank at the 1590-ft elevation also complies with the Waikoloa Water Master Plans (Ref. 1). This tank will serve the remaining 27 lots by gravity flow.

Analysis and design of the water system for this report were done using a water distribution modeling software system, WaterCAD by Haestad Methods Incorporated. This program allows the designer to develop a hydraulic model of a pressurized pipe system and was used for this report to perform the following analyses:

1. Steady-state analysis of the water system, including pipes, pumps, tanks, and reservoirs
2. Extended period simulation to analyze the system under varying supply and demand conditions
3. Fire flow analysis

The proposed distribution system shown in Figure 1 displays the nodes or pressure junctions that connect multiple pipes or are the end of a pipe segments. Demands were assigned to the nodes based on the number of lots that are being served at that particular node. The distribution of demands is listed in Table 2.

4. RESULTS

The distribution system was initially designed with 6-inch pipelines. The proposed distribution system in Figure 1 consists of a main pipeline connecting the lower tank to the booster pump and the booster pump to the tank at the 1370-ft elevation. This main line has various branches which are either cul-de-sacs or loops that service the various subdivisions within Waikoloa Highlands. The main line was tested as a 6-inch pipe and then sized up if the distribution system did not meet the minimum design criteria. The distribution was found to work with the main line as a 12-inch pipe. All of the other branches remained 6-inch pipes through-out the design process. The 12-inch main line effectively distributes water to the middle and upper sections. See Figure 2 and Figure 3 for schematics of the water system and the placement of the pressure junctions listed in Table 2.

Table 2. Distribution of Demands for Waikoloa Highlands

Node	Single Family Units	Flowrates for Design (GPD)		
		Average Day	Maximum Day	Peak
Served by Tank with Spillway EL = 1210 ft.				
J-2	4	5,000	5,000	12,000
J-4	6	3,000	7,500	18,000
J-5	5	4,000	6,250	15,000
J-6	2	2,000	2,500	6,000
J-9	2	2,000	2,500	6,000
J-10	2	2,000	2,500	6,000
J-11	4	3,000	5,000	12,000
J-12	3	4,000	3,750	9,000
J-13	7	7,000	8,750	21,000
J-14	7	7,000	8,750	21,000
J-15	7	7,000	8,750	21,000
Total =	47	43,000	58,750	141,000
Served by Tank with Spillway EL = 1370 ft.				
J-16	8	8,000	10,000	24,000
J-17	4	4,000	7,000	18,000
J-18	6	6,000	7,500	18,000
J-19	9	9,000	11,250	27,000
J-20	9	9,000	11,250	27,000
J-21	9	9,000	11,250	27,000
J-22	25	25,000	31,250	75,000
J-23	13	13,000	16,250	39,000
J-24	16	16,000	20,000	48,000
J-25	4	4,000	5,000	12,000
J-26	7	7,000	8,750	21,000
J-27	7	7,000	8,750	21,000
J-28	6	6,000	7,500	18,000
J-29	6	6,000	7,500	18,000
J-30	12	12,000	15,000	36,000
J-31	9	9,000	11,250	27,000
J-32	7	7,000	8,750	21,000
J-33	13	13,000	16,250	39,000
J-34	8	8,000	10,000	24,000
J-35	7	7,000	8,750	21,000
J-36	8	8,000	10,000	24,000
J-37	9	9,000	11,250	27,000
J-38	9	9,000	11,250	27,000
J-39	10	10,000	12,500	30,000
J-40	15	15,000	18,750	45,000
J-41	14	14,000	17,500	42,000
J-42	12	12,000	15,000	36,000
J-43	10	10,000	12,500	30,000
J-46	9	9,000	11,250	27,000
J-47	5	5,000	6,250	15,000
J-48	4	4,000	5,000	12,000
J-49	15	15,000	18,750	45,000
J-50	10	10,000	12,500	30,000
Total =	324	324,000	405,000	972,000
Served by Tank with Spillway EL = 1590 ft.				
J-44	8	8,000	10,000	24,000
J-45	8	8,000	10,000	24,000
J-51	5	5,000	6,250	15,000
J-52	6	6,000	7,500	18,000
Total =	27	27,000	33,750	81,000

Watercad Simulation Results:

Maximum daily flow:

Under the maximum daily demand condition, analysis shows that the results satisfy the requirements set by the Waikoloa Water Master Plans (Ref.1). Velocities were well below 7 feet per second. Pressure junctions were also below the maximum allowable pressure.

Peak hour flow:

Under this condition, all the pressure junctions are required to meet the minimum pressure of 40 psi. The analysis proved this to be the case except for a couple of junctions directly connected to the booster pump.

Fire Flow:

According to the Water Supply Standards (Ref. 2), under the fire flow condition, the pressure at each junction should be at least 20 psi. Fire flow conditions were simulated by applying the fire flow demand to several pressure junctions. The results proved that the water system is sufficient to handle fire flow.

See the Appendix for calculations and results produced by WaterCAD.

APPENDIX

Scenario: Base
Extended Period Analysis: 0.00 hr / 24.00
Junction Report

Label	Elevation (ft)	Type	Base Flow (gpd)	Pattern	Demand (Calculated) (gpd)	Calculated Hydraulic Grade (ft)	Pressure (psi)
J-1	1,076.00	Demand	0	Fixed	0	1,209.67	57.83
J-2	1,032.00	Demand	567,360	Fixed	567,360	1,209.63	76.85
J-3	1,059.00	Demand	0	Fixed	0	1,209.63	85.17
J-4	1,060.00	Demand	5,000	Fixed	5,000	1,209.61	64.73
J-5	1,073.00	Demand	3,000	Fixed	3,000	1,209.61	59.10
J-6	1,047.00	Demand	4,000	Fixed	4,000	1,209.55	70.33
J-7	1,022.00	Demand	4,000	Fixed	4,000	1,209.53	81.13
J-8	1,020.00	Demand	0	Fixed	0	1,209.53	82.00
J-9	998.00	Demand	2,000	Fixed	2,000	1,209.52	88.92
J-10	1,004.00	Demand	2,000	Fixed	2,000	1,209.52	85.89
J-11	1,011.00	Demand	2,000	Fixed	2,000	1,209.52	81.13
J-12	1,022.00	Demand	3,000	Fixed	3,000	1,209.52	74.21
J-13	1,038.00	Demand	4,000	Fixed	4,000	1,209.52	71.62
J-14	1,044.00	Demand	7,000	Fixed	7,000	1,209.53	71.18
J-15	1,045.00	Demand	7,000	Fixed	7,000	1,209.53	64.73
J-16*	1,060.00	Demand	2,000	Fixed	2,000	1,209.61	64.73
J-17*	1,065.00	Demand	6,000	Fixed	6,000	1,209.61	64.73
J-18*	1,075.00	Demand	6,000	Fixed	6,000	1,209.63	56.25
J-19*	1,080.00	Demand	8,000	Fixed	8,000	1,209.67	56.10

WaterCAD Results:

Tank 1: Spillway E1=1210'

Scenario: Base
Extended Period Analysis: 0.00 hr / 24.00
Reservoir Report

Label	Elevation (ft)	Inflow (gpd)	Calculated Hydraulic Grade (ft)
R-1	1,210.00	-632,360	1,210.00

Scenario: Base
Extended Period Analysis: 0.00 hr / 24.00
Pipe Report

Label	From Node	To Node	Length (ft)	Diameter (ft)	Hazen-Williams C	Control Status	Discharge (gpd)	Pressure Pipe Headloss (ft)	Velocity (ft/s)
P-1	R-1	J-1	4,400.00	20.0	100.0	Open	632,360	0.33	0.45
P-2	J-1	J-2	600.00	20.0	100.0	Open	602,927	0.04	0.43
P-3	J-2	J-3	1,556.00	16.0	100.0	Open	35,567	0.00	0.04
P-4	J-3	J-4	158.00	6.0	100.0	Open	35,567	0.02	0.28
P-5	J-4	J-5	183.00	6.0	100.0	Open	-4,433	0.00	0.03
P-6	J-4	J-6	518.00	6.0	100.0	Open	35,000	0.06	0.28
P-7	J-6	J-7	592.00	6.0	100.0	Open	17,000	0.02	0.13
P-8	J-7	J-8	239.00	6.0	100.0	Open	6,000	0.00	0.05
P-9	J-8	J-9	576.00	6.0	100.0	Open	6,000	0.00	0.05
P-10	J-9	J-10	561.00	6.0	100.0	Open	4,000	0.00	0.03
P-11	J-10	J-11	440.00	6.0	100.0	Open	2,000	0.00	0.02
P-12	J-7	J-12	305.00	6.0	100.0	Open	7,000	0.00	0.06
P-13	J-12	J-13	197.00	6.0	100.0	Open	4,000	0.00	0.03
P-14	J-6	J-14	547.00	6.0	100.0	Open	14,000	0.01	0.11
P-15	J-14	J-15	463.00	6.0	100.0	Open	7,000	0.00	0.06
P-16	J-15	J-16	463.00	6.0	100.0	Open	-7,433	0.00	0.02
P-17	J-16	J-17	551.00	6.0	100.0	Open	-9,433	0.01	0.07
P-18	J-17	J-18	463.00	6.0	100.0	Open	-15,433	0.01	0.12
P-19	J-18	J-19	817.00	6.0	100.0	Open	-21,433	0.04	0.17
P-20	J-19	J-1	376.00	12.0	100.0	Open	-29,433	0.00	0.06

Scenario: Base
Extended Period Analysis: 18.00 hr / 24.00
Junction Report

Label	Elevation (ft)	Type	Base Flow (gpd)	Pattern	Demand (Gallons)	Calculated Hydraulic Grade (ft)	Pressure (psi)
J-1	1,076.00	Demand	0	Max day	0	1,208.36	57.26
J-2	1,032.00	Demand	567,360	Max day	709,200	1,208.19	76.23
J-3	1,059.00	Demand	0	Max day	0	1,207.91	64.42
J-4	1,060.00	Demand	5,000	Max day	6,250	1,204.46	62.50
J-5	1,073.00	Demand	723,000	Composite	723,000	1,201.10	55.42
J-6	1,047.00	Demand	4,000	Max day	5,000	1,204.37	68.08
J-7	1,022.00	Demand	4,000	Max day	5,000	1,204.34	78.89
J-8	1,020.00	Demand	0	Max day	0	1,204.34	79.75
J-9	998.00	Demand	2,000	Max day	2,500	1,204.33	89.27
J-10	1,004.00	Demand	2,000	Max day	2,500	1,204.33	86.67
J-11	1,011.00	Demand	2,000	Max day	2,500	1,204.33	83.84
J-12	1,022.00	Demand	3,000	Max day	3,750	1,204.33	78.89
J-13	1,038.00	Demand	4,000	Max day	5,000	1,204.33	71.96
J-14	1,044.00	Demand	7,000	Max day	8,750	1,204.35	69.37
J-15	1,045.00	Demand	7,000	Max day	8,750	1,204.34	68.94
J-16*	1,060.00	Demand	2,000	Max day	2,500	1,201.93	61.40
J-17*	1,065.00	Demand	6,000	Max day	7,500	1,203.70	80.01
J-18*	1,075.00	Demand	6,000	Max day	7,500	1,205.30	56.37
J-19*	1,080.00	Demand	8,000	Max day	10,000	1,208.31	55.51

Scenario: Base
Extended Period Analysis: 18.00 hr / 24.00
Pipe Report

Label	From Node	To Node	Length (ft)	Diameter (in)	Hazen-Williams C	Control Status	Discharge (gpd)	Pressure Pipe Headloss (ft)	Velocity (ft/s)
P-1	R-1	J-1	4,400.00	20.0	100.0	Open	1,509,700	1.64	1.07
P-2	J-1	J-2	600.00	20.0	100.0	Open	1,280,915	0.17	0.91
P-3	J-2	J-3	1,556.00	16.0	100.0	Open	571,715	0.29	0.63
P-4	J-3	J-4	158.00	6.0	100.0	Open	571,715	3.44	4.51
P-5	J-4	J-5	183.00	6.0	100.0	Open	521,715	3.37	4.11
P-6	J-4	J-6	518.00	6.0	100.0	Open	43,750	0.10	0.34
P-7	J-6	J-7	592.00	6.0	100.0	Open	21,250	0.03	0.17
P-8	J-7	J-8	239.00	6.0	100.0	Open	7,500	0.00	0.06
P-9	J-8	J-9	576.00	6.0	100.0	Open	7,500	0.00	0.06
P-10	J-9	J-10	561.00	6.0	100.0	Open	5,000	0.00	0.04
P-11	J-10	J-11	440.00	6.0	100.0	Open	2,500	0.00	0.02
P-12	J-7	J-12	305.00	6.0	100.0	Open	8,750	0.00	0.07
P-13	J-12	J-13	197.00	6.0	100.0	Open	5,000	0.00	0.04
P-14	J-6	J-14	547.00	6.0	100.0	Open	17,500	0.02	0.14
P-15	J-14	J-15	463.00	6.0	100.0	Open	8,750	0.00	0.07
P-16*	J-15	J-16*	203.00	6.0	100.0	Open	203,000	0.00	1.50
P-17	J-16*	J-17*	551.00	6.0	100.0	Open	-203,785	1.78	1.61
P-18	J-17*	J-18*	463.00	6.0	100.0	Open	-211,285	1.60	1.66
P-19	J-18*	J-19*	817.00	6.0	100.0	Open	-218,785	3.01	1.72
P-20	J-19*	J-1	376.00	12.0	100.0	Open	-228,785	0.05	0.45

Scenario: Base
 Extended Period Analysis: 18.00 hr / 24.00
 Reservoir Report

Label	Elevation (ft)	Inflow (gpd)	Calculated Hydraulic Grade (ft)
R-1	1,210.00	-1,509,700	1,210.00

Scenario: Base
 Extended Period Analysis: 0.00 hr / 24.00
 Junction Report

Label	Elevation (ft)	Type	Base Flow (gpd)	Pattern	Demand (Calculated) (gpd)	Calculated Hydraulic Grade (ft)	Pressure (psi)
J-1	1,076.00	Demand	0	Peak	0	1,207.49	56.88
J-2	1,032.00	Demand	567,360	Peak	1,702,060	1,207.18	75.79
J-3	1,059.00	Demand	0	Peak	0	1,207.17	64.10
J-4	1,060.00	Demand	5,000	Peak	15,000	1,207.01	63.60
J-5	1,073.00	Demand	3,000	Peak	9,000	1,207.02	57.98
J-6	1,047.00	Demand	4,000	Peak	12,000	1,206.52	69.02
J-7	1,022.00	Demand	4,000	Peak	12,000	1,206.38	79.77
J-8	1,020.00	Demand	0	Peak	0	1,206.37	80.63
J-9	998.00	Demand	2,000	Peak	6,000	1,206.35	90.14
J-10	1,004.00	Demand	2,000	Peak	6,000	1,206.34	87.54
J-11	1,011.00	Demand	2,000	Peak	6,000	1,206.33	84.51
J-12	1,022.00	Demand	3,000	Peak	9,000	1,206.38	79.76
J-13	1,038.00	Demand	4,000	Peak	12,000	1,206.36	72.84
J-14	1,044.00	Demand	7,000	Peak	21,000	1,206.43	70.27
J-15	1,045.00	Demand	7,000	Peak	21,000	1,206.41	69.83
J-16*	1,060.00	Demand	2,000	Peak	6,000	1,207.03	63.61
J-17*	1,065.00	Demand	6,000	Peak	18,000	1,207.08	61.47
J-18*	1,075.00	Demand	6,000	Peak	18,000	1,207.17	57.18
J-19*	1,080.00	Demand	8,000	Peak	24,000	1,207.48	55.16

Scenario: Base
 Extended Period Analysis: 0.00 hr / 24.00
 Reservoir Report

Label	Elevation (ft)	Inflow (gpd)	Calculated Hydraulic Grade (ft)
R-1	1,210.00	-1,897,080	1,210.00

Scenario: Base
 Extended Period Analysis: 0.00 hr / 24.00
 Pipe Report

Label	From Node	To Node	Length (ft)	Diameter (in)	Hazen-Williams C	Control Status	Discharge (gpd)	Pressure Pipe Headloss (ft)	Velocity (ft/s)
P-1	R-1	J-1	4,400.00	20.0	100.0	Open	1,897,080	2.51	1.36
P-2	J-1	J-2	600.00	20.0	100.0	Open	1,898,781	0.31	1.28
P-3	J-2	J-3	1,556.00	16.0	100.0	Open	196,701	0.01	0.12
P-4	J-3	J-4	158.00	6.0	100.0	Open	196,701	0.15	0.84
P-5	J-4	J-5	183.00	6.0	100.0	Open	-13,299	0.00	0.10
P-6	J-4	J-6	518.00	6.0	100.0	Open	105,000	0.49	0.83
P-7	J-6	J-7	592.00	6.0	100.0	Open	51,000	0.15	0.40
P-8	J-7	J-8	239.00	6.0	100.0	Open	18,000	0.01	0.14
P-9	J-8	J-9	576.00	6.0	100.0	Open	18,000	0.02	0.14
P-10	J-9	J-10	561.00	6.0	100.0	Open	12,000	0.01	0.09
P-11	J-10	J-11	440.00	6.0	100.0	Open	6,000	0.00	0.05
P-12	J-7	J-12	305.00	6.0	100.0	Open	21,000	0.01	0.17
P-13	J-12	J-13	197.00	6.0	100.0	Open	12,000	0.00	0.09
P-14	J-6	J-14	547.00	6.0	100.0	Open	42,000	0.09	0.33
P-15	J-14	J-15	483.00	6.0	100.0	Open	21,000	0.02	0.17
P-16	J-15	J-16	200.00	6.0	100.0	Open	22,222	0.01	0.12
P-17	J-16	J-17	551.00	6.0	100.0	Open	-28,299	0.05	0.22
P-18	J-17	J-18	483.00	6.0	100.0	Open	-46,299	0.10	0.36
P-19	J-18	J-19	817.00	6.0	100.0	Open	-54,299	0.31	0.51
P-20	J-19	J-1	376.00	12.0	100.0	Open	-98,299	0.01	0.17

Scenario: Base
Extended Period Analysis: 0.00 hr / 24.00
Junction Report

Label	Elevation (ft)	Type	Base Flow (gpd)	Pattern	Demand (Calculated) (gpd)	Calculated Hydraulic Grade (ft)	Pressure (psi)
J-16	1,090.00	Demand	8,000	Fixed	8,000	1,386.73	128.38
J-17	1,140.00	Demand	6,000	Fixed	6,000	1,387.23	106.96
J-18	1,138.00	Demand	6,000	Fixed	6,000	1,387.60	107.99
J-19	1,168.00	Demand	9,000	Fixed	9,000	1,385.46	94.08
J-20	1,160.00	Demand	9,000	Fixed	9,000	1,383.74	96.80
J-21	1,138.00	Demand	7,000	Fixed	7,000	1,382.51	105.79
J-22	1,112.00	Demand	20,000	Fixed	20,000	1,378.35	115.24
J-23	1,185.00	Demand	25,000	Fixed	25,000	1,375.27	82.32
J-24	1,208.00	Demand	9,000	Fixed	9,000	1,374.38	71.99
J-25	1,255.00	Demand	9,000	Fixed	9,000	1,373.01	51.08
J-26	1,270.00	Demand	0	Fixed	0	1,372.30	44.26
J-27	1,110.00	Demand	7,000	Fixed	7,000	1,386.32	119.55
J-28	1,183.00	Demand	13,000	Fixed	13,000	1,385.81	87.75
J-29	1,185.00	Demand	7,000	Fixed	7,000	1,385.63	86.80
J-30	1,150.00	Demand	12,000	Fixed	12,000	1,384.69	101.54
J-31	1,121.00	Demand	10,000	Fixed	10,000	1,383.57	113.60
J-32	1,127.00	Demand	8,000	Fixed	8,000	1,382.94	110.73
J-33	1,125.00	Demand	14,000	Fixed	14,000	1,376.01	108.60
J-34	1,126.00	Demand	8,000	Fixed	8,000	1,375.75	108.06
J-35	1,145.00	Demand	7,000	Fixed	7,000	1,375.71	99.82
J-36	1,170.00	Demand	7,000	Fixed	7,000	1,375.68	88.99
J-37	1,180.00	Demand	7,000	Fixed	7,000	1,375.67	84.66
J-38	1,165.00	Demand	9,000	Fixed	9,000	1,375.67	81.15
J-39	1,168.00	Demand	13,000	Fixed	13,000	1,375.65	86.84
J-40	1,131.00	Demand	10,000	Fixed	10,000	1,377.58	106.68
J-41	1,190.00	Demand	19,000	Fixed	19,000	1,375.92	80.44
J-42	1,232.00	Demand	11,000	Fixed	11,000	1,374.96	61.85
J-43	1,250.00	Demand	8,000	Fixed	8,000	1,373.82	53.57
J-44	1,260.00	Demand	6,000	Fixed	6,000	1,374.35	49.47
J-46	1,225.00	Demand	7,000	Fixed	7,000	1,374.35	64.62
J-47	1,227.00	Demand	7,000	Fixed	7,000	1,374.38	63.76
J-48	1,255.00	Demand	2,000	Fixed	2,000	1,374.35	51.64
J-49	1,145.00	Demand	11,000	Fixed	11,000	1,375.78	99.85
J-50	1,148.00	Demand	10,000	Fixed	10,000	1,375.70	98.51
J-44	1,032.00	Demand	0	Fixed	0	1,208.84	76.94
J-51	1,060.00	Demand	0	Fixed	0	1,206.65	64.31
J-52	1,061.00	Demand	0	Fixed	0	1,390.81	143.13
J-53	1,061.00	Demand	0	Fixed	0	1,390.54	142.58
J-54	1,070.00	Demand	0	Fixed	0	1,389.61	138.28

WaterCAD Results:

Tank 2: Spillway El=1370'

Scenario: Base
 Extended Period Analysis: 0.00 hr / 24.00
 Pipe Report

Label	Elevation (ft)	Control Status	Intake Pump Grade (ft)	Discharge Pump Grade (ft)	Discharge (gpd)	Pump Head (ft)	Calculated Water Power (Hp)
PMP-1	1,060.00	On	1,208.63	1,390.88	1,198,504	182.24	38.20

Scenario: Base
 Extended Period Analysis: 0.00 hr / 24.00
 Pipe Report

Label	From Node	To Node	Length (ft)	Diameter (in)	Hazen-Williams C	Control Status	Discharge (gpd)	Pressure Pipe Headloss (ft)	Velocity (ft/s)
P-17	J-16	J-17	691.00	6.0	100.0	Open	-90,659	0.50	0.71
P-18	J-17	J-18	455.00	6.0	100.0	Open	-96,659	0.37	0.76
P-19	J-18	J-19	860.00	12.0	100.0	Open	1,095,846	2.14	2.16
P-20	J-19	J-20	794.00	12.0	100.0	Open	1,019,008	1.72	2.01
P-21	J-20	J-21	574.00	12.0	100.0	Open	1,010,008	1.23	1.99
P-22	J-21	J-22	1,671.00	12.0	100.0	Open	1,096,504	4.16	2.16
P-23	J-22	J-23	2,109.00	12.0	100.0	Open	823,295	3.09	1.62
P-24	J-23	J-24	651.00	12.0	100.0	Open	792,890	0.89	1.56
P-25	J-24	J-25	1,083.00	12.0	100.0	Open	761,880	1.37	1.50
P-26	J-25	J-26	426.00	12.0	100.0	Open	877,504	0.70	1.73
P-27	J-26	R-1	1,400.00	12.0	100.0	Open	877,504	2.30	1.73
P-28	J-18	J-27	679.00	6.0	100.0	Open	82,659	0.41	0.65
P-29	J-27	J-28	992.00	6.0	100.0	Open	75,659	0.51	0.60
P-30	J-28	J-29	482.00	6.0	100.0	Open	62,659	0.17	0.49
P-31	J-29	J-19	595.00	6.0	100.0	Open	55,659	0.17	0.44
P-32	J-19	J-30	505.00	6.0	100.0	Open	123,355	0.77	0.97
P-33	J-30	J-31	1,068.00	6.0	100.0	Open	111,496	1.13	0.88
P-34	J-31	J-32	705.00	6.0	100.0	Open	101,496	0.63	0.80
P-35	J-32	J-21	566.00	6.0	100.0	Open	93,496	0.43	0.74
P-36	J-22	J-33	1,672.00	6.0	100.0	Open	128,854	2.34	1.02
P-37	J-33	J-34	709.00	6.0	100.0	Open	62,851	0.26	0.50
P-38	J-34	J-35	552.00	6.0	100.0	Open	26,926	0.04	0.21
P-39	J-35	J-36	639.00	6.0	100.0	Open	19,926	0.03	0.16
P-40	J-36	J-37	546.00	6.0	100.0	Open	12,926	0.01	0.10
P-41	J-37	J-38	758.00	6.0	100.0	Open	5,926	0.00	0.05
P-42	J-38	J-39	630.00	6.0	100.0	Open	14,851	0.02	0.12
P-43	J-39	J-23	2,061.00	6.0	100.0	Open	43,854	0.39	0.35
P-44	J-22	J-40	606.00	6.0	100.0	Open	123,355	0.77	0.97
P-45	J-40	J-41	1,523.00	6.0	100.0	Open	113,355	1.66	0.89
P-46	J-41	J-42	1,248.00	6.0	100.0	Open	94,355	0.97	0.74
P-47	J-42	J-43	777.00	6.0	100.0	Open	132,625	1.13	1.05
P-48	J-43	J-25	631.00	6.0	100.0	Open	124,625	0.82	0.98
P-51	J-46	J-46	623.00	6.0	100.0	Open	-6,000	0.00	0.05
P-53	J-24	J-47	429.00	6.0	100.0	Open	7,000	0.00	0.06
P-54	J-46	J-48	563.00	6.0	100.0	Open	2,000	0.00	0.02
P-55	J-23	J-42	1,338.00	6.0	100.0	Open	49,270	0.31	0.39
P-52	J-46	J-24	1,107.00	6.0	100.0	Open	-15,000	0.03	0.12
P-56	J-33	J-49	859.00	6.0	100.0	Open	53,003	0.23	0.42
P-57	J-49	J-39	750.00	6.0	100.0	Open	42,003	0.13	0.33
P-58	J-34	J-50	700.00	6.0	100.0	Open	27,925	0.06	0.22
P-59	J-50	J-38	753.00	6.0	100.0	Open	17,925	0.03	0.14
P-49	R-2	J-44	654.00	20.0	100.0	Open	1,198,504	1.19	1.33
P-50	J-44	J-51	1,653.00	16.0	100.0	Open	1,198,504	1.19	1.33
P-60	J-51	PMP-1	21.00	16.0	100.0	Open	1,198,504	0.02	1.33
P-81	PMP-1	J-52	21.00	12.0	100.0	Open	1,198,504	0.06	2.36
P-82	J-52	J-53	92.00	12.0	100.0	Open	1,198,504	0.27	2.36
P-63	J-53	J-54	317.00	12.0	100.0	Open	1,198,504	0.93	2.36
P-64	J-54	J-18	688.00	12.0	100.0	Open	1,198,504	2.02	2.36

Scenario: Base
Extended Period Analysis: 0.00 hr / 24.00
Reservoir Report

Label	Elevation (ft)	Inflow (gpd)	Calculated Hydraulic Grade (ft)
R-1	1,370.00	87,504	1,370.00
R-2	1,210.00	-1,198,504	1,210.00

Scenario: Base
Extended Period Analysis: 2.00 hr / 24.00
Junction Report

Label	Elevation (ft)	Type	Base Flow (gpd)	Pattern	Demand (Calculated) (gpd)	Calculated Hydraulic Grade (ft)	Pressure (psi)
J-16	1,090.00	Demand	8,000	Max day	10,000	1,382.00	126.33
J-17	1,140.00	Demand	6,000	Max day	7,500	1,382.53	104.93
J-18	1,138.00	Demand	6,000	Max day	7,500	1,382.83	105.87
J-19	1,168.00	Demand	9,000	Max day	11,250	1,380.78	92.06
J-20	1,160.00	Demand	9,000	Max day	11,250	1,379.08	94.79
J-21	1,138.00	Demand	7,000	Max day	8,750	1,377.86	103.79
J-22	1,112.00	Demand	20,000	Max day	25,000	1,373.84	113.29
J-23	1,185.00	Demand	25,000	Max day	31,250	1,370.90	80.43
J-24	1,208.00	Demand	9,000	Max day	11,250	1,370.04	70.11
J-25	1,255.00	Demand	9,000	Max day	11,250	1,370.04	49.77
J-26	1,270.00	Demand	0	Max day	0	1,370.03	43.28
J-27	1,110.00	Demand	7,000	Max day	8,750	1,381.58	117.50
J-28	1,183.00	Demand	13,000	Max day	16,250	1,381.08	85.70
J-29	1,185.00	Demand	7,000	Max day	8,750	1,380.92	84.77
J-30	1,150.00	Demand	12,000	Max day	15,000	1,379.89	99.50
J-31	1,121.00	Demand	10,000	Max day	12,500	1,378.86	111.57
J-32	1,127.00	Demand	8,000	Max day	10,000	1,378.61	108.11
J-33	1,125.00	Demand	14,000	Max day	17,500	1,371.38	106.60
J-34	1,126.00	Demand	8,000	Max day	10,000	1,371.12	106.05
J-35	1,145.00	Demand	7,000	Max day	8,750	1,371.08	97.81
J-36	1,170.00	Demand	7,000	Max day	8,750	1,371.06	86.99
J-37	1,180.00	Demand	7,000	Max day	8,750	1,371.05	82.68
J-38	1,185.00	Demand	9,000	Max day	11,250	1,371.05	89.15
J-39	1,168.00	Demand	13,000	Max day	16,250	1,371.05	87.85
J-40	1,131.00	Demand	10,000	Max day	12,500	1,373.12	104.75
J-41	1,190.00	Demand	19,000	Max day	23,750	1,371.63	78.58
J-42	1,232.00	Demand	11,000	Max day	13,750	1,370.87	60.08
J-43	1,250.00	Demand	8,000	Max day	10,000	1,370.36	52.09
J-45	1,260.00	Demand	726,000	Composite	727,500	1,310.06	21.66
J-46	1,225.00	Demand	7,000	Max day	8,750	1,331.27	45.88
J-47	1,227.00	Demand	7,000	Max day	8,750	1,370.04	61.89
J-48	1,255.00	Demand	2,000	Max day	2,500	1,331.27	33.00
J-49	1,145.00	Demand	11,000	Max day	13,750	1,371.16	87.85
J-50	1,148.00	Demand	10,000	Max day	12,500	1,371.07	96.51
J-44	1,032.00	Demand	0	Max day	0	1,208.84	76.94
J-51	1,080.00	Demand	0	Max day	0	1,208.63	64.30
J-52	1,060.00	Demand	0	Max day	0	1,386.19	141.13
J-53	1,061.00	Demand	0	Max day	0	1,385.92	140.58
J-54	1,070.00	Demand	0	Max day	0	1,384.97	136.27

Scenario: Base
Extended Period Analysis: 2.00 hr / 24.00
Pipe Report

Scenario: Base
Extended Period Analysis: 2.00 hr / 24.00
Pipe Report

Label	Elevation (ft)	Control Status	Inlets Pump Grade (ft)	Discharge Pump Grade (ft)	Discharge (gpd)	Pump Head (ft)	Calculated Water Power (Hp)
PMP-1	1,060.00	On	1,208.61	1,386.26	1,207,051	177.04	37.59

Label	From Node	To Node	Length (ft)	Diameter (in)	Hazen-Williams C	Control Status	Discharge (gpd)	Pressure Pipe Headloss (ft)	Velocity (ft/s)
P-17	J-16	J-17	691.00	6.0	100.0	Open	-95,617	0.53	0.74
P-18	J-17	J-18	455.00	6.0	100.0	Open	-101,117	0.40	0.80
P-19	J-18	J-19	860.00	12.0	100.0	Open	1,098,434	2.15	2.16
P-20	J-19	J-20	794.00	12.0	100.0	Open	1,010,908	1.70	1.99
P-21	J-20	J-21	574.00	12.0	100.0	Open	899,656	1.20	1.97
P-22	J-21	J-22	1,671.00	12.0	100.0	Open	1,079,551	4.04	2.13
P-23	J-22	J-23	2,109.00	12.0	100.0	Open	801,846	2.94	1.58
P-24	J-23	J-24	651.00	12.0	100.0	Open	780,253	0.85	1.54
P-25	J-24	J-25	1,083.00	12.0	100.0	Open	21,503	0.00	0.04
P-26	J-25	J-26	426.00	12.0	100.0	Open	85,801	0.01	0.17
P-27	J-26	R-1	1,400.00	12.0	100.0	Open	85,801	0.03	0.17
P-28	J-16	J-27	679.00	6.0	100.0	Open	83,617	0.42	0.66
P-29	J-27	J-28	992.00	6.0	100.0	Open	74,867	0.50	0.59
P-30	J-28	J-29	482.00	6.0	100.0	Open	58,617	0.15	0.46
P-31	J-29	J-19	595.00	6.0	100.0	Open	49,867	0.14	0.39
P-32	J-19	J-30	691.00	6.0	100.0	Open	140,146	1.00	0.88
P-33	J-30	J-31	1,066.00	6.0	100.0	Open	111,146	1.12	0.88
P-34	J-31	J-32	705.00	6.0	100.0	Open	98,646	0.59	0.78
P-35	J-32	J-21	566.00	6.0	100.0	Open	88,646	0.39	0.70
P-36	J-22	J-33	1,672.00	6.0	100.0	Open	133,344	2.46	1.05
P-37	J-33	J-34	709.00	6.0	100.0	Open	63,474	0.26	0.50
P-38	J-34	J-35	552.00	6.0	100.0	Open	26,731	0.04	0.21
P-39	J-35	J-36	639.00	6.0	100.0	Open	17,981	0.02	0.14
P-40	J-36	J-37	546.00	6.0	100.0	Open	9,231	0.01	0.07
P-41	J-37	J-38	758.00	6.0	100.0	Open	481	0.00	0.00
P-42	J-38	J-39	630.00	6.0	100.0	Open	3,474	0.00	0.03
P-43	J-39	J-23	2,091.00	6.0	100.0	Open	25,844	0.15	0.20
P-44	J-23	J-40	606.00	6.0	100.0	Open	119,352	0.73	0.94
P-45	J-40	J-41	1,523.00	6.0	100.0	Open	106,862	1.49	0.84
P-46	J-41	J-42	1,249.00	6.0	100.0	Open	83,112	0.77	0.65
P-47	J-42	J-43	777.00	6.0	100.0	Open	85,548	0.50	0.67
P-48	J-43	J-25	631.00	6.0	100.0	Open	75,548	0.32	0.60
P-51	J-45	J-46	823.00	6.0	100.0	Open	-727,500	21.21	5.73
P-53	J-24	J-47	429.00	6.0	100.0	Open	8,750	0.00	0.07
P-54	J-46	J-48	563.00	6.0	100.0	Open	2,500	0.00	0.02
P-55	J-23	J-42	1,338.00	6.0	100.0	Open	16,186	0.04	0.13
P-52	J-48	J-24	1,107.00	6.0	100.0	Open	-739,750	38.78	5.82
P-56	J-33	J-49	859.00	6.0	100.0	Open	52,369	0.22	0.41
P-57	J-49	J-39	750.00	6.0	100.0	Open	38,619	0.11	0.30
P-58	J-34	J-50	700.00	6.0	100.0	Open	28,743	0.05	0.21
P-59	J-50	J-38	753.00	6.0	100.0	Open	14,243	0.02	0.11
P-49	R-2	J-44	654.00	20.0	100.0	Open	1,207,051	0.16	0.66
P-50	J-44	J-51	1,653.00	18.0	100.0	Open	1,207,051	1.21	1.34
P-61	J-51	PMP-1	21.00	18.0	100.0	Open	1,207,051	0.02	1.34
P-62	J-52	J-53	92.00	12.0	100.0	Open	1,207,051	0.06	2.38
P-63	J-53	J-54	317.00	12.0	100.0	Open	1,207,051	0.27	2.38
P-64	J-54	J-18	688.00	12.0	100.0	Open	1,207,051	0.84	2.38

Scenario: Base
Extended Period Analysis: 2.00 hr / 24.00
Reservoir Report

Label	Elevation (ft)	Inflow (gpd)	Calculated Hydraulic Grade (ft)
R-1	1,370.00	85,801	1,370.00
R-2	1,210.00	-1,207,051	1,210.00

Scenario: Base
Extended Period Analysis: 0.00 hr / 24.00
Junction Report

Label	Elevation (ft)	Type	Base Flow (gpd)	Pattern	Demand (Calculated) (gpd)	Calculated Hydraulic Grade (ft)	Pressure (psi)
J-16	1,090.00	Demand	8,000	Peak	24,000	1,378.32	124.74
J-17	1,140.00	Demand	6,000	Peak	18,000	1,378.89	103.40
J-18	1,138.00	Demand	6,000	Peak	18,000	1,379.58	104.52
J-19	1,168.00	Demand	9,000	Peak	27,000	1,377.53	90.65
J-20	1,160.00	Demand	9,000	Peak	27,000	1,376.14	93.61
J-21	1,138.00	Demand	7,000	Peak	21,000	1,375.19	102.62
J-22	1,112.00	Demand	20,000	Peak	60,000	1,372.26	112.60
J-23	1,185.00	Demand	25,000	Peak	75,000	1,370.68	80.34
J-24	1,208.00	Demand	9,000	Peak	27,000	1,370.48	70.30
J-25	1,255.00	Demand	9,000	Peak	27,000	1,370.29	49.88
J-26	1,270.00	Demand	0	Peak	0	1,370.23	43.36
J-27	1,110.00	Demand	7,000	Peak	21,000	1,377.91	115.91
J-28	1,183.00	Demand	13,000	Peak	39,000	1,377.56	84.18
J-29	1,185.00	Demand	7,000	Peak	21,000	1,377.53	83.30
J-30	1,150.00	Demand	12,000	Peak	36,000	1,376.59	98.04
J-31	1,121.00	Demand	10,000	Peak	30,000	1,375.64	110.17
J-32	1,127.00	Demand	8,000	Peak	24,000	1,375.31	107.43
J-33	1,125.00	Demand	14,000	Peak	42,000	1,368.97	105.55
J-34	1,126.00	Demand	8,000	Peak	24,000	1,368.60	104.96
J-35	1,145.00	Demand	7,000	Peak	21,000	1,368.53	96.71
J-36	1,170.00	Demand	7,000	Peak	21,000	1,368.52	85.89
J-37	1,180.00	Demand	7,000	Peak	21,000	1,368.52	81.56
J-38	1,185.00	Demand	9,000	Peak	27,000	1,368.58	88.08
J-39	1,168.00	Demand	13,000	Peak	39,000	1,368.64	86.90
J-40	1,131.00	Demand	10,000	Peak	30,000	1,371.57	104.08
J-41	1,190.00	Demand	19,000	Peak	57,000	1,370.55	78.12
J-42	1,232.00	Demand	11,000	Peak	33,000	1,370.44	59.90
J-43	1,250.00	Demand	8,000	Peak	24,000	1,370.31	52.05
J-45	1,260.00	Demand	8,000	Peak	18,000	1,370.24	47.70
J-46	1,225.00	Demand	7,000	Peak	21,000	1,370.27	62.86
J-47	1,227.00	Demand	7,000	Peak	21,000	1,370.46	62.07
J-48	1,255.00	Demand	2,000	Peak	6,000	1,370.26	49.87
J-49	1,145.00	Demand	11,000	Peak	33,000	1,368.85	96.85
J-50	1,148.00	Demand	10,000	Peak	30,000	1,368.57	95.43
J-44	1,032.00	Demand	0	Peak	0	1,208.84	76.94
J-51	1,060.00	Demand	0	Peak	0	1,208.62	64.30
J-52	1,061.00	Demand	0	Peak	0	1,382.87	138.69
J-53	1,061.00	Demand	0	Peak	0	1,382.59	138.14
J-54	1,070.00	Demand	0	Peak	0	1,381.64	134.83

Scenario: Base
Extended Period Analysis: 0.00 hr / 24.00
Pipe Report

Label	Elevation (ft)	Control Status	Intake Pump Grade (ft)	Discharge Pump Grade (ft)	Discharge (gpd)	Pump Head (ft)	Calculated Water Power (Hp)
PMP-1	1,060.00	On	1,206.60	1,382.93	1,213.151	174.33	37.08

Scenario: Base
Extended Period Analysis: 0.00 hr / 24.00
Pipe Report

Label	From Node	To Node	Length (ft)	Diameter (in)	Hazen-Williams C	Control Status	Discharge (gpd)	Pressure Pipe Headloss (ft)	Velocity (ft/s)
P-17	J-16	J-17	691.00	6.0	100.0	Open	-106.561	0.67	0.84
P-18	J-17	J-18	455.00	6.0	100.0	Open	-124.581	0.59	0.98
P-19	J-18	J-19	860.00	12.0	100.0	Open	1,070.589	2.05	2.11
P-20	J-19	J-20	794.00	12.0	100.0	Open	907.433	1.39	1.79
P-21	J-20	J-21	574.00	12.0	100.0	Open	880.433	0.95	1.73
P-22	J-21	J-22	1,671.00	12.0	100.0	Open	907.151	2.93	1.79
P-23	J-22	J-23	2,109.00	12.0	100.0	Open	574.017	1.58	1.13
P-24	J-23	J-24	651.00	12.0	100.0	Open	353.921	0.20	0.70
P-25	J-24	J-25	1,083.00	12.0	100.0	Open	260.921	0.19	0.51
P-26	J-25	J-26	426.00	12.0	100.0	Open	250.151	0.07	0.49
P-27	J-26	R-1	1,400.00	12.0	100.0	Open	250.151	0.23	0.49
P-28	J-16	J-27	679.00	6.0	100.0	Open	82.561	0.41	0.65
P-29	J-27	J-28	992.00	6.0	100.0	Open	61.561	0.35	0.49
P-30	J-28	J-29	482.00	6.0	100.0	Open	22.561	0.03	0.18
P-31	J-29	J-19	595.00	6.0	100.0	Open	1.561	0.00	0.01
P-32	J-19	J-30	1,000.00	6.0	100.0	Open	101.717	0.33	0.57
P-33	J-30	J-31	1,068.00	6.0	100.0	Open	71.717	0.12	0.38
P-34	J-31	J-32	705.00	6.0	100.0	Open	47.717	0.12	0.38
P-35	J-32	J-21	566.00	6.0	100.0	Open	156.219	3.30	1.23
P-36	J-22	J-33	1,672.00	6.0	100.0	Open	76.569	0.37	0.60
P-37	J-33	J-34	709.00	6.0	100.0	Open	34.547	0.07	0.27
P-38	J-34	J-35	552.00	6.0	100.0	Open	13.547	0.01	0.11
P-39	J-35	J-36	639.00	6.0	100.0	Open	-7.453	0.00	0.06
P-40	J-36	J-37	546.00	6.0	100.0	Open	-28.453	0.06	0.22
P-41	J-37	J-38	758.00	6.0	100.0	Open	-87.431	0.26	0.53
P-42	J-38	J-39	630.00	6.0	100.0	Open	-101.781	1.84	0.80
P-43	J-39	J-23	2,061.00	6.0	100.0	Open	116.914	0.70	0.92
P-44	J-22	J-40	606.00	6.0	100.0	Open	86.914	1.01	0.68
P-45	J-40	J-41	1,523.00	6.0	100.0	Open	29.914	0.12	0.24
P-46	J-41	J-42	1,249.00	6.0	100.0	Open	40.230	0.12	0.32
P-47	J-42	J-43	777.00	6.0	100.0	Open	16.230	0.02	0.13
P-48	J-43	J-25	631.00	6.0	100.0	Open	-18.000	0.02	0.14
P-49	J-45	J-46	623.00	6.0	100.0	Open	21.000	0.02	0.17
P-50	J-24	J-47	429.00	6.0	100.0	Open	6.000	0.00	0.05
P-51	J-46	J-48	563.00	6.0	100.0	Open	43.318	0.25	0.34
P-52	J-23	J-42	1,338.00	6.0	100.0	Open	-45.000	0.22	0.35
P-53	J-46	J-24	1,107.00	6.0	100.0	Open	37.851	0.12	0.30
P-54	J-33	J-49	859.00	6.0	100.0	Open	4.651	0.00	0.04
P-55	J-49	J-39	750.00	6.0	100.0	Open	18.021	0.03	0.14
P-56	J-34	J-50	700.00	6.0	100.0	Open	-11.979	0.01	0.09
P-57	J-50	J-38	753.00	6.0	100.0	Open	1,213.151	1.22	1.34
P-58	R-2	J-44	654.00	20.0	100.0	Open	1,213.151	0.02	1.34
P-59	J-44	J-51	1,663.00	18.0	100.0	Open	1,213.151	0.06	2.39
P-60	J-44	J-51	21.00	18.0	100.0	Open	1,213.151	0.06	2.39
P-61	PMP-1	J-52	21.00	12.0	100.0	Open	1,213.151	0.28	2.39
P-62	J-52	J-53	92.00	12.0	100.0	Open	1,213.151	0.95	2.39
P-63	J-53	J-54	317.00	12.0	100.0	Open	1,213.151	2.06	2.39
P-64	J-54	J-54	688.00	12.0	100.0	Open	1,213.151	2.06	2.39

Scenario: Base
 Extended Period Analysis: 0.00 hr / 24.00
 Reservoir Report

Label	Elevation (ft)	Inflow (gpd)	Calculated Hydraulic Grade (ft)
R-1	1,370.00	250,151	1,370.00
R-2	1,210.00	-1,213,151	1,210.00

WaterCAD Results:
 Tank 3: Spillway El=1590'

Scenario: Base
 Extended Period Analysis: 0.00 hr / 24.00
 Junction Report

Label	Elevation (ft)	Type	Base Flow (gpd)	Pattern	Demand (Calculated) (gpd)	Calculated Hydraulic Grade (ft)	Pressure (psi)
J-45	1,260.00	Demand	8,000	Fixed	8,000	1,589.87	142.72
J-44	1,285.00	Demand	8,000	Fixed	8,000	1,589.88	131.91
J-51	1,305.00	Demand	5,000	Fixed	5,000	1,589.90	123.26
J-52	1,260.00	Demand	6,000	Fixed	6,000	1,589.92	129.76
J-20	1,255.00	Demand	0	Fixed	0	1,589.94	144.91
J-21	1,270.00	Demand	0	Fixed	0	1,589.96	138.44

Scenario: Base
 Extended Period Analysis: 0.00 hr / 24.00
 Pipe Report

Label	From Node	To Node	Length (ft)	Diameter (in)	Hazen-Williams C	Control Status	Discharge (gpd)	Pressure Pipe Headloss (ft)	Velocity (ft/s)
P-49	J-45	J-44	646.00	6.0	100.0	Open	-8,000	0.01	0.06
P-50	J-44	J-51	553.00	6.0	100.0	Open	-16,000	0.02	0.13
P-60	J-51	J-52	403.00	6.0	100.0	Open	-21,000	0.02	0.17
P-20	J-52	J-20	312.00	6.0	100.0	Open	-27,000	0.02	0.21
P-21	J-20	J-21	518.00	6.0	100.0	Open	-27,000	0.04	0.21
P-22	J-21	R-3	8,200.00	12.0	100.0	Open	-27,000	0.02	0.05

Scenario: Base
Extended Period Analysis: 0.00 hr / 24.00
Reservoir Report

Label	Elevation (ft)	Inflow (gpd)	Calculated Hydraulic Grade (ft)
R-3	1,590.00	-27,000	1,590.00

Scenario: Base
Extended Period Analysis: 18.00 hr / 24.00
Junction Report

Label	Elevation (ft)	Type	Base Flow (gpd)	Pattern	Demand (Calculated) (gpd)	Calculated Hydraulic Grade (ft)	Pressure (psi)
J-45	1,260.00	Demand	8,000	Max day	10,000	1,535.22	119.08
J-44	1,285.00	Demand	8,000	Max day	10,000	1,535.23	108.26
J-51	1,305.00	Demand	725,000	Composite	726,250	1,535.25	99.62
J-52	1,260.00	Demand	6,000	Max day	7,500	1,549.64	112.33
J-20	1,235.00	Demand	0	Max day	0	1,560.98	132.38
J-21	1,270.00	Demand	0	Max day	0	1,579.81	134.04

Scenario: Base
 Extended Period Analysis: 18.00 hr / 24.00
 Reservoir Report

Label	Elevation (ft)	Inflow (gpd)	Calculated Hydrant Grade (ft)
R-3	1,590.00	-753,750	1,590.00

Scenario: Base
 Extended Period Analysis: 18.00 hr / 24.00
 Pipe Report

Label	From Node	To Node	Length (ft)	Diameter (in)	Hazen-Williams C	Control Status	Discharge (gpd)	Pressure Pipe Headloss (ft)	Velocity (ft/s)
P-48	J-45	J-44	646.00	6.0	100.0	Open	-10,000	0.01	0.08
P-50	J-44	J-51	553.00	6.0	100.0	Open	-20,000	0.02	0.16
P-60	J-51	J-52	403.00	6.0	100.0	Open	-746,250	14.38	5.88
P-20	J-52	J-20	312.00	6.0	100.0	Open	-753,750	11.34	5.94
P-21	J-20	J-21	518.00	6.0	100.0	Open	-753,750	18.83	5.94
P-22	J-21	R-3	8,200.00	12.0	100.0	Open	-753,750	10.19	1.48

Scenario: Base
 Extended Period Analysis: 0.00 hr / 24.00
 Junction Report

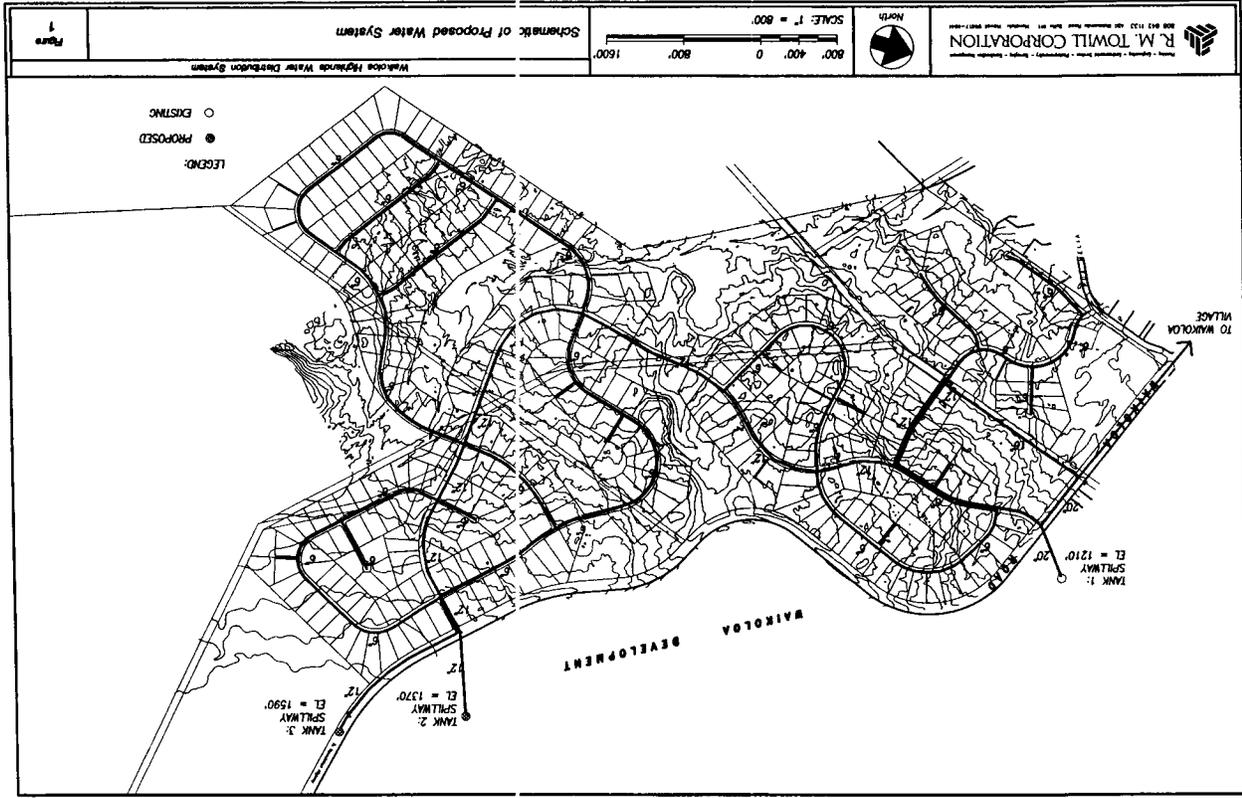
Label	Elevation (ft)	Type	Base Flow (gpd)	Pattern	Demand (Calculated) (gpd)	Calculated Hydraulic Grade (ft)	Pressure (psf)
J-45	1,260.00	Demand	6,000	Peak	24,000	1,589.04	142.36
J-44	1,285.00	Demand	8,000	Peak	24,000	1,589.08	131.56
J-51	1,305.00	Demand	5,000	Peak	15,000	1,589.20	122.96
J-52	1,290.00	Demand	6,000	Peak	18,000	1,589.35	129.52
J-20	1,255.00	Demand	0	Peak	0	1,589.53	144.74
J-21	1,270.00	Demand	0	Peak	0	1,589.84	138.38

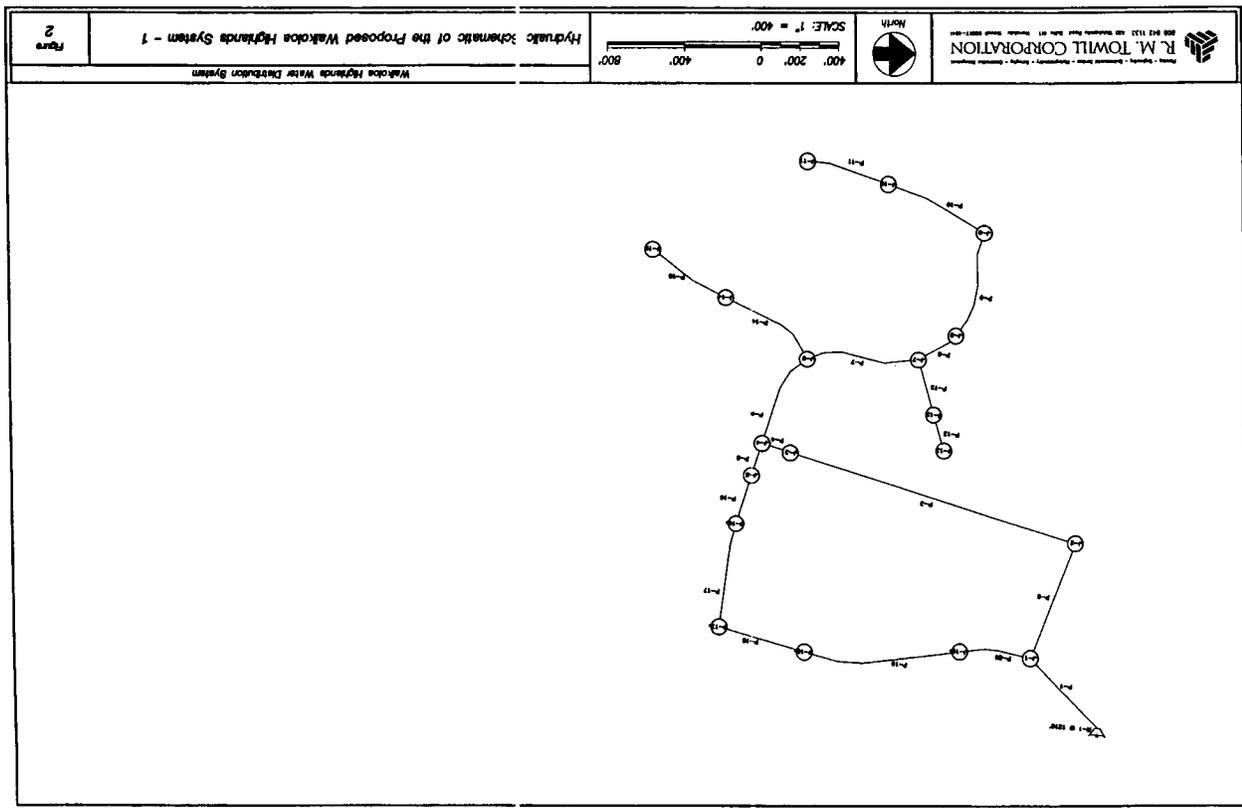
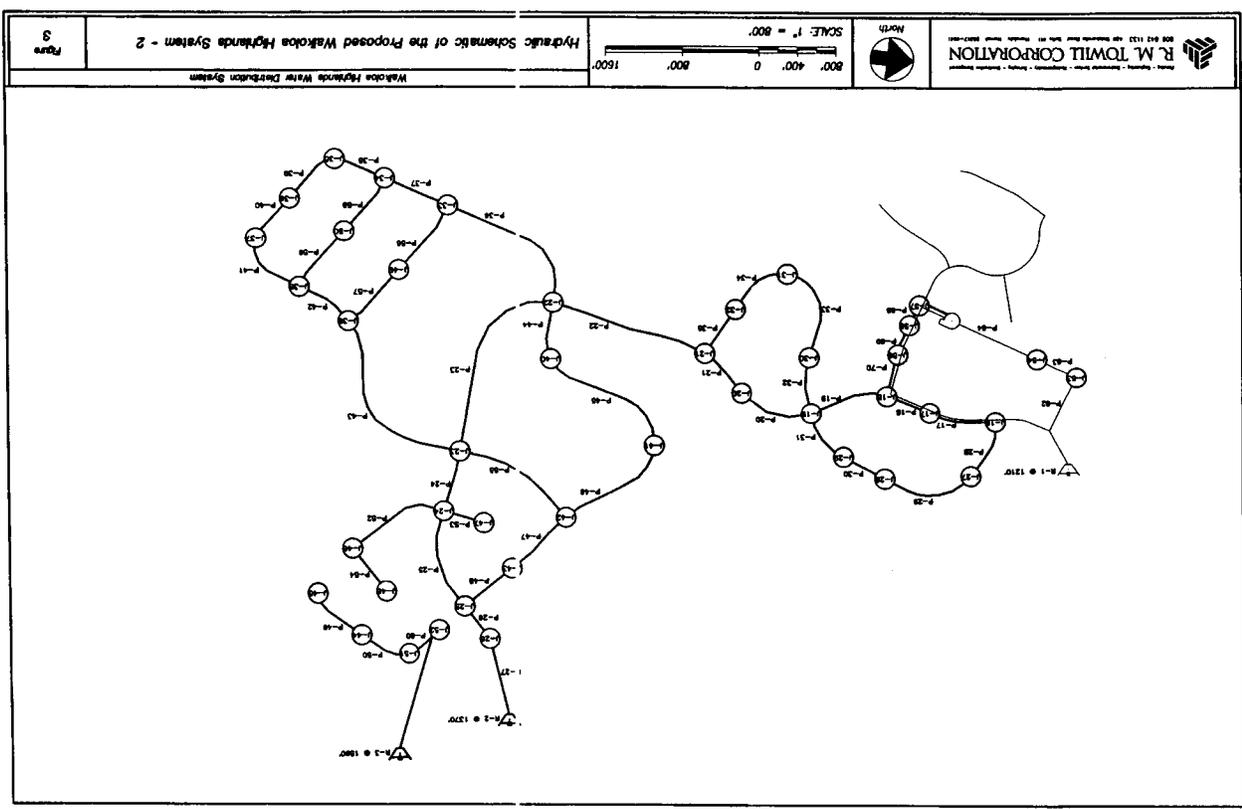
Scenario: Base
 Extended Period Analysis: 0.00 hr / 24.00
 Pipe Report

Label	From Node	To Node	Length (ft)	Diameter (in)	Hazen-Williams C	Control Status	Discharge (gpd)	Pressure Pipe Headloss (ft)	Velocity (ft/s)
P-49	J-45	J-44	646.00	6.0	100.0	Open	-24,000	0.04	0.19
P-50	J-44	J-51	553.00	6.0	100.0	Open	-48,000	0.12	0.38
P-60	J-51	J-52	403.00	6.0	100.0	Open	-63,000	0.15	0.50
P-20	J-52	J-20	312.00	6.0	100.0	Open	-81,000	0.18	0.64
P-21	J-20	J-21	518.00	6.0	100.0	Open	-81,000	0.30	0.64
P-22	J-21	R-3	8,200.00	12.0	100.0	Open	-81,000	0.16	0.16

Scenario: Base
 Extended Period Analysis: 0.00 hr / 24.00
 Reservoir Report

Label	Elevation (ft)	Inflow (gpd)	Calculated Hydraulic Grade (ft)
R-3	1,590.00	-81,000	1,590.00





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APPENDIX J

**Waikoloa Highlands Water Distribution System, Waikoloa Highlands
Subdivision
R.M. Towill Corporation, September 2006.**

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Waikoloa Highlands Water Distribution System

Waikoloa Highlands Subdivision
Waikoloa, South Kohala, Hawaii

SEPTEMBER 2006

Prepared For:
Waikoloa Mauka, LLC
120 Aspen Oak Lane
Glendale, CA 91207



R. M. TOWILL CORPORATION
SINCE 1974

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Honolulu, Hawaii 96817-4941
(808) 842-1133 • Fax: (808) 842-1937
(RMT/C Ref. 1-20560-0-9)

WAIKOLOA HIGHLANDS WATER DISTRIBUTION SYSTEM

PROJECT NAME: WAIKOLOA HIGHLANDS SUBDIVISION
LOCATION: Waikoloa, South Kohala, Hawaii
TAX MAP KEY: (3rd Div.) 6-8-02:16/6-8-03:32
ZONING: RA - 1a
PROJECT AREA: 744.4 Acres
OWNER: Waikoloa Mauka, LLC
120 Aspen Oak Lane
Glendale, CA 91207
ENGINEERING CONSULTANT: R. M. Towill Corporation
420 Waiakamilo Road, Suite 411
Honolulu, Hawaii 96817-4941
Phone: (808) 842-1133
Fax: (808) 842-1937
DATE: September 2006

REFERENCES:

1. Waikoloa Water Master Plans, Tom Nance Water Resources Engineering, February 1991.
2. County of Hawaii Water Supply Standards, 2002.

1. INTRODUCTION

The scope of this project includes: (1) the sizing of mains for the Waikoloa Highlands subdivision and (2) the use of existing water system components for the proposed Waikoloa Highlands Water Distribution System. The Waikoloa Highlands subdivision consists of 398 lots which are located from the 980-ft to 1310-ft elevation.

An existing tank with spillway elevation of 1210 ft will be used to service a portion of the lots. Two additional tanks however, are needed to service the remaining lots. In addition to these tanks, a booster pump is required for pumping water from the 1210' tank to fill the 1370' tank, while also distributing water during transmission.

The sizing of the mains and the booster pump is based on design criteria.

2. DESIGN CRITERIA

The design criteria used for the water system analysis is listed in Table 1 and is based on the Waikoloa Water Master Plans (Ref. 1). The design criteria follows the County of Hawaii Water Supply Standards (Ref.2) with the following deviations:

1. The maximum day demand factor of 1.25 is used instead of the County's 1.5 factor. To account for losses through the system, 12% was added to the maximum flow rates.
2. The peak demand factor of 3.0 is also used instead of the County's 5.0 factor.
3. The maximum velocity restriction of 7 feet per second is used instead of the County's 6 feet per second restriction for distribution mains without fire flow.
4. The maximum velocity restriction of 10 feet per second for distribution mains with fire flow is an additional County of Hawaii standard used for this design.

Table 1. Water System Facilities Sizing Criteria

<p><u>Demand Factors</u></p> <ul style="list-style-type: none">• Average Day Demand = Application of the water use rates of Table 2• Maximum Day Demand = $1.25 * \text{Average Day Demand}$• Peak Demand = $3.0 * \text{Average Day Demand}$ <p><u>Fire Flow</u></p> <ul style="list-style-type: none">• Single Family Residential: 500 gallons per minute (gpm) for 2 hours (lots > 10,000 sq. ft.) <p><u>Service Pressures</u></p> <ul style="list-style-type: none">• Minimum of 40 psi (except during fire flow)• Maximum of 125 psi• 20 psi at critical fire hydrant for fire flow with coincident maximum daily demand <p><u>Pipeline Sizes</u></p> <ul style="list-style-type: none">• Meet minimum pressure criterion at peak flowrate with a maximum of 7.0 feet per second (fps) velocity• Meet minimum hydrant pressure criterion at fire plus maximum daily flowrate with no velocity restriction• Compute pipeline pressure losses using Hazen-Williams formula with: C = 100 for 6" or smaller pipelines C = 110 for 8" and 12" pipelines <p><u>Well Pumping Capacity</u></p> <ul style="list-style-type: none">• Provide the maximum daily demand, including unmetered supply, in a 24-hour pumping day with the largest well out of service. <p><u>Reservoir</u></p> <ul style="list-style-type: none">• Provide the maximum daily demand, including unmetered supply but excluding controllable common area irrigation, with no credit for well inflow.• Meet fire flow and coincident maximum daily demand for the duration of the fire flow with the largest reservoir 3/4 full at the start and the credit for well inflow with the largest pump out of service.

3. DESIGN ANALYSIS

The Waikoloa Highlands Water Distribution System services three zones within the site. The lower zone is served by the tank at the 1210-ft elevation. This zone serves 47 lots in addition to the existing Waikoloa Village, which has an average day demand of nearly 600,000 gallons per day (gpd) (Ref. 1). The proposed distribution system of this zone is comprised of 6-inch pipes. The 1210-ft elevation tank also serves the booster pump located at the 1060-ft elevation.

The booster pump distributes water to the upper lots, in addition to supplying the 1370-ft service reservoir. In the middle service zone, 324 lots are served by the proposed 12-inch water main supplying the proposed tank at the 1370-ft elevation. The proposed tank at the 1370-ft elevation complies with the tank proposed in the Waikoloa Water Master Plans (Ref. 1). The third tank at the 1590-ft elevation also complies with the Waikoloa Water Master Plans (Ref. 1). This tank will serve the remaining 27 lots by gravity flow.

Analysis and design of the water system for this report were done using a water distribution modeling software system, WaterCAD by Haestad Methods Incorporated. This program allows the designer to develop a hydraulic model of a pressurized pipe system and was used for this report to perform the following analyses:

1. Steady-state analysis of the water system, including pipes, pumps, tanks, and reservoirs
2. Extended period simulation to analyze the system under varying supply and demand conditions
3. Fire flow analysis

The proposed distribution system shown in Figure 1 displays the nodes or pressure junctions that connect multiple pipes or are the end of a pipe segments. Demands were assigned to the nodes based on the number of lots that are being served at that particular node. The distribution of demands is listed in Table 2.

4. RESULTS

The distribution system was initially designed with 6-inch pipelines. The proposed distribution system in Figure 1 consists of a main pipeline connecting the lower tank to the booster pump and the booster pump to the tank at the 1370-ft elevation. This main line has various branches which are either cul-de-sacs or loops that service the various subdivisions within Waikoloa Highlands. The main line was tested as a 6-inch pipe and then sized up if the distribution system did not meet the minimum design criteria. The distribution was found to work with the main line as a 12-inch pipe. All of the other branches remained 6-inch pipes through-out the design process. The 12-inch main line effectively distributes water to the middle and upper sections. See Figure 2 and Figure 3 for schematics of the water system and the placement of the pressure junctions listed in Table 2.

Table 2. Distribution of Demands for Waikoloa Highlands

Node	Single Family Units	Flows for Design (GPD)		
		Average Day	Maximum Day	Peak
Served by Tank with Spillway El. = 1210 ft.				
J-2	47	567,360		
J-4	4	5,000	5,000	12,000
J-5	6	3,000	7,500	18,000
J-6	5	4,000	6,250	15,000
J-7	5	4,000	6,250	15,000
J-9	2	2,000	2,500	6,000
J-10	2	2,000	2,500	6,000
J-11	2	2,000	2,500	6,000
J-12	4	3,000	5,000	12,000
J-13	3	4,000	3,750	9,000
J-14	2	7,000	8,750	21,000
J-15	7	7,000	8,750	21,000
Total =	47	43,000	58,750	141,000
Served by Tank with Spillway El. = 1370 ft.				
J-16	8	8,000	10,000	24,000
J-17	6	6,000	7,500	18,000
J-18	6	6,000	7,500	18,000
J-19	9	9,000	11,250	27,000
J-20	9	9,000	11,250	27,000
J-21	9	9,000	11,250	27,000
J-22	25	25,000	31,250	75,000
J-23	13	13,000	16,250	39,000
J-24	16	16,000	20,000	48,000
J-25	4	4,000	5,000	12,000
J-27	7	7,000	8,750	21,000
J-28	14	14,000	17,500	42,000
J-29	6	6,000	7,500	18,000
J-30	12	12,000	15,000	36,000
J-31	9	9,000	11,250	27,000
J-32	7	7,000	8,750	21,000
J-33	13	13,000	16,250	39,000
J-34	8	8,000	10,000	24,000
J-35	7	7,000	8,750	21,000
J-36	8	8,000	10,000	24,000
J-37	9	9,000	11,250	27,000
J-38	9	9,000	11,250	27,000
J-39	16	16,000	20,000	48,000
J-40	15	15,000	18,750	45,000
J-41	14	14,000	17,500	42,000
J-42	12	12,000	15,000	36,000
J-43	10	10,000	12,500	30,000
J-46	9	9,000	11,250	27,000
J-47	5	5,000	6,250	15,000
J-48	4	4,000	5,000	12,000
J-49	15	15,000	18,750	45,000
J-50	10	10,000	12,500	30,000
Total =	324	324,000	405,000	972,000
Served by Tank with Spillway El. = 1590 ft.				
J-44	8	8,000	10,000	24,000
J-45	8	8,000	10,000	24,000
J-51	5	5,000	6,250	15,000
J-52	6	6,000	7,500	18,000
Total =	27	27,000	33,750	81,000

Watercad Simulation Results:

Maximum daily flow:

Under the maximum daily demand condition, analysis shows that the results satisfy the requirements set by the Waikoloa Water Master Plans (Ref.1). Velocities were well below 7 feet per second. Pressure junctions were also below the maximum allowable pressure.

Peak hour flow:

Under this condition, all the pressure junctions are required to meet the minimum pressure of 40 psi. The analysis proved this to be the case except for a couple of junctions directly connected to the booster pump.

Fire Flow:

According to the Water Supply Standards (Ref. 2), under the fire flow condition, the pressure at each junction should be at least 20 psi. Fire flow conditions were simulated by applying the fire flow demand to several pressure junctions. The results proved that the water system is sufficient to handle fire flow.

See the Appendix for calculations and results produced by WaterCAD.

APPENDIX

Scenario: Base
Extended Period Analysis: 0.00 hr / 24.00
Junction Report

Label	Elevation (ft)	Type	Base Flow (gpd)	Pattern	Demand (Calculated) (gpd)	Calculated Hydraulic Grade (ft)	Pressure (psf)
J-1	1,076.00	Demand	0	Fixed	0	1,209.67	57.83
J-2	1,032.00	Demand	567,360	Fixed	567,360	1,209.63	76.85
J-3	1,058.00	Demand	0	Fixed	0	1,209.63	65.17
J-4	1,060.00	Demand	5,000	Fixed	5,000	1,209.61	64.73
J-5	1,073.00	Demand	3,000	Fixed	3,000	1,209.61	59.10
J-6	1,047.00	Demand	4,000	Fixed	4,000	1,209.55	70.33
J-7	1,022.00	Demand	4,000	Fixed	4,000	1,209.53	81.13
J-8	1,020.00	Demand	0	Fixed	0	1,209.53	82.00
J-9	998.00	Demand	2,000	Fixed	2,000	1,209.52	91.52
J-10	1,004.00	Demand	2,000	Fixed	2,000	1,209.52	88.82
J-11	1,011.00	Demand	2,000	Fixed	2,000	1,209.52	85.89
J-12	1,022.00	Demand	3,000	Fixed	3,000	1,209.52	81.13
J-13	1,038.00	Demand	4,000	Fixed	4,000	1,209.52	74.21
J-14	1,044.00	Demand	7,000	Fixed	7,000	1,209.53	71.82
J-15	1,046.00	Demand	7,000	Fixed	7,000	1,209.53	71.18
J-16*	1,060.00	Demand	2,000	Fixed	2,000	1,209.61	64.73
J-17*	1,065.00	Demand	6,000	Fixed	6,000	1,209.62	62.57
J-18*	1,075.00	Demand	6,000	Fixed	6,000	1,209.63	58.25
J-19*	1,080.00	Demand	8,000	Fixed	8,000	1,209.67	56.10

WaterCAD Results:

Tank 1: Spillway EJ=1210'

Scenario: Base
Extended Period Analysis: 18.00 hr / 24.00
Pipe Report

Label	From Node	To Node	Length (ft)	Diameter (in)	Hazen-Williams C	Control Status	Discharge (gpd)	Pressure Pipe Headloss (ft)	Velocity (ft/s)
P-1	R-1	J-1	4,400.00	20.0	100.0	Open	1,509,700	1.54	1.07
P-2	J-1	J-2	600.00	20.0	100.0	Open	1,280,915	0.17	0.91
P-3	J-2	J-3	1,556.00	18.0	100.0	Open	571,715	0.29	0.63
P-4	J-3	J-4	158.00	6.0	100.0	Open	571,715	3.44	4.51
P-5	J-4	J-5	183.00	6.0	100.0	Open	521,715	3.37	4.11
P-6	J-4	J-6	518.00	6.0	100.0	Open	43,750	0.10	0.34
P-7	J-6	J-7	592.00	6.0	100.0	Open	21,250	0.03	0.17
P-8	J-7	J-8	239.00	6.0	100.0	Open	7,500	0.00	0.06
P-9	J-8	J-9	576.00	6.0	100.0	Open	7,500	0.00	0.06
P-10	J-9	J-10	561.00	6.0	100.0	Open	5,000	0.00	0.04
P-11	J-10	J-11	440.00	6.0	100.0	Open	2,500	0.00	0.02
P-12	J-7	J-12	305.00	6.0	100.0	Open	8,750	0.00	0.07
P-13	J-12	J-13	197.00	6.0	100.0	Open	5,000	0.00	0.04
P-14	J-5	J-14	547.00	6.0	100.0	Open	17,500	0.02	0.14
P-15	J-14	J-15	463.00	6.0	100.0	Open	8,750	0.00	0.07
P-16	J-5	J-16*	263.00	6.0	100.0	Open	-201,285	0.83	1.59
P-17	J-16*	J-17*	551.00	6.0	100.0	Open	-203,785	1.78	1.61
P-18	J-17*	J-18*	463.00	6.0	100.0	Open	-211,285	1.60	1.66
P-19	J-18*	J-19*	817.00	6.0	100.0	Open	-218,785	3.01	1.72
P-20	J-19*	J-1	376.00	12.0	100.0	Open	-228,785	0.05	0.45

Scenario: Base
Extended Period Analysis: 18.00 hr / 24.00
Junction Report

Label	Elevation (ft)	Type	Base Flow (gpd)	Pattern	Demand (Calculated) (gpd)	Calculated Hydraulic Grade (ft)	Pressure (psi)
J-1	1,076.00	Demand	0	Max day	0	1,208.36	57.26
J-2	1,032.00	Demand	567,560	Max day	708,200	1,208.19	76.23
J-3	1,068.00	Demand	0	Max day	0	1,207.91	64.42
J-4	1,060.00	Demand	5,000	Max day	6,250	1,204.46	62.50
J-5	1,073.00	Demand	723,000	Composite	723,000	1,201.10	55.42
J-6	1,047.00	Demand	4,000	Max day	5,000	1,204.37	68.08
J-7	1,022.00	Demand	4,000	Max day	5,000	1,204.34	78.89
J-8	1,020.00	Demand	0	Max day	0	1,204.34	79.75
J-9	998.00	Demand	2,000	Max day	2,500	1,204.33	89.27
J-10	1,004.00	Demand	2,000	Max day	2,500	1,204.33	86.67
J-11	1,011.00	Demand	2,000	Max day	2,500	1,204.33	83.64
J-12	1,022.00	Demand	3,000	Max day	3,750	1,204.33	78.89
J-13	1,038.00	Demand	4,000	Max day	5,000	1,204.33	71.96
J-14	1,044.00	Demand	7,000	Max day	8,750	1,204.35	89.37
J-15	1,045.00	Demand	7,000	Max day	8,750	1,204.34	68.94
J-16*	1,060.00	Demand	2,000	Max day	2,500	1,201.93	61.40
J-17*	1,065.00	Demand	6,000	Max day	7,500	1,203.70	60.01
J-18*	1,075.00	Demand	6,000	Max day	7,500	1,205.30	56.37
J-19*	1,060.00	Demand	6,000	Max day	10,000	1,206.31	55.51

Scenario: Base
Extended Period Analysis: 18.00 hr / 24.00
Reservoir Report

Label	Elevation (ft)	Inflow (gpd)	Calculated Hydraulic Grade (ft)
R-1	1,210.00	-1,509,700	1,210.00

Scenario: Base
Extended Period Analysis: 0.00 hr / 24.00
Junction Report

Label	Elevation (ft)	Type	Base Flow (gpd)	Pattern	Demand (Calculated) (gpd)	Calculated Hydraulic Grade (ft)	Pressure (psi)
J-1	1,076.00	Demand	0	Peak	0	1,207.49	56.89
J-2	1,032.00	Demand	567,360	Peak	1,702,080	1,207.18	75.79
J-3	1,059.00	Demand	0	Peak	0	1,207.17	64.10
J-4	1,060.00	Demand	5,000	Peak	15,000	1,207.01	63.60
J-5	1,073.00	Demand	3,000	Peak	9,000	1,207.02	57.99
J-6	1,047.00	Demand	4,000	Peak	12,000	1,206.52	69.02
J-7	1,022.00	Demand	4,000	Peak	12,000	1,206.38	79.77
J-8	1,020.00	Demand	0	Peak	0	1,206.37	80.63
J-9	998.00	Demand	2,000	Peak	6,000	1,206.35	90.14
J-10	1,004.00	Demand	2,000	Peak	6,000	1,206.34	87.54
J-11	1,011.00	Demand	2,000	Peak	6,000	1,206.33	84.51
J-12	1,022.00	Demand	3,000	Peak	9,000	1,206.36	79.76
J-13	1,036.00	Demand	4,000	Peak	12,000	1,206.36	72.84
J-14	1,044.00	Demand	7,000	Peak	21,000	1,206.43	70.27
J-15	1,045.00	Demand	7,000	Peak	21,000	1,206.41	69.83
J-16*	1,060.00	Demand	2,000	Peak	6,000	1,207.03	63.61
J-17*	1,065.00	Demand	6,000	Peak	18,000	1,207.08	61.47
J-18*	1,075.00	Demand	6,000	Peak	18,000	1,207.17	57.18
J-18*	1,080.00	Demand	8,000	Peak	24,000	1,207.49	55.16

Scenario: Base
Extended Period Analysis: 0.00 hr / 24.00
Pipe Report

Label	From Node	To Node	Length (ft)	Diameter (in)	Hasen: Wylie C	Control Status	Discharge (gpd)	Pressure Pipe Headloss (ft)	Velocity (ft/s)
P-1	R-1	J-1	4,400.00	20.0	100.0	Open	1,897,060	2.51	1.35
P-2	J-1	J-2	600.00	20.0	100.0	Open	1,808,781	0.31	1.28
P-3	J-2	J-3	1,556.00	18.0	100.0	Open	106,701	0.01	0.12
P-4	J-3	J-4	158.00	6.0	100.0	Open	106,701	0.15	0.84
P-5	J-4	J-5	183.00	6.0	100.0	Open	-13,299	0.00	0.10
P-6	J-4	J-6	518.00	6.0	100.0	Open	105,000	0.49	0.83
P-7	J-6	J-7	592.00	6.0	100.0	Open	51,000	0.15	0.40
P-8	J-7	J-8	239.00	6.0	100.0	Open	18,000	0.01	0.14
P-9	J-8	J-9	576.00	6.0	100.0	Open	18,000	0.02	0.14
P-10	J-9	J-10	561.00	6.0	100.0	Open	12,000	0.01	0.09
P-11	J-10	J-11	440.00	6.0	100.0	Open	6,000	0.00	0.05
P-12	J-7	J-12	305.00	6.0	100.0	Open	21,000	0.01	0.17
P-13	J-12	J-13	197.00	6.0	100.0	Open	12,000	0.00	0.09
P-14	J-5	J-14	547.00	6.0	100.0	Open	42,000	0.09	0.33
P-15	J-14	J-15	463.00	6.0	100.0	Open	21,000	0.02	0.17
P-16	J-5	J-16*	263.00	6.0	100.0	Open	-22,299	0.01	0.18
P-17	J-16*	J-17*	551.00	6.0	100.0	Open	-28,299	0.05	0.22
P-18	J-17*	J-18*	463.00	6.0	100.0	Open	-46,299	0.10	0.36
P-19	J-18*	J-19*	817.00	6.0	100.0	Open	-64,299	0.31	0.51
P-20	J-19*	J-1	376.00	12.0	100.0	Open	-88,299	0.01	0.17

Scenario: Base
Extended Period Analysis: 0.00 hr / 24.00
Reservoir Report

Label	Elevation (ft)	Inflow (gpd)	Calculated Hydraulic Grade (ft)
R-1	1,210.00	-1,897,060	1,210.00

Scenario: Base
Extended Period Analysis: 0.00 hr / 24.00
Junction Report

Label	Elevation (ft)	Type	Base Flow (gpd)	Pattern	Demand (Calculated) (gpd)	Calculated Hydraulic Grade (ft)	Pressure (psi)
J-16	1,090.00	Demand	8,000	Fixed	8,000	1,386.73	128.38
J-17	1,140.00	Demand	6,000	Fixed	6,000	1,387.23	105.96
J-18	1,138.00	Demand	9,000	Fixed	9,000	1,387.60	107.99
J-19	1,168.00	Demand	9,000	Fixed	9,000	1,385.48	94.08
J-20	1,160.00	Demand	9,000	Fixed	9,000	1,383.74	96.80
J-21	1,138.00	Demand	7,000	Fixed	7,000	1,382.51	105.79
J-22	1,112.00	Demand	20,000	Fixed	20,000	1,378.35	115.24
J-23	1,165.00	Demand	25,000	Fixed	25,000	1,375.27	82.32
J-24	1,208.00	Demand	9,000	Fixed	9,000	1,374.38	71.98
J-25	1,255.00	Demand	9,000	Fixed	9,000	1,373.01	51.06
J-28	1,270.00	Demand	0	Fixed	0	1,372.30	44.26
J-27	1,110.00	Demand	7,000	Fixed	7,000	1,386.32	119.55
J-28	1,183.00	Demand	13,000	Fixed	13,000	1,385.81	87.75
J-29	1,185.00	Demand	7,000	Fixed	7,000	1,385.83	86.80
J-30	1,150.00	Demand	12,000	Fixed	12,000	1,384.69	101.54
J-31	1,121.00	Demand	10,000	Fixed	10,000	1,383.57	113.60
J-32	1,127.00	Demand	8,000	Fixed	8,000	1,382.94	110.73
J-33	1,125.00	Demand	14,000	Fixed	14,000	1,376.01	108.60
J-34	1,128.00	Demand	8,000	Fixed	8,000	1,375.75	108.06
J-35	1,145.00	Demand	7,000	Fixed	7,000	1,375.71	99.82
J-36	1,170.00	Demand	7,000	Fixed	7,000	1,375.68	88.99
J-37	1,180.00	Demand	7,000	Fixed	7,000	1,375.67	84.66
J-38	1,165.00	Demand	9,000	Fixed	9,000	1,375.67	91.15
J-39	1,168.00	Demand	13,000	Fixed	13,000	1,375.65	89.84
J-40	1,131.00	Demand	10,000	Fixed	10,000	1,377.58	106.68
J-41	1,190.00	Demand	19,000	Fixed	19,000	1,375.92	80.44
J-42	1,232.00	Demand	11,000	Fixed	11,000	1,374.96	61.85
J-43	1,250.00	Demand	8,000	Fixed	8,000	1,373.82	53.57
J-45	1,280.00	Demand	8,000	Fixed	8,000	1,374.35	49.47
J-46	1,225.00	Demand	7,000	Fixed	7,000	1,374.35	64.82
J-47	1,227.00	Demand	7,000	Fixed	7,000	1,374.38	63.76
J-48	1,255.00	Demand	2,000	Fixed	2,000	1,374.35	51.64
J-49	1,145.00	Demand	11,000	Fixed	11,000	1,375.78	99.85
J-50	1,148.00	Demand	10,000	Fixed	10,000	1,375.70	96.51
J-44	1,032.00	Demand	0	Fixed	0	1,208.84	76.94
J-51	1,060.00	Demand	0	Fixed	0	1,208.85	64.31
J-52	1,060.00	Demand	0	Fixed	0	1,390.81	143.13
J-53	1,081.00	Demand	0	Fixed	0	1,390.54	142.58
J-54	1,070.00	Demand	0	Fixed	0	1,389.81	138.28

WaterCAD Results:

Tank 2: Spillway El=1370'

Scenario: Base
Extended Period Analysis: 0.00 hr / 24.00
Pipe Report

Label	Elevation (ft)	Control Status	Intake Pump Grade (ft)	Discharge Pump Grade (ft)	Discharge (gpd)	Pump Head (ft)	Calculated Water Power (HP)
PMP-1	1,060.00	On	1,208.83	1,390.88	1,198,504	182.24	38.29

Scenario: Base
Extended Period Analysis: 0.00 hr / 24.00
Pipe Report

Label	From Node	To Node	Length (ft)	Diameter (in)	Hazen-Williams C	Control Status	Discharge (gpd)	Pressure Pipe Headloss (ft)	Velocity (ft/s)
P-17	J-16	J-17	691.00	6.0	100.0	Open	-90,659	0.50	0.71
P-18	J-17	J-18	455.00	6.0	100.0	Open	-96,659	0.37	0.76
P-19	J-18	J-19	860.00	12.0	100.0	Open	1,095,848	2.14	2.16
P-20	J-19	J-20	794.00	12.0	100.0	Open	1,019,008	1.72	2.01
P-21	J-20	J-21	574.00	12.0	100.0	Open	1,010,008	1.23	1.99
P-22	J-21	J-22	1,871.00	12.0	100.0	Open	1,096,504	4.16	2.16
P-23	J-22	J-23	2,109.00	12.0	100.0	Open	823,295	3.09	1.62
P-24	J-23	J-24	651.00	12.0	100.0	Open	792,880	0.89	1.56
P-25	J-24	J-25	1,083.00	12.0	100.0	Open	761,880	1.37	1.50
P-26	J-25	J-26	426.00	12.0	100.0	Open	877,504	0.70	1.73
P-27	J-26	R-1	1,400.00	12.0	100.0	Open	877,504	2.30	1.73
P-28	J-16	J-27	879.00	6.0	100.0	Open	82,659	0.41	0.85
P-29	J-27	J-28	982.00	6.0	100.0	Open	75,659	0.51	0.60
P-30	J-28	J-29	482.00	6.0	100.0	Open	62,659	0.17	0.49
P-31	J-29	J-19	595.00	6.0	100.0	Open	55,659	0.17	0.44
P-32	J-18	J-30	801.00	6.0	100.0	Open	123,496	0.77	0.87
P-33	J-30	J-31	1,068.00	6.0	100.0	Open	111,496	1.13	0.88
P-34	J-31	J-32	705.00	6.0	100.0	Open	101,496	0.83	0.80
P-35	J-32	J-21	566.00	6.0	100.0	Open	83,496	0.43	0.74
P-36	J-22	J-33	1,872.00	6.0	100.0	Open	129,854	2.34	1.02
P-37	J-33	J-34	709.00	6.0	100.0	Open	62,851	0.26	0.50
P-38	J-34	J-35	552.00	6.0	100.0	Open	26,926	0.04	0.21
P-39	J-35	J-36	639.00	6.0	100.0	Open	19,926	0.03	0.16
P-40	J-36	J-37	546.00	6.0	100.0	Open	12,826	0.01	0.10
P-41	J-37	J-38	758.00	6.0	100.0	Open	5,926	0.00	0.05
P-42	J-38	J-39	630.00	6.0	100.0	Open	14,851	0.02	0.12
P-43	J-39	J-23	2,061.00	6.0	100.0	Open	43,854	0.39	0.35
P-44	J-22	J-40	606.00	6.0	100.0	Open	123,355	0.77	0.87
P-45	J-40	J-41	1,623.00	6.0	100.0	Open	113,355	1.66	0.89
P-46	J-41	J-42	1,249.00	6.0	100.0	Open	94,355	0.97	0.74
P-47	J-42	J-43	777.00	6.0	100.0	Open	132,625	1.13	1.05
P-48	J-43	J-25	631.00	6.0	100.0	Open	124,625	0.82	0.98
P-49	J-45	J-46	623.00	6.0	100.0	Open	-6,000	0.00	0.05
P-50	J-24	J-47	429.00	6.0	100.0	Open	7,000	0.00	0.06
P-51	J-46	J-48	583.00	6.0	100.0	Open	2,000	0.00	0.02
P-52	J-23	J-42	1,338.00	6.0	100.0	Open	49,270	0.31	0.38
P-53	J-46	J-24	1,107.00	6.0	100.0	Open	-15,000	0.03	0.12
P-54	J-46	J-24	859.00	6.0	100.0	Open	53,003	0.23	0.42
P-55	J-48	J-39	750.00	6.0	100.0	Open	42,003	0.13	0.33
P-56	J-34	J-50	700.00	6.0	100.0	Open	27,925	0.06	0.22
P-57	J-50	J-38	753.00	6.0	100.0	Open	17,925	0.03	0.14
P-58	R-2	J-44	654.00	20.0	100.0	Open	1,198,504	0.16	0.85
P-59	J-44	J-51	1,653.00	16.0	100.0	Open	1,198,504	1.19	1.33
P-60	J-51	PMP-1	21.00	16.0	100.0	Open	1,198,504	0.02	1.33
P-61	PMP-1	J-52	21.00	12.0	100.0	Open	1,198,504	0.08	2.36
P-62	J-52	J-53	92.00	12.0	100.0	Open	1,198,504	0.27	2.36
P-63	J-53	J-54	317.00	12.0	100.0	Open	1,198,504	0.93	2.36
P-64	J-54	J-18	688.00	12.0	100.0	Open	1,198,504	2.02	2.36

Scenario: Base
 Extended Period Analysis: 0.00 hr / 24.00
 Reservoir Report

Label	Elevation (ft)	Inflow (gpd)	Calculated Hydraulic Grade (ft)
R-1	1,370.00	877,504	1,370.00
R-2	1,210.00	-1,198,504	1,210.00

Scenario: Base
 Extended Period Analysis: 2.00 hr / 24.00
 Junction Report

Label	Elevation (ft)	Type	Base Flow (gpd)	Pattern	Demand (Calculated) (gpd)	Calculated Hydraulic Grade (ft)	Pressure (psi)
J-16	1,090.00	Demand	8,000	Max day	10,000	1,382.00	128.33
J-17	1,140.00	Demand	6,000	Max day	7,500	1,382.53	104.93
J-18	1,138.00	Demand	6,000	Max day	7,500	1,382.83	95.97
J-19	1,168.00	Demand	9,000	Max day	11,250	1,380.78	92.06
J-20	1,160.00	Demand	9,000	Max day	11,250	1,379.08	94.79
J-21	1,138.00	Demand	7,000	Max day	8,750	1,377.88	103.79
J-22	1,112.00	Demand	20,000	Max day	25,000	1,373.84	113.29
J-23	1,185.00	Demand	25,000	Max day	31,250	1,370.90	80.43
J-24	1,208.00	Demand	9,000	Max day	11,250	1,370.04	70.11
J-25	1,255.00	Demand	9,000	Max day	11,250	1,370.04	49.77
J-26	1,270.00	Demand	0	Max day	0	1,370.03	43.28
J-27	1,110.00	Demand	7,000	Max day	8,750	1,381.58	117.50
J-28	1,183.00	Demand	13,000	Max day	16,250	1,381.08	85.70
J-29	1,185.00	Demand	7,000	Max day	8,750	1,380.92	84.77
J-30	1,150.00	Demand	12,000	Max day	15,000	1,379.99	99.50
J-31	1,121.00	Demand	10,000	Max day	12,500	1,378.86	111.57
J-32	1,127.00	Demand	8,000	Max day	10,000	1,378.27	108.71
J-33	1,125.00	Demand	14,000	Max day	17,500	1,371.38	106.80
J-34	1,128.00	Demand	8,000	Max day	10,000	1,371.12	106.05
J-35	1,145.00	Demand	7,000	Max day	8,750	1,371.08	97.81
J-36	1,170.00	Demand	7,000	Max day	8,750	1,371.06	88.99
J-37	1,180.00	Demand	7,000	Max day	8,750	1,371.05	82.66
J-38	1,185.00	Demand	9,000	Max day	11,250	1,371.05	89.15
J-39	1,188.00	Demand	13,000	Max day	16,250	1,371.05	87.95
J-40	1,131.00	Demand	10,000	Max day	12,500	1,373.12	104.75
J-41	1,190.00	Demand	19,000	Max day	23,750	1,371.63	78.58
J-42	1,232.00	Demand	11,000	Max day	13,750	1,370.87	60.08
J-43	1,250.00	Demand	8,000	Max day	10,000	1,370.36	52.08
J-45	1,260.00	Demand	728,000	Composite	727,500	1,310.06	21.66
J-46	1,225.00	Demand	7,000	Max day	8,750	1,331.27	45.98
J-47	1,227.00	Demand	7,000	Max day	8,750	1,370.04	61.89
J-48	1,255.00	Demand	2,000	Max day	2,500	1,331.27	33.00
J-49	1,145.00	Demand	11,000	Max day	13,750	1,371.16	97.85
J-50	1,148.00	Demand	10,000	Max day	12,500	1,371.07	96.51
J-44	1,032.00	Demand	0	Max day	0	1,209.84	76.94
J-51	1,060.00	Demand	0	Max day	0	1,208.63	64.30
J-52	1,060.00	Demand	0	Max day	0	1,386.19	141.13
J-53	1,061.00	Demand	0	Max day	0	1,385.92	140.58
J-54	1,070.00	Demand	0	Max day	0	1,384.97	138.27

Scenario: Base
Extended Period Analysis: 2.00 hr / 24.00
Pipe Report

Label	Elevation (ft)	Control Status	Intake Pump Grade (ft)	Discharge Pump Grade (ft)	Discharge (gpd)	Pump Head (ft)	Calculated Water Power (Hp)
PMP-1	1,060.00	On	1,208.61	1,386.25	1,207,051	177.64	37.59

Scenario: Base
Extended Period Analysis: 2.00 hr / 24.00
Pipe Report

Label	From Node	To Node	Length (ft)	Diameter (in)	Hazen-Williams C	Control Status	Discharge (gpd)	Pressure Head (ft)	Velocity (ft/s)
P-17	J-16	J-17	891.00	6.0	100.0	Open	-93,617	0.53	0.74
P-18	J-17	J-18	455.00	6.0	100.0	Open	-101,117	0.40	0.80
P-19	J-18	J-19	860.00	12.0	100.0	Open	1,098,434	2.15	2.16
P-20	J-19	J-20	794.00	12.0	100.0	Open	1,010,906	1.70	1.99
P-21	J-20	J-21	574.00	12.0	100.0	Open	999,556	1.20	1.97
P-22	J-21	J-22	1,671.00	12.0	100.0	Open	1,079,551	4.04	2.13
P-23	J-22	J-23	2,109.00	12.0	100.0	Open	801,646	2.94	1.58
P-24	J-23	J-24	651.00	12.0	100.0	Open	780,253	0.86	1.54
P-25	J-24	J-25	1,063.00	12.0	100.0	Open	21,503	0.00	0.04
P-26	J-25	J-26	426.00	12.0	100.0	Open	85,801	0.01	0.17
P-27	J-26	R-1	1,400.00	12.0	100.0	Open	85,801	0.03	0.17
P-28	J-16	J-27	678.00	6.0	100.0	Open	83,617	0.42	0.86
P-29	J-27	J-28	982.00	6.0	100.0	Open	74,867	0.50	0.59
P-30	J-28	J-29	482.00	6.0	100.0	Open	58,617	0.15	0.46
P-31	J-29	J-19	595.00	6.0	100.0	Open	49,867	0.14	0.39
P-32	J-19	J-30	601.00	6.0	100.0	Open	126,146	0.80	0.99
P-33	J-30	J-31	1,068.00	6.0	100.0	Open	111,146	1.12	0.88
P-34	J-31	J-32	705.00	6.0	100.0	Open	98,646	0.59	0.78
P-35	J-32	J-21	566.00	6.0	100.0	Open	88,646	0.39	0.70
P-36	J-22	J-33	1,672.00	6.0	100.0	Open	133,344	2.46	1.05
P-37	J-33	J-34	709.00	6.0	100.0	Open	63,474	0.26	0.50
P-38	J-34	J-35	552.00	6.0	100.0	Open	26,731	0.04	0.21
P-39	J-35	J-36	638.00	6.0	100.0	Open	17,981	0.02	0.14
P-40	J-36	J-37	546.00	6.0	100.0	Open	9,231	0.01	0.07
P-41	J-37	J-38	758.00	6.0	100.0	Open	461	0.00	0.00
P-42	J-38	J-39	690.00	6.0	100.0	Open	3,474	0.00	0.03
P-43	J-39	J-23	2,061.00	6.0	100.0	Open	25,844	0.15	0.20
P-44	J-22	J-40	606.00	6.0	100.0	Open	119,362	0.73	0.94
P-45	J-40	J-41	1,523.00	6.0	100.0	Open	106,862	1.49	0.84
P-46	J-41	J-42	1,249.00	6.0	100.0	Open	83,112	0.77	0.65
P-47	J-42	J-43	777.00	6.0	100.0	Open	85,548	0.50	0.67
P-48	J-43	J-25	631.00	6.0	100.0	Open	75,548	0.32	0.60
P-51	J-45	J-46	623.00	6.0	100.0	Open	-727,500	21.21	5.73
P-53	J-24	J-47	429.00	6.0	100.0	Open	8,750	0.00	0.07
P-54	J-46	J-48	563.00	6.0	100.0	Open	2,500	0.00	0.02
P-55	J-23	J-42	1,338.00	6.0	100.0	Open	16,186	0.04	0.13
P-52	J-46	J-24	1,107.00	6.0	100.0	Open	-738,750	38.78	6.82
P-56	J-33	J-49	859.00	6.0	100.0	Open	52,369	0.22	0.41
P-57	J-49	J-39	750.00	6.0	100.0	Open	38,619	0.11	0.30
P-58	J-34	J-50	700.00	6.0	100.0	Open	28,743	0.05	0.21
P-59	J-50	J-38	753.00	6.0	100.0	Open	14,243	0.02	0.11
P-49	R-2	J-44	654.00	20.0	100.0	Open	1,207,051	0.16	0.86
P-50	J-44	J-51	1,653.00	16.0	100.0	Open	1,207,051	1.21	1.34
P-60	J-51	PMP-1	21.00	12.0	100.0	Open	1,207,051	0.02	1.34
P-61	PMP-1	J-52	21.00	12.0	100.0	Open	1,207,051	0.08	2.38
P-62	J-52	J-53	92.00	12.0	100.0	Open	1,207,051	0.27	2.38
P-63	J-53	J-54	317.00	12.0	100.0	Open	1,207,051	0.94	2.38
P-64	J-54	J-18	688.00	12.0	100.0	Open	1,207,051	2.04	2.38

Scenario: Base
Extended Period Analysis: 2.00 hr / 24.00
Reservoir Report

Label	Elevation (ft)	Inflow (gpd)	Calculated Hydraulic Grade (ft)
R-1	1,370.00	85,801	1,370.00
R-2	1,210.00	-1,207,051	1,210.00

Scenario: Base
Extended Period Analysis: 0.00 hr / 24.00
Junction Report

Label	Elevation (ft)	Type	Base Flow (gpd)	Pattern	Demand (Calculated) (gpd)	Calculated Hydraulic Grade (ft)	Pressure (psi)
J-16	1,090.00	Demand	8,000	Peak	24,000	1,378.32	124.74
J-17	1,140.00	Demand	6,000	Peak	18,000	1,378.89	103.40
J-18	1,139.00	Demand	6,000	Peak	18,000	1,378.58	104.52
J-19	1,168.00	Demand	9,000	Peak	27,000	1,377.53	90.65
J-20	1,160.00	Demand	9,000	Peak	27,000	1,376.14	93.51
J-21	1,138.00	Demand	7,000	Peak	21,000	1,375.19	102.62
J-22	1,112.00	Demand	20,000	Peak	60,000	1,372.26	112.60
J-23	1,185.00	Demand	25,000	Peak	75,000	1,370.66	80.34
J-24	1,208.00	Demand	9,000	Peak	27,000	1,370.48	70.30
J-25	1,255.00	Demand	9,000	Peak	27,000	1,370.29	49.88
J-26	1,270.00	Demand	0	Peak	0	1,370.23	43.38
J-27	1,110.00	Demand	7,000	Peak	21,000	1,377.91	115.91
J-28	1,183.00	Demand	13,000	Peak	39,000	1,377.56	84.16
J-29	1,165.00	Demand	7,000	Peak	21,000	1,377.53	83.30
J-30	1,150.00	Demand	12,000	Peak	36,000	1,376.59	98.04
J-31	1,121.00	Demand	10,000	Peak	30,000	1,375.64	110.17
J-32	1,127.00	Demand	8,000	Peak	24,000	1,375.31	107.43
J-33	1,125.00	Demand	14,000	Peak	42,000	1,368.97	105.55
J-34	1,126.00	Demand	8,000	Peak	24,000	1,368.60	104.96
J-35	1,145.00	Demand	7,000	Peak	21,000	1,368.53	96.71
J-36	1,170.00	Demand	7,000	Peak	21,000	1,368.52	85.89
J-37	1,180.00	Demand	7,000	Peak	21,000	1,368.52	81.56
J-38	1,165.00	Demand	8,000	Peak	27,000	1,368.58	88.08
J-39	1,166.00	Demand	13,000	Peak	39,000	1,368.64	86.90
J-40	1,131.00	Demand	10,000	Peak	30,000	1,371.57	104.08
J-41	1,160.00	Demand	19,000	Peak	57,000	1,370.55	78.12
J-42	1,232.00	Demand	11,000	Peak	33,000	1,370.44	59.90
J-43	1,250.00	Demand	8,000	Peak	24,000	1,370.31	52.05
J-44	1,260.00	Demand	6,000	Peak	18,000	1,370.24	47.70
J-46	1,225.00	Demand	7,000	Peak	21,000	1,370.27	62.85
J-47	1,227.00	Demand	7,000	Peak	21,000	1,370.46	62.07
J-48	1,255.00	Demand	2,000	Peak	6,000	1,370.26	49.87
J-49	1,145.00	Demand	11,000	Peak	33,000	1,368.85	96.85
J-50	1,148.00	Demand	10,000	Peak	30,000	1,368.57	95.43
J-51	1,032.00	Demand	0	Peak	0	1,209.84	76.94
J-52	1,060.00	Demand	0	Peak	0	1,208.62	64.30
J-53	1,061.00	Demand	0	Peak	0	1,392.87	138.69
J-54	1,070.00	Demand	0	Peak	0	1,392.59	135.14
J-54	1,070.00	Demand	0	Peak	0	1,381.64	134.83

Scenario: Base
Extended Period Analysis: 0.00 hr / 24.00
Pipe Report

Label	From Node	To Node	Length (ft)	Diameter (in)	Hazen-Williams C	Control Status	Discharge (gpd)	Pressure Pipe Headloss (ft)	Velocity (ft/s)
P-17	J-16	J-17	691.00	6.0	100.0	Open	-106,561	0.67	0.84
P-18	J-17	J-18	455.00	6.0	100.0	Open	-124,561	0.59	0.98
P-19	J-18	J-19	660.00	12.0	100.0	Open	1,070,568	2.05	2.11
P-20	J-19	J-20	794.00	12.0	100.0	Open	907,433	1.39	1.79
P-21	J-20	J-21	574.00	12.0	100.0	Open	880,433	0.95	1.73
P-22	J-21	J-22	1,671.00	12.0	100.0	Open	907,151	2.93	1.79
P-23	J-22	J-23	2,109.00	12.0	100.0	Open	574,017	1.58	1.13
P-24	J-23	J-24	651.00	12.0	100.0	Open	353,921	0.20	0.70
P-25	J-24	J-25	1,063.00	12.0	100.0	Open	280,921	0.19	0.51
P-26	J-25	J-26	426.00	12.0	100.0	Open	250,151	0.07	0.49
P-27	J-26	R-1	1,400.00	12.0	100.0	Open	250,151	0.23	0.49
P-28	J-16	J-27	879.00	6.0	100.0	Open	82,561	0.41	0.65
P-29	J-27	J-28	992.00	6.0	100.0	Open	61,561	0.35	0.49
P-30	J-28	J-29	482.00	6.0	100.0	Open	22,561	0.03	0.18
P-31	J-29	J-19	595.00	6.0	100.0	Open	1,561	0.00	0.01
P-32	J-18	J-30	801.00	6.0	100.0	Open	137,717	0.94	1.09
P-33	J-30	J-31	1,068.00	6.0	100.0	Open	101,717	0.95	0.80
P-34	J-31	J-32	705.00	6.0	100.0	Open	71,717	0.33	0.57
P-35	J-32	J-21	568.00	6.0	100.0	Open	47,717	0.12	0.38
P-36	J-22	J-33	1,672.00	6.0	100.0	Open	196,219	3.30	1.23
P-37	J-33	J-34	708.00	6.0	100.0	Open	76,569	0.37	0.60
P-38	J-34	J-35	552.00	6.0	100.0	Open	34,547	0.07	0.27
P-39	J-35	J-36	639.00	6.0	100.0	Open	13,547	0.01	0.11
P-40	J-36	J-37	546.00	6.0	100.0	Open	-7,453	0.00	0.06
P-41	J-37	J-38	736.00	6.0	100.0	Open	-28,453	0.06	0.22
P-42	J-38	J-39	630.00	6.0	100.0	Open	-67,431	0.26	0.53
P-43	J-39	J-23	2,061.00	6.0	100.0	Open	-101,781	1.84	0.80
P-44	J-22	J-40	606.00	6.0	100.0	Open	116,914	0.70	0.92
P-45	J-40	J-41	1,523.00	6.0	100.0	Open	86,914	1.01	0.68
P-46	J-41	J-42	1,248.00	6.0	100.0	Open	29,914	0.12	0.24
P-47	J-42	J-43	777.00	6.0	100.0	Open	40,230	0.12	0.32
P-48	J-43	J-25	631.00	6.0	100.0	Open	16,230	0.02	0.13
P-49	J-45	J-46	623.00	6.0	100.0	Open	-18,000	0.02	0.14
P-50	J-24	J-47	429.00	6.0	100.0	Open	21,000	0.02	0.17
P-51	J-46	J-48	563.00	6.0	100.0	Open	6,000	0.00	0.05
P-52	J-23	J-42	1,336.00	6.0	100.0	Open	43,316	0.29	0.34
P-53	J-46	J-24	1,107.00	6.0	100.0	Open	-45,000	0.22	0.35
P-54	J-33	J-49	859.00	6.0	100.0	Open	37,651	0.12	0.30
P-55	J-46	J-39	750.00	6.0	100.0	Open	4,651	0.00	0.04
P-56	J-34	J-50	700.00	6.0	100.0	Open	18,021	0.03	0.14
P-57	J-50	J-38	753.00	6.0	100.0	Open	-11,979	0.01	0.09
P-58	R-2	J-44	654.00	20.0	100.0	Open	1,213,151	0.16	0.86
P-59	J-44	J-51	1,653.00	16.0	100.0	Open	1,213,151	1.22	1.34
P-60	J-51	PMP-1	21.00	12.0	100.0	Open	1,213,151	0.02	1.34
P-61	PMP-1	J-52	21.00	12.0	100.0	Open	1,213,151	0.06	2.39
P-62	J-52	J-53	92.00	12.0	100.0	Open	1,213,151	0.28	2.39
P-63	J-53	J-54	317.00	12.0	100.0	Open	1,213,151	0.95	2.39
P-64	J-54	J-18	688.00	12.0	100.0	Open	1,213,151	2.06	2.39

Scenario: Base
Extended Period Analysis: 0.00 hr / 24.00
Pump Report

Label	Elevation (ft)	Control Status	Intake Pump Grade (ft)	Discharge Pump Grade (ft)	Discharge (gpd)	Pump Head (ft)	Calculated Water Power (Hp)
PMP-1	1,060.00	On	1,208.60	1,382.93	1,213,151	174.33	37.08

Scenario: Base
Extended Period Analysis: 0.00 hr / 24.00
Reservoir Report

Label	Elevation (ft)	Inflow (gpd)	Calculated Hydraulic Grade (ft)
R-1	1,370.00	250,151	1,370.00
R-2	1,210.00	-1,213,151	1,210.00

WaterCAD Results:
Tank 3: Spillway El=1590'

Scenario: Base
Extended Period Analysis: 0.00 hr / 24.00
Junction Report

Label	Elevation (ft)	Type	Base Flow (gpd)	Pattern	Demand (Calculated) (gpd)	Calculated Hydraulic Grade (ft)	Pressure (psi)
J-45	1,260.00	Demand	8,000	Fixed	8,000	1,589.87	142.72
J-44	1,265.00	Demand	8,000	Fixed	8,000	1,589.88	131.91
J-51	1,305.00	Demand	5,000	Fixed	5,000	1,589.90	123.26
J-52	1,290.00	Demand	6,000	Fixed	6,000	1,589.92	129.76
J-20	1,255.00	Demand	0	Fixed	0	1,589.94	144.91
J-21	1,270.00	Demand	0	Fixed	0	1,589.98	138.44

Scenario: Base
Extended Period Analysis: 0.00 hr / 24.00
Pipe Report

Label	From Node	To Node	Length (ft)	Diameter (in)	Hazen-Williams C	Control Status	Discharge (gpd)	Pressure Pipe Headloss (ft)	Velocity (ft/s)
P-49	J-45	J-44	646.00	6.0	100.0	Open	-8,000	0.01	0.06
P-50	J-44	J-51	553.00	8.0	100.0	Open	-16,000	0.02	0.13
P-60	J-51	J-52	403.00	6.0	100.0	Open	-21,000	0.02	0.17
P-20	J-52	J-20	312.00	6.0	100.0	Open	-27,000	0.02	0.21
P-21	J-20	J-21	518.00	6.0	100.0	Open	-27,000	0.04	0.21
P-22	J-21	R-3	8,200.00	12.0	100.0	Open	-27,000	0.02	0.05

Scenario: Base
Extended Period Analysis: 0.00 hr / 24.00
Reservoir Report

Label	Elevation (ft)	Inflow (gpd)	Calculated Hydraulic Grade (ft)
R-3	1,590.00	-27,000	1,590.00

Scenario: Base
Extended Period Analysis: 18.00 hr / 24.00
Junction Report

Label	Elevation (ft)	Type	Base Flow (gpd)	Pattern	Demand (Calculated) (gpd)	Calculated Hydraulic Grade (ft)	Pressure (psi)
J-45	1,280.00	Demand	8,000	Max day	10,000	1,535.22	119.08
J-44	1,285.00	Demand	8,000	Max day	10,000	1,535.23	108.26
J-51	1,305.00	Demand	725,000	Composite	726,250	1,535.25	99.82
J-52	1,290.00	Demand	6,000	Max day	7,500	1,549.64	112.33
J-20	1,255.00	Demand	0	Max day	0	1,560.98	132.38
J-21	1,270.00	Demand	0	Max day	0	1,579.81	134.04

Scenario: Base
Extended Period Analysis: 18.00 hr / 24.00
Reservoir Report

Label	Elevation (ft)	Inflow (gpd)	Calculated Hydraulic Grade (ft)
R-3	1,590.00	-753,750	1,590.00

Scenario: Base
Extended Period Analysis: 18.00 hr / 24.00
Pipe Report

Label	From Node	To Node	Length (ft)	Diameter (in)	Hazen-Williams C	Control Status	Discharge (gpd)	Pressure Pipe Headloss (ft)	Velocity (ft/s)
P-48	J-45	J-44	646.00	6.0	100.0	Open	-10,000	0.01	0.08
P-50	J-44	J-51	553.00	6.0	100.0	Open	-20,000	0.02	0.16
P-60	J-51	J-52	403.00	6.0	100.0	Open	-746,250	14.38	5.86
P-20	J-52	J-20	312.00	6.0	100.0	Open	-753,750	11.34	5.94
P-21	J-20	J-21	518.00	6.0	100.0	Open	-753,750	18.83	5.94
P-22	J-21	R-3	8,200.00	12.0	100.0	Open	-753,750	10.19	1.48

Scenario: Base
Extended Period Analysis: 0.00 hr / 24.00
Junction Report

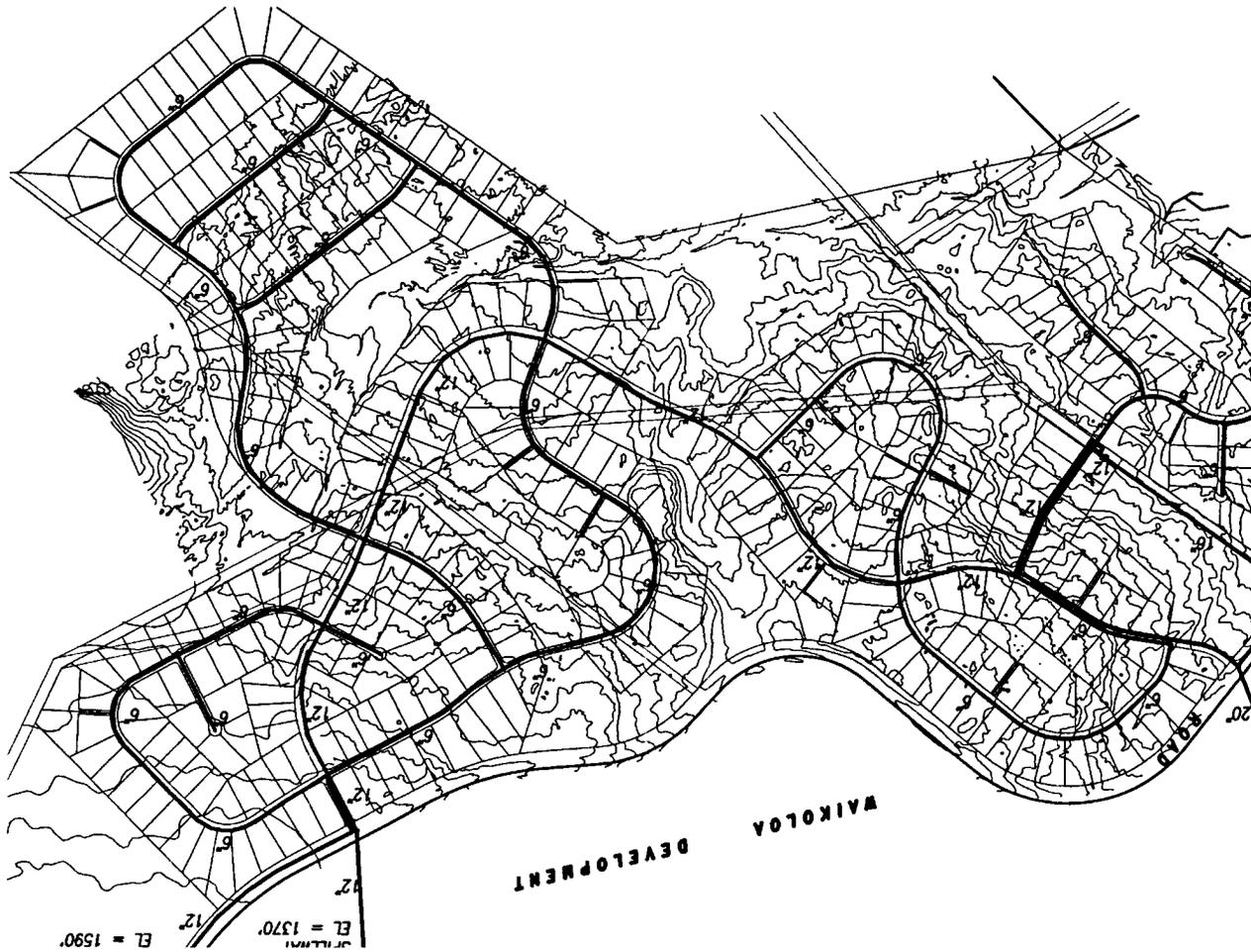
Label	Elevation (ft)	Type	Base Flow (gpd)	Pattern	Demand (Calculated) (gpd)	Calculated Hydraulic Grade (ft)	Pressure (psi)
J-45	1,260.00	Demand	8,000	Peak	24,000	1,589.04	142.36
J-44	1,285.00	Demand	8,000	Peak	24,000	1,589.08	131.56
J-51	1,305.00	Demand	5,000	Peak	15,000	1,589.20	122.96
J-52	1,290.00	Demand	6,000	Peak	18,000	1,589.35	129.52
J-20	1,255.00	Demand	0	Peak	0	1,589.53	144.74
J-21	1,270.00	Demand	0	Peak	0	1,589.84	138.36

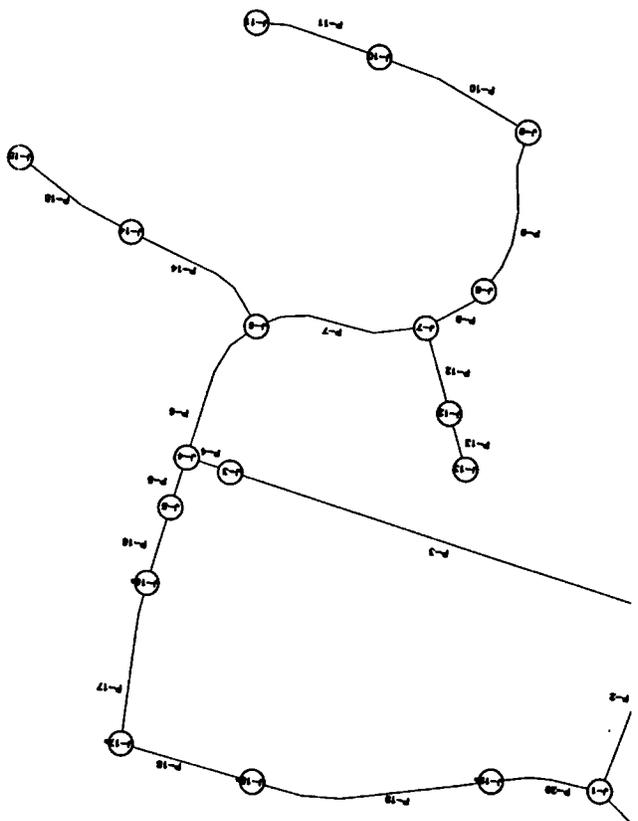
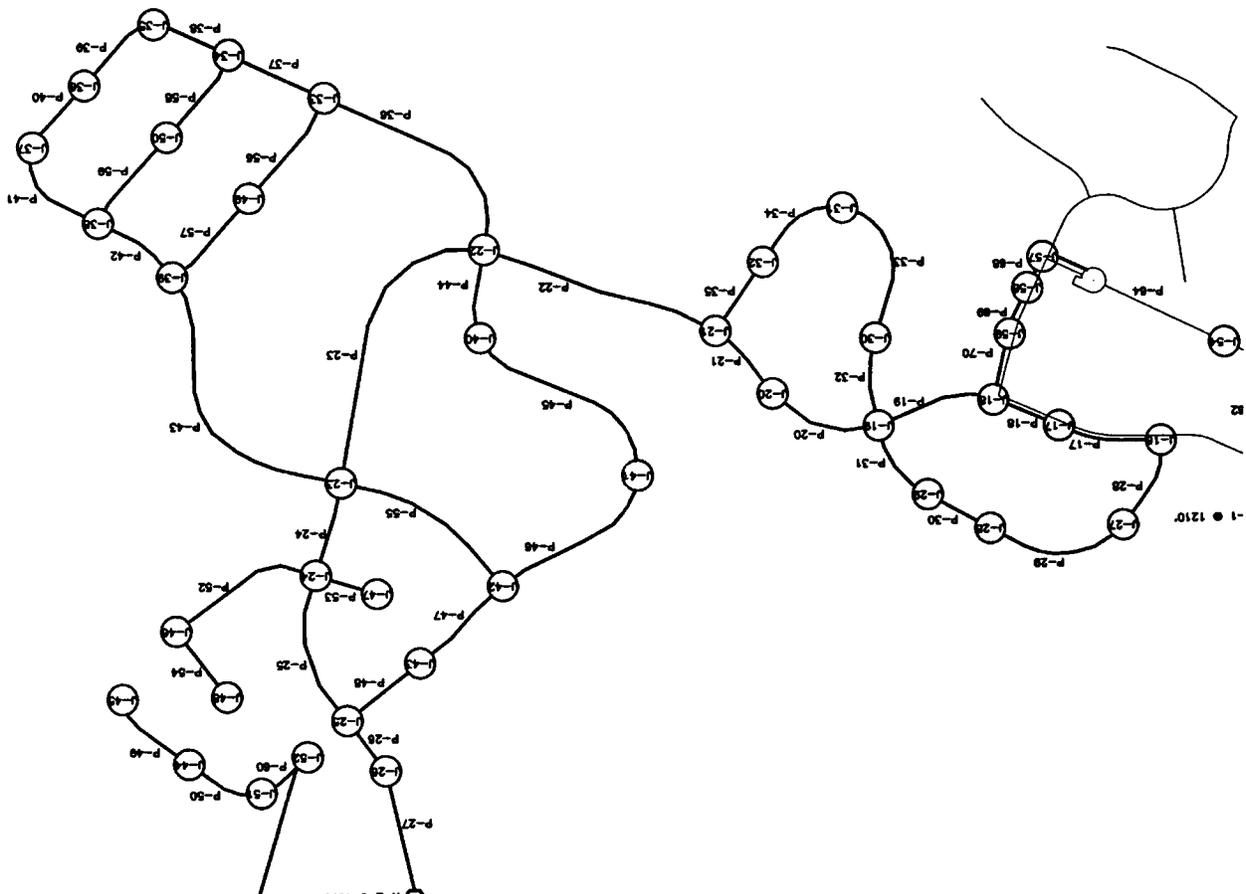
Scenario: Base
Extended Period Analysis: 0.00 hr / 24.00
Pipe Report

Label	From Node	To Node	Length (ft)	Diameter (in)	Hazen-Williams C	Control Status	Discharge (gpd)	Pressure Pipe Headloss (ft)	Velocity (ft/s)
P-49	J-45	J-44	646.00	6.0	100.0	Open	-24,000	0.04	0.19
P-50	J-44	J-51	553.00	6.0	100.0	Open	-48,000	0.12	0.38
P-80	J-51	J-52	403.00	6.0	100.0	Open	-63,000	0.15	0.50
P-20	J-52	J-20	312.00	6.0	100.0	Open	-81,000	0.18	0.64
P-21	J-20	J-21	516.00	6.0	100.0	Open	-81,000	0.30	0.64
P-22	J-21	R-3	8,200.00	12.0	100.0	Open	-81,000	0.16	0.16

Scenario: Base
 Extended Period Analysis: 0.00 hr / 24.00
 Reservoir Report

Label	Elevation (ft)	Inflow (gpd)	Calculated Hydraulic Grade (ft)
R-3	1,590.00	-81,000	1,590.00





1 - 1210

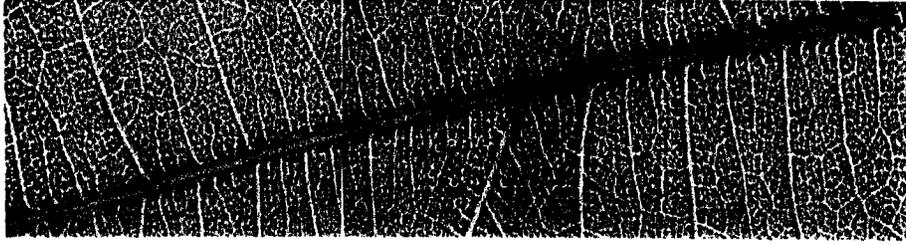
APPENDIX K

**Highlands Golf Estate Landscape Irrigation Water Study
Hawai'i Design Associates, Inc., August 2005**

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**HIGHLANDS GOLF ESTATES LANDSCAPE
IRRIGATION WATER STUDY**

FOR
VITTOIL INC.



BY
HAWAII DESIGN ASSOCIATES, INC.

AUGUST 2005

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- An approximate square footage of turfgrass that can be kept green with 600 gallons of water per day per acre based on the rainfall and ET data for the Waikoloa region
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1.1 INTRODUCTION

The purpose of this report is to closely examine the reality of the irrigation requirements for 'Highlands Golf Estates', a proposed development inclusive of 400 +/- acres of land in Waikoloa Village TMK# 6-8-2; 16 and 6-8-3; 32. Data will be presented on this area's monthly rainfall and evapo-transpiration rates. These numbers will then be used to show that it is possible to initiate this development with an allocation of 600 gallons of potable water for landscape irrigation per day, showing calculations on the size of area that can be irrigated with this amount. The report goes on to make further comparisons using different types of plant materials and water conservation methods to show the increase in landscape area that could be sustained on 600 gallons of potable water per day, discussing the methods and materials required to achieve this difference.

1.2 LANDSCAPING WATER REQUIREMENTS

Weather data for Waikoloa monthly rainfall and evapo-transpiration (ET) rates are listed as follows;

Month	Rainfall *	Depart* Rate	ET Rate
January	1.07 in.	-0.81 in.	6.0
February	1.17 in.	-0.19 in.	6.0
March	0.79 in.	-0.27 in.	6.2
April	0.96 in.	-0.17 in.	6.0
May	0.04 in.	-0.64 in.	7.9
June	0.64 in.	0.17 in.	7.9
July	0.01 in.	-0.33 in.	8.37
August	0.09 in.	-0.24 in.	8.0
September	A 0.42 in.	n/a	6.5
October	0.14 in.	-0.71 in.	6.2
November	0.09 in.	-0.94 in.	6
December	3.05 in.	1.06 in.	5.5
Year Total	8.47 in.	-3.63 in.	

Table 1

*Data taken from NOAA Climatological Data Annual Summary 2003, Vol. 99, No. 13
ET rates are historic estimates provided from the Waikoloa Resort Golf Course.

The average yearly rainfall taking in to consideration the monthly deviation shows to be 12.1 inches.

1.3 CONSERVATION THROUGH XERISCAPING AND ALTERNATIVE PLANT SELECTION

Xeriscape landscaping is the practice of replacing water-intensive turfgrass and other exotic and nonnative plants with low-water use grasses, groundcovers and plants that are native to the local ecosystem, and looking at ways of using inorganic mulches to reduce the amount of landscaped areas needed to be irrigated. The list shown in appendix A is representative of some of the drought tolerant native plants that are adapted to the Waikoloa region and that are commercially available in the landscape industry in Hawaii.

It must be understood that the look of a xeriscape landscape does not appeal to everyone; grass is often substituted with rock mulch or native groundcovers, and some plants go dormant in times of drought, looking yellow or brown. But with this said there are many green, colorful plants that also fit the xeriscape garden, and if combined correctly with a high-efficiency irrigation system, water savings of 50% or a substantial increase in landscaped area can be achieved over a typical turfgrasses. Refer to Figure 1 and 2 for a visual comparison of the conventional turfgrass landscape and xeriscape landscape, using 600 gallons of potable water per day. See the design case table (xeriscape and rainwater harvesting) and base line case table (typical turfgrass lawn) examples in table 2 for comparison of area increase using the same 600 gallons of potable water per day (18,000 gallons for the month of July).



Figure 1



Figure 2

Evapotranspiration Table

ET ₀	8.37
July	8.37

Design Case Table Xeriscape and Rainwater Harvesting Example

Landscaping Type	Area	Species Factor	Density Factor	Microclimate Factor	K _L	ET _L	IE	TPWA
Trees	1,000	Low	0.2 Avg	1.0 Avg	1.0	0.2	1.67	0.800
Shrubs	450	Low	0.2 Avg	1.0 Avg	1.0	0.2	1.67	0.800
Groundcovers	5,000	Low	0.2 Avg	1.0 Avg	1.0	0.2	1.67	0.900
Mixed	1,000	Low	0.2 Avg	1.1 Avg	1.0	0.2	1.67	0.625
Turfgrass	1,000	Avg	0.7 Avg	1.0 Avg	1.0	0.7	5.86	0.625
					0.0	0.00	Sprink	0.625
					0.0	0.00	Sprink	0.625
					0.0	0.00	Sprink	0.625
Total	7,450							21,709
								Subtotal [gal]
								July Greywater Harvest [gal]
								3,750
								Net OPWA [gal]
								17,959

Baseline Case Table Typical Turfgrass Lawn Example

Landscaping Type	Area	Species Factor	Density Factor	Microclimate Factor	K _L	ET _L	IE	TPWA
Trees	0	Avg	0.5 Avg	1.0 Avg	1.0	0.5	4.19	0.625
Shrubs	0	Avg	0.5 Avg	1.0 Avg	1.0	0.5	4.19	0.625
Groundcovers	0	Avg	0.5 Avg	1.0 Avg	1.0	0.5	4.19	0.625
Mixed	0	Avg	0.5 Avg	1.1 Avg	1.0	0.5	4.60	0.625
Turfgrass	1,920	Avg	0.7 Avg	1.0 Avg	1.0	0.7	5.86	0.625
					0.0	0.00	Sprink	0.625
					0.0	0.00	Sprink	0.625
					0.0	0.00	Sprink	0.625
Total	1,920							17,999
								Net OPWA [gal]
								17,999

Table 2 *Data produced from Rainbird LEED v. 2.1 Irrigation Calculator

1.4 RAINWATER HARVESTING AND STORM WATER MANAGEMENT

Capturing rainwater for household and landscape use is not a new concept in Hawaii. In some of the more remote areas of the Big Island not serviced by municipal water, cisterns capturing roof runoff have been supplying much of the water needed for generations of Hawaiian families. 1" of rainwater per square foot of roof area will yield approximately 0.6 gallons (a 0.60 coefficient of efficiency is applied to calculate this number). Average rainfall data for this area is approximately 12" per year (see table 1). The collection area can be roughly estimated at a conservative 2000 square feet of roof area for the average home in this development and assume that all available roof runoff will be directed to rain harvesting. The calculation for potential rainwater harvest quantity for a housing development of 400 units is as follows:

$$(12" \times 0.60) 2000sq. ft = 14,520 \text{ gallons of potential harvested rainwater per year per 2000 square feet of roof area. } \times 400 \text{ UNITS} = 5,808,000 \text{ gallons per year}$$

Rain water harvesting in such a dry landscape may need to take on a larger scale in the form of routing and storing stormwater. This can be accomplished through use of swales and drains from parking, roadways, and land areas, then storing in large on-site holding areas that take the form of ponds, retention basins, or some man-made underground storage in tanks or cells. To quantify this in terms of the study area, if a very conservative figure of 1/10" of this 400 acre development (40 acres) was to be used for rainwater harvesting, by way of swale diversion, routing of stormwater drains from roadways and parking, the potential for rainwater harvest is as follows:

$$(12" \times 0.60) 1,742, 400sq. ft = 12,545,280 \text{ gallons of potential harvested rainwater per year per 40 acres.}$$

If we then take these two numbers (the 40 acres and the roof collection of 400 homes) and apply them to an average gallonage of water per day per unit available, we see that approximately 125 gallons per day of non-potable water usage can be supplied from rainwater harvesting alone.

$$(12,545,280 \div 5, 808,000) / 400 = 45883 \text{ gallons per house per year.}$$

$$45883 / 365 = 125.7 \text{ gallons per house per day.}$$

1.5 CONSERVATION THROUGH WATER-EFFICIENT IRRIGATION

The following are the key components for water-efficient landscape irrigation technologies and best management practices for applying and tracking water use in the landscape.

- *Proper Irrigation Design*

The first step in achieving water savings through efficient irrigation is a properly designed irrigation plan. Different plants require different amounts of water so it is

important that users know exactly what plants they will be irrigating before designing their system.

- **Divide by Zones**

For residential sites, landscape areas should be divided into separate irrigation zones to accommodate for watering needs of different plants. For example, many landscapes include turfgrass, shrubs and trees. Each of these plant types has different irrigation needs and should be treated as a separate hydrozone. In addition, the variation of exposure to the sun in a landscape (full sun versus shade) will also affect irrigation needs. Generally, turfgrass areas require more water to stay healthy than the shrubs and trees. If everything is on the same irrigation zone, the watering schedule will be dictated by the needs of the grass, however shrubs and trees will be over-watered.

- **Use Automatic Irrigation Controllers with Water-Conserving Features**

Some of the water-conserving features available in automatic irrigation controllers and central control systems are:
Variable Run Times and Minute Independent Programs – allow for shorter and more precise run times based on the individual needs of the plants. This enables the landscape to better absorb water, reducing run-off and water waste. Run-off is a common water waste problem that occurs when water is applied faster than plants and soils can absorb it and the excess runs off unused.
Water Budget – provides an easy way for users to adjust their system based on the needs of the environment. For example, during the rainy season, a user can adjust his/her controller's "water budget" down to 15% of its peak setting to reduce water usage by 85%.

Rain Delay – allows a user to postpone watering when irrigation is not needed (typically during the wet season) and automatically resume schedules when appropriate. Cycle + Soak – applies water at a rate that the soil can more easily absorb, reducing run off, erosion and waste.

ET Programming – enables the controller to calculate daily evapotranspiration (ET) values and automatically adjust station run times to replace only the water needed by the plants. This technology is predominantly used in larger residential developments and golf courses mainly due to cost and system complexities.

More and more developments are moving towards a central control system for the management of their automatic controllers. A central control system essentially links all the controllers on the site together and sends the data the controller(s) and weather station is collecting back to a desktop computer. This computer now has all the data showing where any inefficiencies are in the system (leaks, excess water use etc.) and is extremely useful in troubleshooting and keeping accurate track of real water usage in the field, giving the water manager the control of shutting down any valve on the system remotely via the desktop computer/laptop. Part of the challenge in allocating only 600 gallons of potable water per house per day for irrigation use is the logistics of enforcing and tracking this target number, the use of a central control system makes this possible.

- **Add a sub-meter to each lot to track irrigation use**

As previously discussed, one of the bigger challenges will be keeping track of the irrigation usage of each of the individual lots. A sub-meter after the potable water meter to the house specifically dedicated to track irrigation use serves two purposes; to track overall irrigation use and to allow the homeowner to deduct that number from the total household gallons used in order to save money on sewer fees, as that number can be deducted from their total household usage because it was used for irrigation and not put back into the sewer system. This self-reporting method equates to long term savings for the homeowner and a tangible method in accountability for potable irrigation use.

- **Add an Automatic Shut-Off Device to All Automatic Irrigation Controllers**

Adding an automatic shut-off device such as a rain or moisture sensor to an automatic controller can result in 15-20% or more in water savings. Sensors are available for both residential and commercial applications and automatically shut-off the system when it is raining or when sufficient soil moisture is detected.

- **Use Low Volume Irrigation Whenever Possible**

Low volume irrigation systems (bubblers, micro and drip) are generally the most efficient method of irrigating non-turf areas because they deliver precise amounts of water slowly and evenly at the plant's roots, eliminating water waste, run-off and overspray on to roads, sidewalks, streets, waterways or drains. The slow, consistent application of water at or near the plants' roots reduces weeds and plant disease and helps plants thrive. In landscaping, low volume irrigation is often best for trees, shrubs, groundcover and other non-turf areas.

- **Use Pressure Regulating Devices in High-Pressure Situations and Pumps in Low-Pressure Environments to Provide Optimum Pressure to the Watering Device**

In landscaping, water is often wasted through evaporation when systems appear to be "misty or fogging." This is generally a result of excessively high water pressure and can be reduced by pressure regulating nozzles, spray heads, valves and regulators. By utilizing the right products to address high water pressure in landscaping applications, every 5-psi (pounds per square inch) reduction in pressure reduces water usage by 6-8%. The savings in an area can be over 50% if a 70-psi spray zone is reduced to the recommended 30 psi. For low-pressure situations that can result in uneven coverage, use a high efficiency irrigation pump to boost the pressure to peak efficiency combined with pressure regulating system (PRS) spray heads to ensure efficient and complete coverage.

- **Use High Efficiency Nozzles for Uniform Coverage**

Uniform water coverage is important. When coverage is not uniform, irrigation schedules are often run for longer periods of time to compensate for areas of weak coverage. This ultimately results in the over-watering of all other areas. In landscaping, high efficiency nozzles can reduce water usage by up to 30%.

- **Proper Maintenance**

The last and ongoing step in conserving water through efficient irrigation is proper maintenance. Whether it means maintenance visits by irrigation professionals, or teaching end-users how to adjust their controllers when the seasons change, periodic monitoring is just as important as the design, products and installation. Over watering, uneven pressure, improper run times, broken pipelines and clogged sprinklers, sprayers or drippers can all defeat the best efforts to achieve water savings. Proper maintenance of a system would include the following practices:

- a) Set systems to operate in the early morning hours
- b) Early morning is the best time of day to irrigate. Water lost to evaporation tends to be less in the early hours versus midday.

- **Do Routine Inspections of the Irrigation System**

Since lawns and gardens should be watered in the early morning hours, a problem may not be discovered until it is too late. A broken pipeline or spray head can waste significant amounts of water if left undetected

- **Adjust Watering Schedules When the Seasons Change**

In landscaping, over-watering often occurs because end-users rarely adjust their watering schedules according to seasonal changes. Many of the controller features mentioned earlier and the installation of a rain sensor or moisture sensor make it very simple to reduce water use.

- **Adjust Watering Schedules When Plants are Changed**

Similar to adjusting a system for weather changes, irrigation schedules also need to be adjusted when new plants are installed. If drought-tolerant, native plants are installed, it is likely that watering times would also be reduced.

1.6 COVENANTS, CONDITIONS, AND RESTRICTIONS

When setting up the legal framework for the development it is important to consider some of the following irrigation and planting related issues:

- Common vs. private area landscape and irrigation zoning and metering
- Water usage tracking and accountability (600 g.p.d monitoring and enforcement)
- Plant species restrictions/ water conservation requirements
- Homeowner associations and landscape and irrigation maintenance
- The inclusion of non-potable water system for landscape irrigation

1.7 SUMMARY

This report has shown that with an allocation of 600 gallons of potable water use per day for landscape irrigation, the 'Highlands Golf Estates' development inclusive of 400 +1 acres of land in Walkolofa Village TMMK# 6-8-2; 16 and 6-8-3; 32 is possible. The varying size of landscape area able to be sustained on 600 gallons is a product of the choice of plant material, ground cover treatments, and irrigation efficiency/ water recycling that will be implemented in the development.

APPENDICIES

Use and Characteristics	Botanical Name	Hawaiian Name
Accent shrub or small tree/leaves/branches	Dodonaea viscosa	Aalii
Groundcover wet areas and along streams	Bacopa monnif	Aeae
Accent shrub coastal/terrace	Chenopodium oahuense	Aehaeha
Accent shrub coastal/terrace	Artemisia mauiensis	Aimahaeha
Accent shrub coastal/terrace	Artemisia australis	Aimahaeha
Accent shrub coastal/terrace	Wikstroemia uwaiensis	Aihae
Accent shrub groundcover/leaves	Pydrax odoratum	Alahaeha
Shrub or tree coastal/terrace white flowers/branches	Canavalia speciosa	Black Coral Ilime
Upland shrub beautiful flowers/leaves for sun or semi-shade	Sida fallax var. "Black Coral"	Black Coral Ilime
Climbing vine beautiful flowers/leaves for sun or semi-shade	Asplenium nidus	Ehala
Accent fern/leaves	Fandanus tomentosus	Hapu
Accent tree fern	Clopidium splendens	Hinahina
Accent shrub silver-grey leaves	Achyranthes splendens	Hinahina
Accent shrub waxy silver-grey leaves	Achyranthes splendens var. splendens	Hinahina
Groundcover coastal/terrace white flowers/leaves	Heliotropium amomallum var. argenteum	Hoaeha
Accent shrub small tree/terrace flowers/interesting foliage and fruits	Pithecolobium complanatum	Hoaeha
Accent shrub small tree/terrace flowers/interesting foliage	Pithecolobium hoerneri	Hoaeha
Accent shrub small tree/terrace flowers/interesting foliage	Portulaca molokainensis	Ihi
Accent plant coastal/terrace yellow flowers/branches	Portulaca lutea	Ihi
Accent plant coastal/terrace white flowers/semi to deep shade	Pumbeago zeylanica	Ilime
Groundcover coastal/terrace white flowers/semi to deep shade	Sida fallax	Ilime papa
Groundcover coastal/terrace yellow flowers/leaves	Bidens complanata	Poeha nui
Accent shrub medicinal/leaves yellow flowers/leaves making	Abutilon menziesii	Ko'ohia
Large tree/leaves low flowers	Acacia koa	Koeha
Small spreading canopy tree/leaves yellow flowers	Acacia koa	Koeha
Accent shrub vibrant yellow flowers/semi-shade	Hib. kokio subsp. salinohianus var. "Yellow"	Kokio
Accent shrub yellow-orange flowers/semi-shade	Hib. kokio subsp. salinohianus var. "Kealaie"	Kokio
Screening tree/leaves shrub/terrace white flowers	Hibiscus amotianus subsp. amotianus	Kokio keokeo
Screening tree/leaves shrub/terrace white flowers	Hibiscus amotianus var. "Sadie Beymour"	Kokio keokeo
Screening tree/leaves shrub/terrace white flowers	Hibiscus waiianus	Kokio keokeo
Screening tree/leaves shrub/terrace white flowers	Hibiscus koido	Kokio uia
Screening tree/leaves shrub/terrace white flowers	Senec gaudichaudii	Koimona
Screening tree/leaves shrub/terrace white flowers	Cordia subcordata	Kou
Small accent tree/leaves orange flowers/branches	Nototrichum humile	Kululi
Screening tree/leaves shrub/terrace	Nototrichum sandwicense	Kululi
Screening tree/leaves shrub/terrace	Nototrichum sandwicense var. "Kealaie"	Kululi
Screening tree/leaves shrub/terrace	Nototrichum vitide	Kululi
Screening tree/leaves shrub/terrace	Nepenthes cordifolia	Kupukupu
Medium upright tree/leaves bark/leaves making	Sapindus saponaria	Lomamae

Drip

Irrigation contractors are discovering that drip irrigation is more than just a way to save water.

... zones a water conservation...
... be considered the final year...
... for watering plants. After a...
... drip irrigation is a general...
... Mike Solt, parish manager...
... K&B Hardware and turf divi...
... Calif. Water savings in dri...
... high-traffic regions where...
... water a valued commodity...
... contractors, the greatest...
... reason for them to con...
... zones, are lower utility bills...
... can get a step ahead of...
... the Rainfed Crop's Landscap...
... ip Division, Gilroy, Calif. "It's a...
... for contractors to differentiate...
... and sell citrus. I can see...
... after you water and still give...
... plants," Rolly says.
... Apparently, more contractors

- Single trunk fan palm
- Accent shrub right blooming/fragrant white flowers/xenscape
- Accent climber yellow/fragrant white flowers/xenscape
- Large accent tree/leaf making
- Accent shrub groundcover/cascading yellow flowers
- Accent shrub yellow (blue) flower
- Accent sedge coastal/xeriscape like mondo grass
- Accent shrub coastal/xeriscape
- Dense ground cover to 24" height/cascading shrub
- Groundcover coastal/yellow flowers/aggressive growth
- Screening hedge/groundcover/fragrant white flowers/sun/xeriscape
- Groundcover mass planting/coastal/white half flowers
- Accent shrub yellow half flowers/xeriscape
- Groundcover coastal/yellow flowers/fragrant white flowers
- Small accent tree/yellow flowers/fragrant white flowers
- Groundcover coastal/yellow flowers/fragrant white flowers
- Shrub/coastal/lemon flower/very fragrant leaves/leaf making
- Trailing groundcover/cascading red flowers/fragrant leaves/leaf making
- Shrub/coastal/red flowers/fragrant leaves/leaf making
- Trailing groundcover/cascading yellow flowers/fragrant leaves/leaf making
- Medium accent tree
- Accent vertical tree/width red, yellow or orange flowers
- Accent shrub yellow fragrant flowers/coastal/unusual growth habit
- Groundcover coastal/white-blue flowers
- Groundcover coastal/purple flowers/xeriscape/leaf making
- Groundcover purple to lavender/flowers/coastal
- Accent shrub groundcover/cascading white flowers
- Accent shrub groundcover/cascading white flowers
- Accent canopy tree/vervous flower color/leaf making

Other Recommendations: Aki aki, Ahuewa, Sporobolus virginicus, Mariscus javanicus, Sesuvium portulacastrum, Cyperus laevigatus

x indicates endangered species

The above species are recommended based on ornamental applications, field performance and availability. Highly recommended species are shown in bold type.

STIRLAND flora affected by salt spray/seawater. COASTAL flora not influenced by direct salt spray.

irrigation

continued from page 100

gation is 25 percent less expensive than overhead systems, according to Bill Handshon, president of drip systems manufacturer Aureson Corp., Longwood, Fla. Handshon estimates drip irrigation is 10 to 15 percent less costly than overhead sprinklers.

But installation costs can vary depending on the area being irrigated. "With drip, it's difficult to say because planting beds are different, and you have different types of plant spacing," Reilly says. On average, Green says he spends 25 percent more for drip components than he does for overhead systems. The higher cost means Green must charge more for drip irrigation than other systems, but he says the client can easily absorb the added expense from water savings. "If they're worried \$3,000 a month on water with an overhead system, they could be spending \$200 a month on drip," he says.

Green works mainly with develop-

ers who prefer that he bank down the price per square foot. He first figures what his materials cost and then adds a 30-percent markup. His fees are about \$1 per square foot for a typical drip project compared with 60 to 70 cents per square foot for overhead systems. For smaller projects, less than 15,000 square feet, his average price is \$4.50 per square foot, which is comparable to an overhead system. The narrower the area, the more cost effective a drip system will be in comparison to an overhead system because traditional spray systems require more heads spaced closer together, which is more labor intensive to install, Seall says.

In the end, profitability on drip irrigation installations is about the same as other systems, Green says. In his area, saying, "All the work we do is hard to be profitable, and drip is certainly efficient to install, but it doesn't stand out as being any more profitable

than any other type of system." Many manufacturers and contractors point out that drip irrigation represents more than just profits — it's sometimes the most sensible solution. "We're choosing a system not just because it's cost-effective but because it's the most appropriate," Jenkins says. "In the Phoenix area we don't use overhead irrigation unless there are some extraordinary circumstances. In other markets, overhead irrigation is popular because they're used to installing it that way. But with everyone being concerned about water usage, the benefit of drip irrigation is that you're using water efficiently."

Check out our July/October feature for more tips on proper operating procedures for drip irrigation systems, as well as information on drip and screen filters.



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USE READER SERVICE # 84



Check out our July/October feature for more tips on proper operating procedures for drip irrigation systems, as well as information on drip and screen filters.

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APPENDIX L

**Water Supply for the Highlands Estates at Waikoloa, Hawai'i
Waimea Water Services, November 2006**

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P.O. Box 326, Kamuela, HI 96743
Phone (808) 885-5941 Fax (808) 885-7851
e-mail waiono@wvs-ius.com

Water Supply for the Waikoloa Highlands, Waikoloa, Hawaii November 2006 –rev. April 2007

Introduction

About 398- one acre residential lots are planned for the former Highlands project at Waikoloa, Hawaii. The new planned residential community has been renamed as Waikoloa Highlands. The original plans called for a golf course to be integrated within the community and this has now been replaced with open space.

The residential community of Waikoloa Village averages slightly more than 600 gallons per day (gpd) potable water consumption per household according to statistics filed on behalf of the West Hawaii Utility Company (WHUC) with the Public Utilities Commission (PUC). The Waikoloa Highlands project will involve larger 1-acre lots for a planned use of approximately 1,000 gpd per one acre residential lot or an estimated daily demand of about 400,000 gallons daily. The WHUC has planned on providing service to Waikoloa Highlands of 1,000 gpd.

The project lies within the services area of the West Hawaii Utility Company, a PUC regulated water and wastewater service company.

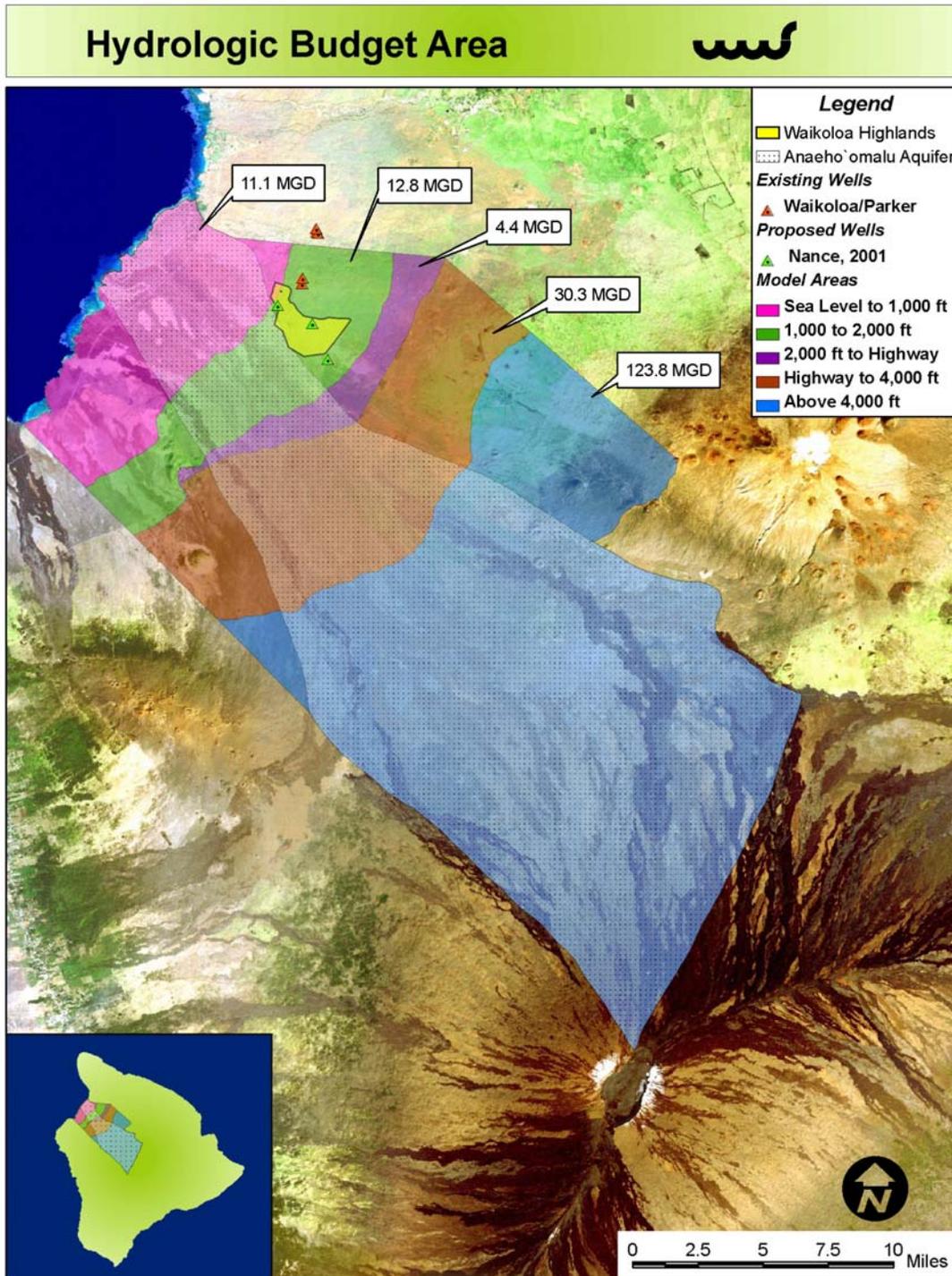
Services for water supply can be made available under the appropriate service agreement along with the submission of contributions in aid of construction (CIAC) as stipulated by the PUC. A second option would be for WM LLC to develop its own water sources and provide separate water and wastewater services.

Water Resources

The subject parcel is located between the elevation of 1000' and 1800' and is underlain by a basal lens of groundwater, where fresher water floats upon the underlying salt water. Above an elevation of about 1000 feet, the lens contains fresh water. Studies by Nance 2001 indicate that there may be high level groundwater beneath the upper portion of the Highlands Estates.

WM LLC contracted Waimea Water Services to prepare an evaluation of the water resources with a particular emphasis on the area potentially tributary to its (WM LLC) land holdings. The hydrologic budget model included portions of the Waimea and Kiholo Aquifer systems as designated by the Commission on Water Resource Management

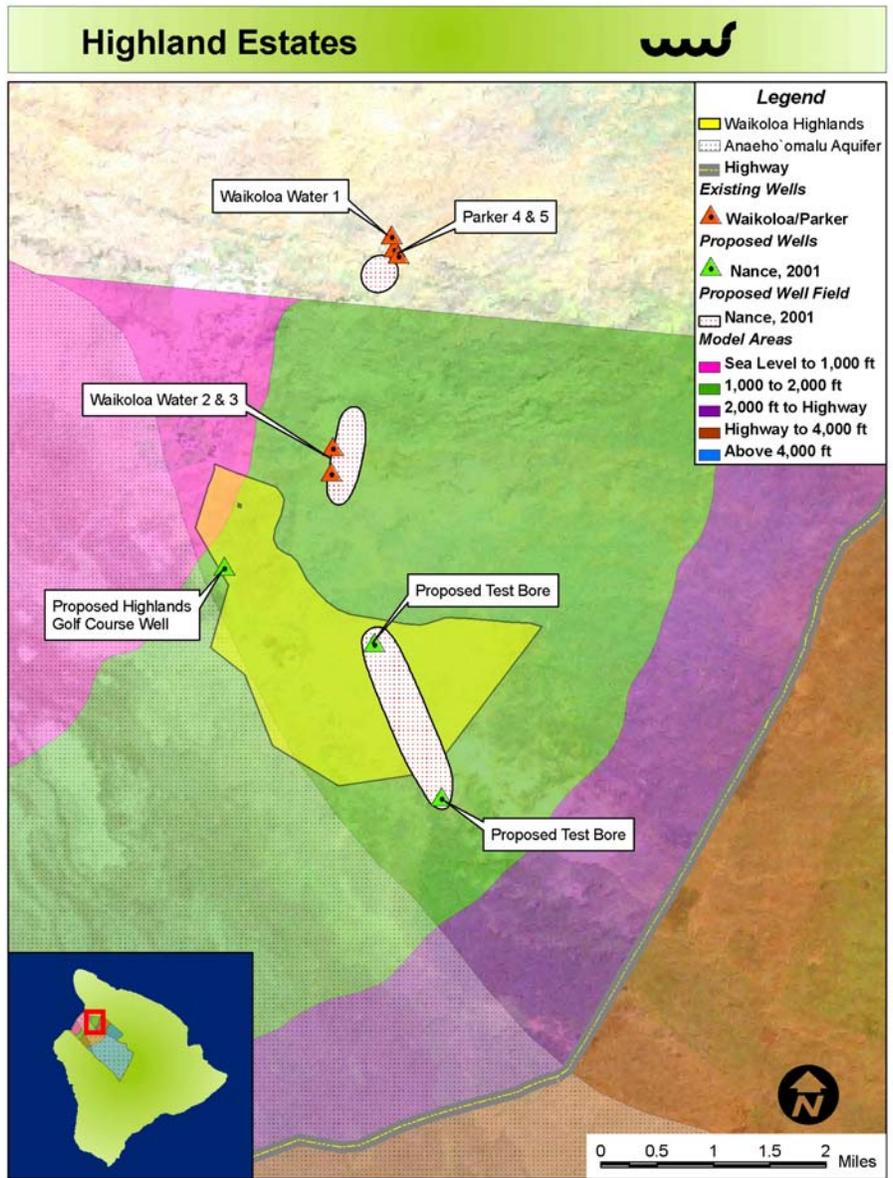
(CWRM). The estimated sustainable yield of each system is Waimea – 24 mgd, Kiholo – 18 mgd and Anaehoʻomalulu – 30 mgd. The sustainable yield of a given aquifer system is a percentage of the groundwater recharge. The map below illustrates the area studied and the location of Waikoloa Highlands, as well as the existing and proposed well field of the West Hawaiʻi Utility Company as recommended by Nance.



Each computation unit has a groundwater recharge estimate in mgd noted on the map. The entire Anaehoomalu Aquifer system is shown in the lighter tone.

Water Development

As indicated, it is planned that the Waikoloa Highlands will be served with water supplied by the WHUC. The following map illustrates the existing and proposed wells (well fields) which will supply the WHUC system, a portion of which would supply the approximately 400,000 gpd to the Waikoloa Highlands.



According to Nance (2001), there may also be high level groundwater found in the upper portion of the Waikoloa Highlands similar to that found in the Parker well field (number 1) of the WHUC.

The wells proposed in the Waikoloa Highlands are part of the water system design prepared for the WHUC system designed by Belt Collins and Associates, in 1990 for the then Waikoloa Water Company, Inc. The addition of Well # 6, at one of the sites recommended by Nance, will provide the 400,000 gpd estimated demand. There are adequate water resources available in the area of the proposed well field expansion. It is noted that the golf course wells shown within the Highlands are intended for irrigation other than golf course or they may be converted to potable use elsewhere in the project area.

In addition to the fresh water wells serving the potable water systems, there are 2 brackish wells located in the Waikoloa Village proper serving the village golf course with about 0.7 mgd and about there are 16 small brackish wells located along Queen Kaahumanu Highway which supply water to the golf courses around Anaehoomalu Bay. All of these wells are located at or below an elevation of 100 feet. About 8 mgd of golf course irrigation water is pumped from the wells on the average. Salinities are normally in the 600 mg/L chloride range (Nance 2001).

References

- Tom Nance Water Resource Engineering. 2001. Potable Well Development Opportunities for the Department of Water Supply in the South Kohala Coastal Area.
- Tom Nance Water Resource Engineering. 1991. Waikoloa Water Master Plans
- Belt Collins and Associates. 1991. Waikoloa Village Water Master Plan

APPENDIX M

Comments and Responses – EIS Preparation Notice

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APPENDIX M

COMMENTS AND RESPONSES – EIS PREPRATION NOTICE

An EIS Preparation Notice was prepared and notice published in the July 23, 2006 edition of the Office of Environmental Quality Control's (OEQC) The Environmental Notice, with the public comment deadline of August 22, 2006. The EISPN was distributed to the individuals and organizations listed below, with a request for comments on project purpose and need, alternatives, and the proposed scope of the analysis.

Those providing written comments are noted in bold type below. Copies of the letters are included at the end of this chapter. Copies of the comments received and response to the letters are follow.

Federal Agencies

Army Corps of Engineers, Honolulu Engineer District

Environmental Protection Agency
Federal Highway Administration
Natural Resources Conservation Service
Fish and Wildlife Service
U.S. Geological Survey

State Agencies

Department of Agriculture

Department of Accounting and General Services

Department of Business, Economic Development & Tourism, ~~Office of Planning~~
Resources and Technology Division

Office of Planning Office

Hawai'i Housing Finance Development Corporation

State Land Use Commission

Department of Education

Department of Hawaiian Home Lands
Department of Land and Natural Resources
State Historic Preservation Division
Department of Health

Environmental Planning Office

Office of Environmental Quality Control (4 copies)

Department of Public Safety

Department of Transportation

Office of Hawaiian Affairs
University of Hawai'i, Environmental Center
University of Hawai'i, Marine Programs
University of Hawai'i, Water Resources Research Center

County of Hawai'i

Department of Environmental Management

Fire Department

Department of Parks and Recreation

Planning Department

Police Department

Department of Public Works

Department of Water Supply

Elected Officials, Community Organizations, and Other Organizations

Elected Officials

County Councilmember Pete Hoffman, County Council District 9

Representative Cindy Evans, State House District 7

Senator Paul Whalen Senate, State Senate District 3

Utility Companies

Hawai'i Electric Light Company, Inc.

Hawaiian Telcom, Inc.

Oceanic Time Warner Cable

Waikoloa Water Company

Libraries

Hawai'i Documents Center, Hawai'i State Library

Bond Memorial Public Library

Thelma Parker Memorial Library

Kailua-Kona Public Library

Newspapers

Hawai'i Tribune Herald

West Hawai'i Today

Other

Waimea Community Development Plan Committee

Waikoloa Village Association

Waikoloa Outdoor Circle

Waikoloa Community Development Corporation

Hawai'i Leeward Planning Council

West Hawai'i Economic Development Council

Chamber of Commerce

Mauna Kea Soil and Water Conservation District



DEPARTMENT OF THE ARMY
U. S. ARMY ENGINEER DISTRICT, HONOLULU
FT. SHAFTER, HAWAII 96858-5440

REPLY TO
ATTENTION OF

September 7, 2006

Regulatory Branch

File No. POH-2006-334

Chester T. Koga
R. M. Towill Corporation
420 Waiakamilo Road, Suite 411
Honolulu, Hawaii 96817-4950

Dear Mr. Koga:

This letter is in response to your request for comments on a Preparation for Notice for an Environmental Impact Statement (PNEIS) for proposed development in Waikoloa, South Kohala District, Hawaii TMK (3) 6-8-002:016 portion. We have reviewed the information you provided under the Corps' authority to issue Department of the Army (DA) permits pursuant to Section 404 of the Clean Water Act (CWA) (33 USC 1344) and Section 10 of the Rivers and Harbor Act (RHA) of 1899 (33 USC 403).

Based on the preliminary information provided to our office and available references, we are unable to determine whether a DA permit will be required for your project. It appears the subject property contains a water of the U.S., the Auwāiakeakua Gulch/Stream bisects; however, information contained within the PNEIS does not contain adequate detail on the potential direct or indirect impacts to the hydrological resources related to the project. In order provide a DA permit determination, we request that you submit a copy of the Draft EIS, project plans, site photos, and a project description of activities that may have a potential to directly or indirectly impact.

Thank you for your cooperation with our Regulatory Program. Should you have any questions please contact Ms. Joy Anamizu by phone at 438-7023, by facsimile at 438-4060, or by e-mail at joy.n.ana.nizui@usace.army.mil and refer to the file number above.

Sincerely,


George P. Young, P.E.
Chief, Regulatory Branch

420 Waiakamilo Road
Suite 411
Honolulu Hawaii 96817-4950
Telephone 808 842 1133
Fax 808 842 1937
eMail rmtowill@hawaii.rc.com



R. M. TOWILL CORPORATION
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September 25, 2006

Mr. George P. Young, P.E., Chief
Regulatory Branch
Department of the Army
U.S. Army Engineer District, Honolulu
Fort Shafter, Hawaii 96858-5440

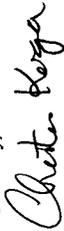
Dear Mr. Young:

**Environmental Impact Statement Preparation Notice for Waikoloa Highlands
South Kohala, Island of Hawaii'i
Tax Map Key: (3) 6-8-002: 016 (por.)**

This letter is to acknowledge receipt of your letter dated September 7, 2006 noting that your agency has not been able to determine whether a Department of the Army permit will be required. A study of drainage and flood impacts of Auwāiakeakua Gulch will be prepared and included in the Draft EIS. Proposed improvements will be addressed in the study.

Please contact the undersigned if you have additional questions.

Sincerely,


Chester Koga, AICP
Project Coordinator

Cc: Waikoloa Mauka, LLC



United States Department of the Interior

U.S. GEOLOGICAL SURVEY
Pacific Islands Water Science Center
677 Ala Moana Blvd., Suite 415
Honolulu, HI 96813
Phone: (808) 587-2400/Fax: (808) 587-2401

August 16, 2006

Mr. Anthony Ching
State Land Use Commission
735 South King Street, Suite 402
Honolulu, Hawaii 96813

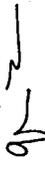
Dear Mr. Ching:

subject: Environmental Impact Statement (EIS) Preparation Notice
Waikoloa Highlands - Residential Subdivision
Island of Hawaii, South Kohala District
Tax Map Key Numbers: (3) 6-8-002: 016 (portion)

Thank you for forwarding the subject Engineering Report for review and comment by the staff of the U.S. Geological Survey, Pacific Islands Water Science Center. We regret however, that due to prior commitments and lack of available staff, we are unable to review this document.

We appreciate the opportunity to participate in the review process.

Sincerely,


Gordon Tribble
Center Director

cc: Mr. Chester Koga
R.M. Towill Corporation
420 Waiakamilo Road, #411
Honolulu, Hawaii 96817

Mr. Kevin Kellow, Manager
Waikoloa Mauka, LLC
120 Aspen Oak Lane
Glendale, CA 91207

PREPARATION NOTICE
FOR AN ENVIRONMENTAL IMPACT STATEMENT

Prepared in Accordance with Requirements of Chapter 343, Hawaii Revised Statutes

WAIKOLOA HIGHLANDS
State Land Use Boundary Amendment
Waikoloa, South Kohala District, Island of Hawaii

TMK (3) 6-8-002: 016 (por.)

June 27, 2006

Waikoloa Mauka, LLC
120 Aspen Oak Lane
Glendale, CA 91207



PREPARATION NOTICE

FOR AN ENVIRONMENTAL IMPACT STATEMENT

WAKOLOA HIGHLANDS - RESIDENTIAL SUBDIVISION

July 23, 2006

Dear Reviewer:

Attached for your review is an environmental impact statement (EIS) Preparation Notice which was prepared pursuant to Chapter 343 Hawaii Revised Statutes, and the EIS rules (Hawaii Administrative Rules, Title 11, Chapter 200).

TITLE OF PROJECT: Waikoloa Highlands - Residential Subdivision

LOCATION: Island of Hawaii, South Kohala District

TAX MAP KEY NUMBERS: (3) 6-8-002: 016 (portion)

AGENCY ACTION:

Accepting Authority: State Land Use Commission
Address: 735 South King Street, Suite 402, Honolulu, Hawaii 96813
Contact: Mr. Anthony Chung, Phone: (808) 587-3822

Applicant: Waikoloa Mauka, LLC
Address: 120 Aspen Oak Lane, Glendale, CA 91207
Contact: Mr. Kevin Kellow, Manager

Consultant: R.M. Towill Corporation
Address: 420 Waiakamilo Road # 411, Honolulu, Hawaii 96817
Contact: Mr. Chester Koga, Phone: (808) 842-1133 Fax: 808-842-1937
Email: chesterk@rmtowill.com

ENVIRONMENTAL NOTICE

PUBLICATION DATE: JULY 23, 2006

REVIEW COMMENT DEADLINE: AUGUST 22, 2006

Please send your written comments and inquiries to the Applicant, Accepting Authority, and Consultant. If you wish to receive a copy of the Draft EIS when it becomes available, please contact the Consultant.

... Thank you for your participation in the review of this EISPN.



R. M. TOWILL CORPORATION
SINCE 1930

420 Waiakamilo Road
Suite 411
Honolulu, Hawaii 96817-4950
Telephone 808 842 1133
Fax 808 842 1937
eMail rmtowill@hawaii.rc.com

Planning
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September 25, 2006

Mr. Gordon Tribble, Director
U.S. Geological Services
677 Ala Moana Boulevard, Suite 415
Honolulu, Hawaii 96813

Dear Mr. Tribble:

Environmental Impact Statement Preparation Notice for Waikoloa Highlands South Kohala, Island of Hawaii
Tax Map Key: (3) 6-8-002: 016 (por.)

This letter is to acknowledge receipt of your letter of August 16, 2006 noting that your agency is unable to review the EISPN. We will forward a copy of the Draft EIS for your agency's review when it becomes available.

Please contact the undersigned if you have additional questions.

Sincerely,

Chester Koga, AICP
Project Coordinator

Cc: Waikoloa Mauka, LLC

LINDA LINGLE
GOVERNOR OF HAWAII



STATE OF HAWAII
OFFICE OF ENVIRONMENTAL QUALITY CONTROL

235 SOUTH BERETANIA STREET
SUITE 702
HONOLULU, HAWAII 96813
TELEPHONE (808) 586-4185
FACSIMILE (808) 586-4186
E-MAIL: EQC@HAWAII.GOV

GENEVEVE SALMONSON
DIRECTOR

420 Waiakamilo Road
Suite 411
Honolulu, Hawaii 96817-4950
Telephone 808 842 1133
Fax 808 842 1937
eMail: rmtowill@hawaii.com



R. M. TOWILL CORPORATION
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Planning
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Construction Management

September 25, 2006

August 21, 2006

Mr. Anthony Ching, Executive Officer
State Land Use Commission
235 South Beretania Street, 4th Floor
Honolulu, Hawaii 96813

Dear Mr. Ching:

Subject: EISPN for Waikoloa Highlands, Island of Hawai'i

Thank you for the opportunity to review the subject document. We have the following comments.

1. The applicant should consult with the Department of Health concerning the proposal to build 400 individual wastewater systems.
2. How will this project be affected by the proposed fire emergency road? Will the road be sufficient with 400 new homes?

Should you have any questions, please call Jeyan Thirugnanam at 586-4185.

Sincerely,


Genevieve Salmonson
Director

c: Waikoloa Mauka
RM Towill

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

Dear Ms. Salmonson:

Environmental Impact Statement Preparation Notice for Waikoloa Highlands
South Kohala, Island of Hawai'i
Tax Map Key: (3) 6-8-002: 016 (por.)

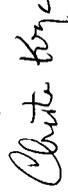
We thank you for your letter dated August 21, 2006 relating to the subject project.

We are in contact with the Department of Health (DOH) regarding wastewater disposal for the proposed subdivision. The DOH has recommended consideration of a centralized wastewater treatment system or consideration of individual wastewater systems (IWS) in accordance with Chapter 11-62, Hawai'i Administrative Rules. As homes will be developed by each lot owner, the use of IWSs is the preferred method of wastewater disposal.

The proposed emergency fire road proposed by the County of Hawai'i is not in the immediate vicinity of the proposed project. The road is located to the north and west of the project site. When the road is developed, the residents of this subdivision will be beneficiaries as with the rest of Waikoloa Village.

Please contact the undersigned if you have additional questions.

Sincerely,


Chester Koga, AICP
Project Coordinator

Cc: Waikoloa Mauka, LLC



STATE OF HAWAII
DEPARTMENT OF HEALTH
P.O. BOX 3278
HONOLULU, HAWAII 96801-3278

August 21, 2006

Mr. Anthony Ching
State Land Use Commission
735 South King Street, Suite 402
Honolulu, Hawaii 96813

Dear Mr. Ching:

SUBJECT: State Land Use Boundary Amendment (A06-767) and Environmental Impact Statement Preparation Notice
Applicant: Waikoloa Mauka, LLC
Request: Agricultural to Rural
TMK: (3) 6-8-002: 16 (portion)

Thank you for allowing us to review and comment on the subject documents. The documents were routed to the various branches of the Environmental Health Administration. We have the following Wastewater Branch and Safe Drinking Water Branch comments.

Wastewater Branch

We have reviewed the subject petition which proposes to subdivide the area into approximately 400 low-density, rural, residential lots with each lot a minimum of one (1) acre.

The subject project is located in the Critical Wastewater Disposal Area (CWDA) with five (5) acre lot exception as determined by the Hawaii County Wastewater Advisory Committee. Therefore, the use of new cesspools is not allowed.

For such a large development, we recommend use of a centralized wastewater system. However, treatment individual wastewater systems (IWSs) such as septic tanks for each lot can be utilized.

All wastewater plans must conform to applicable provisions of the Department of Health's Administrative Rules, Chapter 11-62, "Wastewater System." We do reserve the right to review the detailed wastewater plans for conformance to applicable rules. Should you have any questions, please contact the Planning & Design Section of the Wastewater Branch at (808) 586-4294.

CHYOMIE L. FUKINO, M.D.
DIRECTOR OF HEALTH

In reply, please refer to:
EPO-06-118a

Mr. Ching
August 21, 2006
Page 2

Safe Drinking Water Branch (SDWB)

We have reviewed the Petition and the Environmental Impact Statement (EIS) Preparation Notice for the subject project. The Petition states that the project will construct support infrastructure for the proposed subdivision, including providing water. Furthermore, the Notice states that the Waikoloa Water Company will provide water to the project. We request that additional information be provided in the EIS which would describe in detail how the Applicant will provide safe drinking water to the proposed subdivision.

Should you have any questions, please contact Mr. Kumar Bhagavan of the SDWB Compliance Section at 586-4258 in Honolulu, or call from Hawaii the direct toll free number 974-4000, extension 64258.

We strongly recommend that you review all of the Standard Comments on our website: www.state.hi.us/health/environmental/env-planning/landuse/landuse.html. Any comments specifically applicable to this application should be adhered to.

If there are any questions about these comments please contact Jiakai Liu with the Environmental Planning Office at 586-4346.

Sincerely,

KELVIN H. SUNADA, MANAGER
Environmental Planning Office

C: EPO
Ms. Laura H. Thielein, State Office of Planning
Mr. Kevin Kellow, Waikoloa Mauka, LLC
Mr. Chester Koga, R.M. Towill Corporation

420 Waiakamilo Road
Suite 411
Honolulu, Hawaii 96817-4950
Telephone 808 842 1133
Fax 808 842 1937
eMail rmtowill@hawaii.rr.com



R. M. TOWILL CORPORATION
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September 25, 2006

Mr. Kelvin H. Sunada, Manager
Environmental Planning Office
Department of Health
P.O. Box 3378
Honolulu, Hawai'i 96801-3378

Dear Mr. Sunada:

**Environmental Impact Statement Preparation Notice (EISP/N) for Waikoloa Highlands
South Kohala, Island of Hawai'i
Tax Map Key: (3) 6-8-002: 016 (por.)**

We thank you for your letter dated August 21, 2006 relating to the subject project.

Wastewater

Because the subject project is located in the Critical Wastewater Disposal Area, we are aware that cesspools are not allowed. The developer will be proposing the use of individual wastewater systems (IWS) for each lot in accordance with Chapter 11-62, Hawai'i Administrative Rules. The developer is not considering the development of a centralized wastewater system.

Safe Drinking Water

As stated in the EISP/N, water service will be provided to each lot in the subdivision by the Waikoloa Water Company. We have included additional information on the water system in the forthcoming draft EIS.

Please contact the undersigned if you have additional questions.

Sincerely,

Chester Koga, AICP
Project Coordinator

Cc: Waikoloa Mauka, LLC



STATE OF HAWAII
DEPARTMENT OF EDUCATION
P.O. BOX 2380
HONOLULU, HAWAII 96804

OFFICE OF THE SUPERINTENDENT

August 9, 2006

Mr. Chester Koga
R.M. Towill Corporation
420 Waiakamilo Road, #411
Honolulu, Hawaii 96817

Diana M. Koga,

Subject: Environmental Impact Statement Preparation Notice for Waikoloa Highlands,
South Kohala, TMK: 6-8-002, per. 016

The Department of Education (DOE) has reviewed Environmental Impact Statement Preparation Notice (EISP) for Waikoloa Highlands in South Kohala. In the Draft Environmental Impact Statement (DEIS), the DOE will need to know if accessory residential units will be permitted within the project. We would also like to know the size of the lots. Finally, we would like to get some estimate of the actual cost of the lots and whether there will be a minimum required price for homes built in the project. The costs of the homes and property have a bearing on the number of public school students we estimate will eventually reside in the project.

The DOE would like to provide the following information for inclusion into the DEIS. It illustrates recent enrollment growth in the schools serving Waikoloa and projected growth which does not include enrollment generated by Waikoloa Highlands.

Waikoloa schools: actual enrollment, facility capacity and projected enrollment, school years '03-'04 to '11-'12	Actual Enrollment	Capacity	Projected Enrollment				
'03-'04	'04-'05	'05-'06	'06-'07	'08-'09	'11-'12		
Waikoloa Elementary	593	586	566	601	544	620	738
Waimea Middle Public Charter	537	497	516	516	534	550	565
Kealahou High	1440	1450	1530	1480	1543	1531	1395

AN AFFIRMATIVE ACTION AND EQUAL OPPORTUNITY EMPLOYER

Mr. Chester Koga
Page 2
August 9, 2006

The enrollment data are compared to the 2005-2006 facility capacity number. Last school year, the actual enrollment exceeded the facility capacity at Kealahou High School. Enrollment at Waimea Middle Public Charter School was at its facility capacity last year. There was some excess capacity at Waikoloa Elementary last year.

We expect that during the current 2006-2007 school year or the following year, the student enrollment at all three schools will exceed the facility capacity.

The EISP states that the current, primary target markets for Waikoloa Highlands are retirees and second home owners. We would like the DEIS to include best estimates of the number of homes expected to be occupied at any given time and the number of homes expected to be occupied full time when the project is completely built out.

If accessory dwellings are permitted, the DEIS should provide the number of those units that would also be expected to be occupied at any one time and the number expected to be occupied full time.

The DOE expects that this project will have an enrollment impact on the public schools serving Waikoloa. Once we have a better idea of the total number of residential units that can be built and the number of units expected to be occupied full time, we will be able to make a more specific estimate of the number of students that will be generated by the project.

We look forward to reviewing the DEIS and providing more detailed comments at that time.

Thank you for an opportunity to comment on your plans. If you have any questions, please call Heidi Meeker of the Facilities Development Branch at 733-4862.

Very truly yours,

Patricia Hamamoto

Patricia Hamamoto
Superintendent

PH:jmb

cc: Randolph Moore, Acting Assistant Superintendent, OBS
Duane Kashiwai, Public Works Manager, FDB
Art Souza, CAS, Honokaa/Kealahou/Kohala/Kona Complex Areas
Anthony Ching, SLUC, DBEDT
Kevin Kellow, Waikoloa Mauka, LLC

420 Waialae Road
Suite 411
Honolulu Hawaii 96817-4950
Telephone 808.842.1133
Fax 808.842.1937
eMail mtowill@hawaii.com



R. M. TOWILL CORPORATION
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September 25, 2006

Ms. Patricia Hamamoto
Department of Education
P.O. Box 2360
Honolulu, Hawaii 96804

Dear Ms. Hamamoto,

**Environmental Impact Statement Preparation Notice for Waikoloa Highlands
South Kohala, Island of Hawaii**
Tax Map Key: (3) 6-8-002: 016 (por.)

We thank you for your letter dated August 9, 2006 relating to the subject project.

We have included the information provided relating to current enrollment at Waikoloa Elementary, Waimea Middle Public Charter, and Kealahou High. We also noted that two of the schools are currently at capacity and the third reaching capacity in the next school year.

We anticipate that infrastructure improvements for the first increment of the project will start for our project towards the end of 2007, subject to receiving required development approvals. Home construction could begin as early as late 2008 or early 2009.

We have been in contact with your Facilities Development Branch to discuss our preliminary plans. As our plans evolve, we will be in contact with your office to discuss potential impacts and mitigation measures that can be taken. Your comment letter is included in the Draft EIS.

Please contact the undersigned if you have additional questions.

Sincerely,

Chester Koga, AICP
Project Coordinator

Cc: Waikoloa Mauka, LLC

LINDA LINGLE
GOVERNOR



STATE OF HAWAII
DEPARTMENT OF TRANSPORTATION
869 PUNCHBOWL STREET
HONOLULU, HAWAII 96813-5087

July 31, 2006

Mr. Christopher J. Yuen
Director
Planning Department
County of Hawaii
101 Pauahi Street, Suite 3
Hilo, Hawaii 96720-3043

Dear Mr. Yuen:

Subject: Waikoloa Mauka LLC
Waikoloa Highlands
State Land District Boundary Amendment (A06-67) with
Environmental Impact Statement Preparation Notice
TMK: 6-8-2; portion 16

We have the following comments in response to your request for our review of the subject boundary petition for the proposed development project:

1. The project will have an impact on our two highways (Queen Kaahumanu and Mamelahoa) which will be used by the Waikoloa community for its access. We are an interested party and look forward to receiving at least four (4) copies of the forthcoming Draft EIS.
2. A traffic impact analysis report (TIAR) covering the project's impacts and the project's contribution to the cumulative impact from Waikoloa should be prepared by the applicant and included in the Draft EIS. The TIAR should also describe the traffic mitigation measures and roadway improvements necessary to address the project and cumulative impacts. We will be particularly interested in the impacts and recommendations at and around our highway intersections.
3. In the Draft EIS, the project should be discussed relative to the past, current, and future development projects and growth for Waikoloa.

RODNEY K. HARAGA
DIRECTOR
Deputy Directors
FRANCIS PAUL ISENO
BARRY FUKUNAGA
BRENNON T. MORISONA
BRUAN H. SEKAGUCHI
IN REPLY REFER TO:

STP 8.2225

Mr. Christopher J. Yuen
Page 2
July 31, 2006

STP 8.2225

We appreciate the opportunity to provide our comments.

Very truly yours,


RODNEY K. HARAGA
Director of Transportation

c: Laura Thielen, Office of Planning, DBEDT
Chester Koga, R.M. Towill Corporation

420 Waialae Drive
Suite 411
Honolulu, Hawaii 96817-4950
Telephone 808 842 1133
Fax 808 842 1937
eMail rmtowill@hawaii.rr.com



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September 25, 2006

Mr. Rodney K. Haraga, Director
Department of Transportation
869 Punchbowl Street
Honolulu, Hawaii 'i 96813

Dear Mr. Haraga:

**Environmental Impact Statement Preparation Notice for Waikoloa Highlands
South Kohala, Island of Hawai'i
Tax Map Key: (3) 6-8-002: 016 (por.)**

We thank you for your letter dated July 31, 2006 relating to the subject project.

We note that your letter suggests that there may be impacts to the two State facilities, Queen Kaahumanu Highway, and Mamoehoa Highway. We will evaluate the traffic generated from the project and will evaluate the impacts.

We are preparing an traffic impact assessment report (TIAR) for the proposed project. The findings are documented in the forthcoming Draft EIS.

We will be documenting, based on available information, proposed development in the Waikoloa area in the Draft EIS.

We note that you have requested four (4) copies of the forthcoming Draft EIS.

Please contact the undersigned if you have additional questions.

Sincerely,

Chester Koga, AICP
Project Coordinator

Cc: Waikoloa Mauka, LLC

LINDA LINGLE
GOVERNOR



STATE OF HAWAII
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES
P.O. BOX 119, HONOLULU, HAWAII 96810

RUSS K. SAITO
COMPTROLLER
KATHERINE H. THOMSON
DEPUTY COMPTROLLER

(P)1158.6

AUG - 4 2006

Mr. Chester Koga
R. M. Towill Corporation
420 Waikamilo Road #411
Honolulu, HI 96817

Dear Mr. Koga,

Subject: Waikoloa Highlands - Residential Subdivision
Environmental Impact Statement Preparation Notice
Island of Hawaii, South Kohala District
TMK: (3) 6-8-002:016 (por)

Thank you for the opportunity to review the information regarding the subject project. The project does not impact any of the Department of Accounting and General Services' projects or existing facilities and we have no comments to offer.

If you have any questions regarding the above, please have your staff call Mr. David DePonte of the Planning Branch at 586-0492.

Sincerely,

ERNEST Y. W. LAU
Public Works Administrator

DD:mo
c: Waikoloa Mauka, LLC
Ms. Genevieve Salmonson, OEQC
State Land Use Commission
Office of Planning



R. M. TOWILL CORPORATION
SINCE 1930

420 Waikamilo Road
Suite 411
Honolulu, Hawaii 96817-4950
Telephone 808 842 1133
Fax 808 842 1937
email rmtowill@hawaiiir.com

September 25, 2006

Mr. Ernest Y.W. Lau, Public Works Administrator
Department of Accounting and General Services
P.O. Box 119
Honolulu, Hawaii '1 96810

Dear Mr. Lau:

Environmental Impact Statement Preparation Notice for Waikoloa Highlands
South Kohala, Island of Hawaii'i
Tax Map Key: (3) 6-8-002: 016 (por.)

This letter is to acknowledge receipt of your letter of August 4, 2006 noting that the proposed project will not impact any existing or proposed projects under the jurisdiction of your Department.

Please contact the undersigned if you have additional questions.

Sincerely,

Chester Koga, AICP
Project Coordinator

Cc: Waikoloa Mauka, LLC

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**DEPARTMENT OF BUSINESS,
ECONOMIC DEVELOPMENT & TOURISM**

OFFICE OF PLANNING

235 South Beretania Street, 8th Floor, Honolulu, Hawaii 96813
Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804

LINDA LINGLE
GOVERNOR
THEODORE G. BUNNING
DIRECTOR
MARK K. ANDERSON
DEPUTY DIRECTOR
LAURA H. THIELEN
DIRECTOR
OFFICE OF PLANNING

Telephone: (808) 587-2846
Fax: (808) 587-2824

Ref. No. P-11488

September 6, 2006

Mr. Chester Koga
R.M. Towill Corporation
420 Waiakamilo Road #411
Honolulu, Hawaii 96817

Dear Mr. Koga:

Subject: Proposed Infrastructure Improvements and Subdivision of Property into
Approximately 400 Low-density, Rural Residential Lots
Environmental Impact Statement Preparation Notice (EISPN)
TMK: (3) 6-8-002: 016 por.
Waikoloa, South Kohala, Hawaii
Land Use Commission Docket No. A06-767

Thank you for sending the Office of Planning the Environmental Impact Statement
Preparation Notice (EISPN) for the above referenced proposal to reclassify approximately
731.581 acres of land from the State Agricultural District to the State Rural District to develop
400 low-density, rural residential lots of minimum one-acre size.

The Office of Planning will be coordinating the State's position on areas of cross-cutting
state concern. I am writing to request that the Draft Environmental Impact Statement (DEIS)
consider the impacts of the proposed project on the following issues:

1. **Water Supply** — Water resource protection and quality is a critical state issue. Please include information on the drinking water and non-potable water sources that will be available for the project. If the proposed project is within a designated Water Management Area, please address the additional measures that will be taken to address water resource limitations.
2. **Agricultural lands** — Preservation of important agricultural lands is a priority for the State and counties. The agricultural potential should be discussed based on the soil type, climate, and availability of water.

Mr. Chester Koga
Page 2
September 6, 2006

3. **Affordable Housing** — Increasing the supply of affordable housing is a critical State and County issue. Please discuss specifically how the Petitioner plans to meet the county affordable housing requirements, including the length of time the units will remain affordable and how that guarantee will be met.
4. **Public Health** — If the project will have the potential to generate hazardous materials or petroleum contamination of the air, soil or water, please discuss how public health and safety will be protected.
5. **Ocean Resources** — The State has an affirmative duty to protect Hawaii's nearshore waters. Please discuss how stormwater and wastewater generated by the project will be prevented from reducing the quality of nearshore water.
6. **Cultural/Historic Resources** — Please include an inventory of cultural and historic sites with monitoring and preservation plans approved by the State Historic Preservation Division. Please discuss how access for Native Hawaiians for traditional and customary practices will be preserved to include visual landmarks if applicable
7. **Environmental, Recreational and Scenic Resources** -- Please include an inventory of flora and fauna on the project site and any required protections. Please include a description of recreational uses on or near the project site. A description of scenic resources should be included.
8. **Coastal Zone Management** — The State oversees protection of natural and cultural resources within the coastal zone. Please discuss how the proposed project will balance the competing values of economic development and preservation of coastal resources, including protection from hurricanes, floods, volcanic hazards, and soil erosion.

The Office of Planning looks forward to receiving the DEIS with the potential impacts and mitigation measures for the above issues addressed. Please send us all comments received during the EISPN process. If you have any questions, please call Lorene Maki of the Land Use Division at 587-2888.

Sincerely,

Laura H. Thielen
Director

c: Anthony Ching, LUC



R. M. TOWILL CORPORATION
SINCE 1930

420 Waiakamilo Road
Suite 411
Honolulu Hawaii 96817-4950
Telephone 808 842 1133
Fax 808 842 1937
eMail rmtowill@hawaii.rr.com

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Ms. Laura Thielen
Page 2

8. Coastal zone management – The proposed project is not in close proximity to coastal resources and is also not the County's Special Management Area or within the shoreline setback area.
9. Copies of all comments received during the EISPN process are appended.

September 25, 2006

Please contact the undersigned if you have additional questions.

Sincerely,

Chester Koga, AICP
Project Coordinator

Cc: Waikoloa Mauka, LLC

Ms. Laura H. Thielen, Director
Office of Planning
Department of Business, Economic Development & Tourism
235 South Beretania Street, 6th Floor
Honolulu, Hawaii 96813

Dear Ms. Thielen:

**Environmental Impact Statement Preparation Notice for Waikoloa Highlands
South Kohala, Island of Hawaii**

Tax Map Key: (3) 6-8-002: 016 (por.)

This letter is to acknowledge receipt of your letter of September 6, 2006 regarding the subject project.

The following is in response to your comments:

1. Water Supply – Information on the water system proposed for the project will be included in the Draft EIS. No non-potable systems are proposed for the project.
2. Agricultural lands – We note that the agricultural potential of the proposed lands have been limited to pasture use due in part to the low rainfall in the area and that water needs to be brought into the area.
3. Affordable housing – The developer will provide affordable housing according to the standards required under the County of Hawai'i's affordable housing policy as defined in Chapter 11 Article 1 of the Hawai'i County Code.
4. Public health – Impacts to air quality, noise impacts and water quality will be addressed in the Draft EIS. We are not currently aware that the project will be generating hazardous materials.
5. Ocean resources – The proposed project is not anticipated to impact ocean resources because of its distance from the ocean.
6. Cultural/historic resources – A study of archeological resources and cultural impacts of the project site was conducted and the findings reported in the Draft EIS.
7. Environmental, recreational an scenic resources – an study of flora and fauna of the area will be conducted for the project area. Recreational resource proposed and other means to mitigate impact will be discussed in the Draft EIS.

Harry Kim
Mayor



County of Hawaii
PLANNING DEPARTMENT
101 Puuhii Street, Suite 3 • Hilo, Hawaii 96720-3043
(808) 961-8288 • FAX (808) 961-8742

Christopher J. Yuen
Director
Brad Kurokawa, ASLA
LEED® AP
Deputy Director

420 Waikamilo Road
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Honolulu Hawaii 96817-4950
Telephone 808 842 1133
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R. M. TOWILL CORPORATION
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August 10, 2006

Mr. Chester Koga
R.M. Towill Corporation
420 Waikamilo Road, # 411
Honolulu, HI 96817

Dear Mr. Koga:

Waikoloa Highlands - Residential Subdivision
Environmental Impact Statement - Preparation Notice
Waikoloa, South Kohala, Hawaii
TMK: 6-8-002: 016 (por)

This is in response to your letter dated July 23, 2006, requesting comments regarding the Environmental Impact Statement (EIS) Preparation Notice for the above-referenced project.

The proposed project involves infrastructure improvements and the subdivision of a 731.581-acre portion of an approximately 2,443.734-acre property into approximately 400 low density rural residential lots. Each lot will be a minimum of one acre in size. The applicant will file a petition with the State Land Use Commission from the Agricultural to the Rural District.

The project site is situated in the State Land Use Agricultural District, and zoned Residential and Agricultural 1-acre (RA-1a) and Open (O) by the County. The General Plan Land Use Pattern Allocation Guide Map (LUPAG) designates the area as Rural. The project site is not located in the Special Management Area (SMA).

Thank you for the opportunity to provide preliminary comments. Please forward us a copy of the Draft EIS upon its availability. If you have any questions, please contact Norman Hayashi of this department at 961-8288.

Sincerely,

CHRISTOPHER YUEN
Planning Director

NH:SYW
P:\wino6\ch343\006\1.WaikoloaEISPN.doc

Hawaii's County is an Equal Opportunity Provider and Employer.

September 25, 2006

Mr. Chris Yuen, Director
Planning Department
County of Hawaii
101 Pauahi Street, Suite 3
Hilo, Hawai'i 96720

Dear Mr. Yuen:

Environmental Impact Statement Preparation Notice for Waikoloa Highlands
South Kohala, Island of Hawai'i
Tax Map Key: (3) 6-8-002: 016 (por.)

We thank you for your letter dated August 10, 2006 relating to the subject project.

We have reviewed the comments you provided and appreciated the information on existing zoning and General Plan Land Use Pattern Allocation Guide. We acknowledge that the subject project is not in the Special Management Area.

Please contact the undersigned if you have additional questions.

Sincerely,

Chester Koga, AICP
Project Coordinator

Cc: Waikoloa Mauka, LLC

Harry Kim
Mayor



County of Hawaii
PLANNING DEPARTMENT
101 Puuhahi Street, Suite 3 • Hilo, Hawaii 96720-3043
(808) 961-8288 • FAX (808) 961-8742

Christopher J. Yuen
Director
Erad Kurokawa, ASLA
LEED® AP
Deputy Director

LANA LAROLE
GOVERNOR OF HAWAII
2006 AUG 24 PM 1:23
PLANNING DEPARTMENT
COUNTY OF HAWAII



STATE OF HAWAII
DEPARTMENT OF HEALTH
P.O. Box 3378
HONOLULU, HAWAII 96861-3378

CHRISTOPHER L. YUEN, M.D.
DIRECTOR OF HEALTH

In reply, please refer to:
EPO-06-118

August 21, 2006

August 29, 2006

Mr. Chester Koga
R.M. Towill Corporation
420 Waiakamilo Road, # 411
Honolulu HI 96817

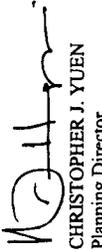
Dear Mr. Koga:

Subject: State Land Use Boundary Amendment (A06-767) and EISPN
Applicant: Waikoloa Mauka, LLC
Request: Agricultural to Rural
TMK: 6-8-002-016 (part)

For your information, we are transmitting the Department of Health's comments regarding the above-referenced project.

If you have any questions, please contact Norman Hayashi of this department at 961-8288.

Sincerely,


CHRISTOPHER J. YUEN
Planning Director

p:\pwn60pe\2006\UWaikoloa\DOH.doc
Enclosure

Mr. Christopher J. Yuen, Director
County of Hawaii
Planning Department
101 Puuhahi Street, Suite 3
Hilo, Hawaii 96720-3043

Dear Mr. Yuen:

SUBJECT: State Land Use Boundary Amendment (A06-767) and Environmental Impact
Statement Preparation Notice
Applicant: Waikoloa Mauka, LLC
Request: Agricultural to Rural
TMK: (3) 6-8-002: 16 (portion)

Thank you for allowing us to review and comment on the subject documents. The documents were routed to the various branches of the Environmental Health Administration. We have the following Wastewater Branch and Safe Drinking Water Branch comments.

Wastewater Branch

We have reviewed the subject petition which proposes to subdivide the area into approximately 400 low-density, rural, residential lots with each lot a minimum of one (1) acre.

The subject project is located in the Critical Wastewater Disposal Area (CWDA) with five (5) acre lot exception as determined by the Hawaii County Wastewater Advisory Committee. Therefore, the use of new cesspools is not allowed.

For such a large development, we recommend use of a centralized wastewater system. However, treatment individual wastewater systems (IWSs) such as septic tanks for each lot can be utilized.

All wastewater plans must conform to applicable provisions of the Department of Health's Administrative Rules, Chapter 11-62, "Wastewater System." We do reserve the right to review the detailed wastewater plans for conformance to applicable rules. Should you have any questions, please contact the Planning & Design Section of the Wastewater Branch at (808) 586-4294.

Mr. Yuen
August 21, 2006
Page 2

Safe Drinking Water Branch (SDWB)

We have reviewed the Petition and the Environmental Impact Statement (EIS) Preparation Notice for the subject project. The Petition states that the project will construct support infrastructure for the proposed subdivision, including providing water. Furthermore, the Notice states that the Waikoloa Water Company will provide water to the project. We request that additional information be provided in the EIS which would describe in detail how the Applicant will provide safe drinking water to the proposed subdivision.

Should you have any questions, please contact Mr. Kumar Bhagavan of the SDWB Compliance Section at 586-4258 in Honolulu, or call from Hawaii the direct toll free number 974-4000, extension 64258.

We strongly recommend that you review all of the Standard Comments on our website: www.state.hi.us/health/environment/air/env-planning/ianoise/ianoise.html. Any comments specifically applicable to this application should be adhered to.

If there are any questions about these comments please contact Jiacei Liu with the Environmental Planning Office at 586-4346.

Sincerely,



KELVIN H. SUNADA, MANAGER
Environmental Planning Office

C: EPO
WWB
SDWB
EH-Hawaii

420 Waiakamilo Road
Suite 411
Honolulu Hawaii 96817-4950
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eMail rmtowill@hawaii.rr.com



R. M. TOWILL CORPORATION
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September 25, 2006

Mr. Chris Yuen, Director
Planning Department
County of Hawaii
101 Pauahi Street, Suite 3
Hilo, Hawaii 1 96720

Dear Mr. Yuen:

**Environmental Impact Statement Preparation Notice for Waikoloa Highlands
South Kohala, Island of Hawaii
Tax Map Key: (3) 6-8-002: 016 (por.)**

We thank you for your letter dated August 29, 2006 relating to the subject project.

We have reviewed the comments you forwarded from the State Department of Health (DOH). We also received the same letter directly from the DOH. We have attached our response to the DOH for your information.

Please contact the undersigned if you have additional questions.

Sincerely,



Chester Koga, AICP
Project Coordinator

Cc: Waikoloa Mauka, LLC

420 Waiakamilo Road
Suite 411
Hoopulu Haatū 96817-4950
Telephone 808 842 1133
Fax 808 842 1937
eMail rmtowill@hawaii.rr.com



R. M. TOWILL CORPORATION
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September 25, 2006

Mr. Kelvin H. Sunada, Manager
Environmental Planning Office
Department of Health
P.O. Box 3378
Honolulu, Hawai'i 96801-3378

Dear Mr. Sunada:

**Environmental Impact Statement Preparation Notice (EISPN) for Waikoloa Highlands
South Kohala, Island of Hawai'i
Tax Map Key: (3) 6-8-002: 016 (por.)**

We thank you for your letter dated August 21, 2006 relating to the subject project.

Wastewater

Because the subject project is located in the Critical Wastewater Disposal Area, we are aware that cesspools are not allowed. The developer will be proposing the use of individual wastewater systems (IWS) for each lot in accordance with Chapter 11-62, Hawai'i Administrative Rules. The developer is not considering the development of a centralized wastewater system.

Safe Drinking Water

As stated in the EISPN, water service will be provided to each lot in the subdivision by the Waikoloa Water Company. We have included additional information on the water system in the forthcoming draft EIS.

Please contact the undersigned if you have additional questions.

Sincerely,

Chester Koga, AICP
Project Coordinator

Cc: Waikoloa Mauka, LLC



DEPARTMENT OF WATER SUPPLY • COUNTY OF HAWAII
 3 4 5 KEKUAO'A STREET, SUITE 20 • HILO, HAWAII 96720
 TELEPHONE (808) 961-8050 • FAX (808) 961-8657

August 11, 2006

Mr. Chester Kona
 R.M. Towill Corporation
 420 Waialeale Road, #411
 Honolulu, HI 96817

ENVIRONMENTAL IMPACT STATEMENT PREPARATION NOTICE
APPLICANT - WAIKOLOA MAUKA, LLC
PROJECT - WAIKOLOA HIGHLANDS - RESIDENTIAL SUBDIVISION
TAX MAP KEY 6-8-002:016 (PORKTON)

We have reviewed the subject Environmental Impact Statement Preparation Notice and have the following comments. Please be informed that the water system in the area is privately owned and operated. Water availability and necessary off-site water system improvements should be determined from Waikoloa Water Company, Inc. The Department does not have any existing or proposed programs for water development in the area as the existing water system is owned and operated by a private water purveyor.

Pursuant to Section 23-84 of the Hawaii County Code regulating subdivisions, the following minimum requirements must be complied with for subdivision approval:

1. Provide a water system designed to deliver water at adequate pressure and volume under peak-flow and fire-flow conditions in accordance with the Water System Standards, State of Hawaii, and the Rules and Regulations of the Department of Water Supply. The water system shall include, but not be limited to, the installation of the necessary distribution pipelines, fire hydrants, and service laterals.
2. Submit construction plans to our Department for review and approval.
3. Pay a fee of four-tenths of one percent of the estimated cost for the construction of the water system, but not less than \$50,000, to cover the costs for plan review, testing, and inspection.

Should there be any questions, please contact Mr. Finn McCall of our Water Resources and Planning Branch at 961-8070, extension 255.

Sincerely yours,

Milton D. Pavao, P.E.
 Manager

F:\sco

copy - Waikoloa Mauka, LLC
 State Land Use Commission

... *Water brings progress...*

The Department of Water Supply is an Equal Opportunity provider and employer. To file a complaint of discrimination, write: USDA, Director, Office of Civil Rights, Room 326-W, Whitten Building, 14th and Independence Avenue, SW, Washington DC 20250-9410. Or call (202) 720-5964 (voice and TDD)

420 Waialeale Road
 Suite 411
 Honolulu Hawaii 96817-4950
 Telephone 808 942 1133
 Fax 808 942 1937
 eMail rmtowill@hawaiiir.com



R. M. TOWILL CORPORATION
 SINCE 1930

Planning
 Engineering
 Environmental Services
 Photogrammetry
 Surveying
 Construction Management

September 25, 2006

Mr. Milton D. Pavao, P.E., Manager
 Department of Water Supply
 County of Hawaii
 345 Kekuaaoa Street, Suite 20
 Hilo, Hawaii 96720

Local Mail, Pavao.

Environmental Impact Statement Preparation Notice (EISP) for Waikoloa Highlands South Kohala, Island of Hawaii
Tax Map Key: (3) 6-8-002: 016 (por.)

We thank you for your letter dated August 11, 2006 relating to the subject project.

As stated in the EISP, water service will be provided to each lot in the subdivision by the Waikoloa Water Company. We have included additional information on the water system in the forthcoming draft EIS.

As stated in your letter:

1. The water system will be developed in accordance with the Water System Standards of the State of Hawaii and the Department of Water Supply,
2. Construction plans will be submitted to your office when they are available, and
3. Payment of a fee of four-tenths of one percent of the estimated costs for the construction of the water system, but not less than \$50 to cover the costs of plan review, testing and inspection.

Please contact the undersigned if you have additional questions.

Sincerely,

Chester Koga, AICP
 Project Coordinator

Cc: Waikoloa Mauka, LLC



Harry Kim
Mayor

County of Hawaii

DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
25 Aupānui Street, Room 218 • Hilo, Hawaii 96720-4252
(808) 941-3083 • Fax: (808) 941-3046
email: colleen@ce.hawaii.gov

Barbara Bell
Director
Nelson Ho
Deputy Director



DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
SOLID WASTE DIVISION
COUNTY OF HAWAII - 108 RAILROAD AVENUE - HILO, HI 96720
HILO (808) 961-8514 WAIMĒA (808) 887-3018 KONA (808) 327-5567

August 14, 2006

Mr. Kevin Kellow, Manager
Waikoloa Mauka, LLC
120 Aspen Oak Lane
Glendale, CA 91207

Subject: Waikoloa Highlands - Residential Subdivision
Preparation Notice for an Environmental Impact Statement

Dear Mr. Kellow,

Please find enclosed our comments for the subject Subdivision Project.

Thank you for allowing us to comment. If you have further questions, please don't hesitate to contact Michael Dworsky, Solid Waste Division Chief, at 961-8515.

Sincerely,

Barbara Bell
DIRECTOR

cc: Anthony Ching, State Land Use Commission, 735 South King Street, Suite 402,
Honolulu, HI 96813
Chester Koga, R.M. Towill Corporation, 420 Waiakamilo Road #411,
Honolulu, HI 96817
Michael Dworsky, SWD Chief

enclosures

Hawaii County is an equal opportunity provider and employer.

6576A

MEMORANDUM

DATE : July 31, 2006

TO : Barbara Bell, DIRECTOR

FROM : Michael Dworsky, CHIEF 

SUBJECT: Comments on EISP for Waikoloa Highlands - Residential Subdivision

Recommend that the Draft EIS address the Solid Waste issue by including in the EIS the information requested in a Solid Waste Management Plan (attach guidelines). In particular 400 new homes in a residential subdivision should develop some type of mandatory curbside pick-up with a high level of recycling available. Expecting 400 individual families to transport their garbage to one of the transfer stations, or the landfill is impractical.

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Barbara Bell
Director
Michael Dwanter P.E.
Solid Waste Division Chief

County of Hawaii

DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
25 August Street, Room 210 - 110, Hahaione, Hawaii 96720-6252
(808) 941-5803 • Fax: (808) 941-4886

PREPARATION NOTICE FOR AN ENVIRONMENTAL IMPACT STATEMENT WAIKOLOA HIGHLANDS – RESIDENTIAL SUBDIVISION

July 23, 2006

June 6, 2006

SOLID WASTE MANAGEMENT PLAN Guidelines

INTENT AND PURPOSE

This is to establish guidelines for reviewing solid waste management plans, for which special conditions are placed on developments. The solid waste management plan will be used to: (1) encourage recycling and recycling programs, (2) predict the waste generated by the proposed development to anticipate the loading on County transfer stations, landfills and recycling facilities, and (3) predict the additional traffic being generated because of waste and recycling transfers.

REPORT

The consultant's report will contain the following:

1. Description of the project and the potential waste it may be generating; i.e. analysis of anticipated waste volume and composition. This includes waste generated during the construction and operational phases. Greenwastes will be included in this report for both construction grubbing and future operational landscape maintenance.
2. Description and location of the possible sites for waste disposal or recycling. We will not allow the use of the County transfer stations for any commercial development, commercial development as defined under the policies of the Department of Environmental Management, Solid Waste Division.
3. Since the Department of Environmental Management promotes recycling, indicate onsite source separation facilities by waste stream; i.e. source separation bins of glass, metal, plastic, cardboard, aluminum, etc. Provide ample and equal space for rubbish and recycling.
4. Identification of the proposed disposal site and transportation methods for the various components of the waste disposal and recycling system, including the number of truck traffic and the route that truck will be using to transport the waste and recycled materials.

Dear Reviewer:

Attached for your review is an environmental impact statement (EIS) Preparation Notice which was prepared pursuant to Chapter 343 Hawaii Revised Statutes and the EIS rules (Hawaii's Administrative Rules, Title 11, Chapter 200).

TITLE OF PROJECT: Waikoloa Highlands – Residential Subdivision

LOCATION: Island of Hawaii's South Kohala District

TAX MAP KEY NUMBERS: (3) 6-8-002: 016 (portion)

AGENCY ACTION:

Accepting Authority: State Land Use Commission
Address: 735 South King Street, Suite 402, Honolulu, Hawaii 96813
Contact: Mr. Anthony Chung, Phone: (808) 587-3822

Applicant: Waikoloa Mauka, LLC
Address: 120 Aspen Oak Lane, Glendale, CA 91207
Contact: Mr. Kevin Kellow, Manager

Consultant: R.M. Towill Corporation
Address: 420 Waiakamilo Road # 411, Honolulu, Hawaii 96817
Contact: Mr. Chester Koga, Phone: (808) 842-1133 Fax: 808-842-1937
Email: chesterk@rmtowill.com

**ENVIRONMENTAL NOTICE
PUBLICATION DATE:**

JULY 23, 2006

REVIEW COMMENT DEADLINE:

AUGUST 22, 2006

Please send your written comments and inquiries to the Applicant, Accepting Authority, and Consultant. If you wish to receive a copy of the Draft EIS when it becomes available, please contact the Consultant.

Thank you for your participation in the review of this EISPN.

420 Weiakamilo Road
Suite 411
Honolulu Hawaii 96817-4950
Telephone 808 842-1133
Fax 808 842-1937
eMail rmtovill@hawaii.rr.com



R. M. TOWILL CORPORATION
SINCE 1920

Planning
Engineering
Environmental Services
Photogrammetry
Surveying
Construction Management

September 25, 2006

Ms. Barbara Bell, Director
Department of Environmental Management
County of Hawai'i
25 Aupuni Street, Room 210
Hilo, Hawai'i 96720

Dear Ms. Bell:

**Environmental Impact Statement Preparation Notice (EISP/N) for Waikoloa Highlands
South Kohala, Island of Hawai'i
Tax Map Key: (3) 6-8-002: 016 (por.)**

We thank you for your letter dated August 14, 2006 relating to the subject project.

Solid waste collection and disposal plans have not been formalized at this state of the process. The future homeowners of this subdivision will develop its solid waste management plan along with the development of recycling program.

The efforts of this subdivision will be further coordinated with the Waikoloa Village Association.

Please contact the undersigned if you have additional questions.

Sincerely,

Chester Koga, AICP
Project Coordinator

Cc: Waikoloa Mauka, LLC



County of Hawaii
DEPARTMENT OF PUBLIC WORKS

Ahupua'a Center
101 Paiahi Street, Suite 700 Hilo, Hawaii 96720-4324
(808) 941-4321 • Fax (808) 941-4620

420 Waiakemilo Road
Suite 411
Honolulu, Hawaii 96817-4950
Telephone 808 842 1133
Fax 808 842 1937
eMail rmtowell@hawaiiir.com



Planning
Engineering
Environmental Services
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Surveying
Construction Management

Harry Kimo
Mayor

Brian C. McClure
Director
Jiro Sumada
Deputy Director

September 25, 2006

August 14, 2006

Mr. Kevin Kellow, Manager
Waikoloa Mauka, LLC
120 Aspen Oak Lane
Glendale, CA 91207

Subject: Environmental Impact Statement Preparation Notice
Waikoloa Highlands Residential Subdivision
TMK: 6-8-002:016 (portion)

Mr. Galen Kuba, Division Chief
Department of Public Works
County of Hawaii
101 Paiahi Street, Suite 7
Hilo, Hawai'i 96720

Dear Mr. Kuba:

We reviewed the subject and our comments are as follows:

1. All development generated runoff shall be disposed of on-site and shall not be directed toward any adjacent properties.
2. We appreciate from the EISP/N review that base flood studies for numerous watercourses will be conducted and included in the Draft EIS.
3. All earthwork and grading shall conform to Chapter 10, Erosion and Sediment Control, of Hawaii County Code. The applicant should consult with the Natural Resources Conservation Service, formerly known as, Soil Conservation Service.
4. We appreciate that a Traffic Impact Analysis Report (TIAR) prepared by a licensed professional traffic engineer will be submitted with the Draft EIS.

Environmental Impact Statement Preparation Notice for Waikoloa Highlands
South Kohala, Island of Hawai'i
Tax Map Key: (3) 6-8-002: 016 (por.)

We thank you for your letter dated August 14, 2006 relating to the subject project.

We have reviewed your comments and offer response as follows:

1. Development Generated Run-off. As your letter stated, on-site generated runoff will not be directed towards adjacent properties, rather they will be directed to detention basins, dry-well, and natural drainage ways.
2. Flood Study. A flood study has been prepared and the findings are published in the Draft EIS.
3. Earthwork and grading work will conform to Chapter 10 of the Hawai'i County Code.
4. The findings of the traffic impact assessment report (TIAR) is included in the Draft EIS.

We prefer to withhold detailed comments until review of the draft Environmental Impact Statement.
Should there be any questions concerning this matter, please feel free to contact Kiran Emler of our Kona Engineering Division office at 327-3550.

Galen M. Kuba, Division Chief
Engineering Division

Sincerely,

Chester Koga, AICP
Project Coordinator

KE
copy: State Land Use Commission- Mr. Anthony Ching
R.M. Towill Corporation- Mr. Chester Koga
ENG-HILO/KONA,
County of Hawai'i is an Equal Opportunity Provider and Employer.

Cc: Waikoloa Mauka, LLC

Harry Kim
Mayor



Darryl J. Oliveira
Fire Chief
Desmond K. West
Deputy Fire Chief

County of Hawaii
FIRE DEPARTMENT
25 Aupuni Street • Suite 103 • Hilo, Hawaii 96720
(808) 961-8297 • Fax (808) 961-8296

August 14, 2006

Mr. Chester Koga
R.M. Towill Corporation
420 Waakamilo Rd #411
Honolulu, HI 96817

SUBJECT: ENVIRONMENTAL IMPACT STATEMENT PREPARATION NOTICE
PROJECT: WAIKOLOA HIGHLANDS - RESIDENTIAL SUBDIVISION
ISLAND OF HAWAII, SOUTH KOHALA DISTRICT
TAX MAP KEY: (3)6-8-002-016 (PORTION)

In regards to the above-mentioned environmental impact statement preparation notice, the following shall be in accordance:

Fire apparatus access roads shall be in accordance with UFC Section 10.207:

"Fire Apparatus Access Roads

"Sec. 10.207. (a) General. Fire apparatus access roads shall be provided and maintained in accordance with the provisions of this section.

"(b) Where Required. Fire apparatus access roads shall be required for every building hereafter constructed when any portion of an exterior wall of the first story is located more than 150 feet from fire department vehicle access as measured by an unobstructed route around the exterior of the building.

"EXCEPTIONS: 1. When buildings are completely protected with an approved automatic fire sprinkler system, the provisions of this section may be modified.

"2. When access roadways cannot be installed due to topography, waterways, nonnegotiable grades or other similar conditions, the chief may require additional fire protection as specified in Section 10.301 (b).



Hawaii's County is an Equal Opportunity Provider and Employer.

Christopher J. Yuen
August 14, 2006
Page 2

"3. When there are not more than two Group R, Division 3 or Group M Occupancies, the requirements of this section may be modified, provided, in the opinion of the chief, fire-fighting or rescue operations would not be impaired.

"More than one fire apparatus road may be required when it is determined by the chief that access by a single road may be impaired by vehicle congestion, condition of terrain, climatic conditions or other factors that could limit access.

"For high-piled combustible storage, see Section 81.109.

"(c) **Width.** The unobstructed width of a fire apparatus access road shall meet the requirements of the appropriate county jurisdiction.

"(d) **Vertical Clearance.** Fire apparatus access roads shall have an unobstructed vertical clearance of not less than 13 feet 6 inches.

"EXCEPTION: Upon approval vertical clearance may be reduced, provided such reduction does not impair access by fire apparatus and approved signs are installed and maintained indicating the established vertical clearance.

"(e) **Permissible Modifications.** Vertical clearances or widths required by this section may be increased when, in the opinion of the chief, vertical clearances or widths are not adequate to provide fire apparatus access.

"(f) **Surface.** Fire apparatus access roads shall be designed and maintained to support the imposed loads of fire apparatus and shall be provided with a surface so as to provide all-weather driving capabilities." (20 tons)

"(g) **Turning Radius.** The turning radius of a fire apparatus access road shall be as approved by the chief." (45 feet)

"(h) **Turnarounds.** All dead-end fire apparatus access roads in excess of 150 feet in length shall be provided with approved provisions for the turning around of fire apparatus.

"(i) **Bridges.** When a bridge is required to be used as access under this section, it shall be constructed and maintained in accordance with the applicable sections of the Building Code and using designed live loading sufficient to carry the imposed loads of fire apparatus.

"(j) **Grade.** The gradient for a fire apparatus access road shall not exceed the maximum approved by the chief." (15%)

Christopher J. Yuen
August 14, 2006
Page 3



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420 Waialeale Road
Suite 411
Honolulu Hawaii 96817-4950
Telephone 808 842 1133
Fax 808 842 1937
eMail rmtowill@hawaii.rr.com

"(k) Obstruction. The required width of any fire apparatus access road shall not be obstructed in any manner, including parking of vehicles. Minimum required widths and clearances established under this section shall be maintained at all times.

"(l) Signs. When required by the fire chief, approved signs or other approved notices shall be provided and maintained for fire apparatus access roads to identify such roads and prohibit the obstruction thereof or both."

Water supply shall be in accordance with UFC Section 10.301(c):

"(c) Water Supply. An approved water supply capable of supplying required fire flow for fire protection shall be provided to all premises upon which buildings or portions of buildings are hereafter constructed, in accordance with the respective county water requirements. There shall be provided, when required by the chief, on-site fire hydrants and mains capable of supplying the required fire flow.

"Water supply may consist of reservoirs, pressure tanks, elevated tanks, water mains or other fixed systems capable of providing the required fire flow.

"The location, number and type of fire hydrants connected to a water supply capable of delivering the required fire flow shall be protected as set forth by the respective county water requirements. All hydrants shall be accessible to the fire department apparatus by roadways meeting the requirements of Section 10.207.

Given the historical record of wildland fires in the proposed area, as well as with respect to the vicinity climate, wildland urban interface, and organic fuel loading, the establishment of sustainable defensible space would be greatly appreciated and provide for emergency wildfire mitigation.

The Fire Department would welcome the opportunity to work directly with the design consultant and developer to address this issue in the planning process.


DARRYL OLIVEIRA
Fire Chief

AY:lpc

September 25, 2006

Chief Darryl Oliveira
Fire Department
County of Hawaii
25 Aupuni Street, Suite 101
Hilo, Hawaii 96720

Dear Chief Oliveira:

**Environmental Impact Statement Preparation Notice for Waikoloa Highlands
South Kohala, Island of Hawaii'i
Tax Map Key: (3) 6-8-002: 016 (por.)**

We thank you for your letter dated August 14, 2006 relating to the subject project.

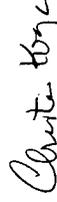
We have reviewed the comments and note that the proposed project will be developed in accordance with UFC Section 10.207 relating to fire apparatus access.

In addition, the project will be developed in accordance with UFC Section 10.301(c) relating to water supply.

Consideration for the prevention, containment and establishment of defensive spaces relating to wildland fires have not been developed at this time. When plans are developed, we will consult with your department.

Please contact the undersigned if you have additional questions.

Sincerely,



Chester Koga, AICP
Project Coordinator

Cc: Waikoloa Mauka, LLC

Harry Kim
Mayor



County of Hawaii

POLICE DEPARTMENT
349 Kapiolani Street • Hilo, Hawaii 96720-3998
(808) 935-3311 • Fax (808) 961-2389

Lawrence K. Mahuna
Police Chief

Harry S. Kubojiri
Deputy Police Chief

Mr. Kevin Kellow
August 16, 2006
Page 2

Thank you for allowing us to comment. Should you have any questions, please contact Captain Lawrence Balberde, the South Kohala District Commander, at 887-3080, or Major John Daws, Area II Operations, at 326-4646, ext. 299.

August 16, 2006

Mr. Kevin Kellow
Manager – Waikoloa Mauka LLC
120 Aspen Oak Lane
Glendale, CA 91207

Dear Mr. Kellow:

RE: Preparation Notice for an Environmental Impact Statement
Waikoloa Highlands – Residential Subdivision

This is in response to your request for comments on the proposed Waikoloa Highlands residential subdivision.

Staff has reviewed the Environmental Impact Statement Preparation Notice that was sent to the Police Department and has the following comments.

Section 3.7 - Transportation/Traffic

The lower access point into the proposed subdivision is in close proximity to the main intersection of Waikoloa Road and Paniolo Drive. Additional traffic generated by this project will exacerbate the present congestion level at this intersection, which is the only access point into Waikoloa Village. Traffic improvements will be required to mitigate the impact of your proposed roadway and the increased traffic generated by this proposed subdivision.

Section 3.8 - Utilities, Public Facilities, and Services

The proposed development and associated population increase will significantly increase the demand for police services in the Waikoloa area. The proposed development will impact the need for additional police personnel and police facilities to service the Waikoloa area.

Sincerely,

LAWRENCE K. MAHUNA
POLICE CHIEF

c: State Land Use Commission
P.M. Tenth Corporation



R. M. TOWILL CORPORATION
SINCE 1930

Planning
Engineering
Environmental Services
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Construction Management

420 Waiakamilo Road
Suite 411
Hoeolu Hawaii 96817-4950
Telephone 808 842 1133
Fax 808 842 1937
eMail rmtowill@hawaii.rr.com

September 25, 2006

Chief Lawrence K. Mahuna
Police Department
County of Hawaii
349 Kapi'olani Street
Hilo, Hawaii'i 96720

Dear Chief Mahuna:

**Environmental Impact Statement Preparation Notice for Waikoloa Highlands
South Kohala, Island of Hawaii'i
Tax Map Key: (3) 6-8-002: 016 (por.)**

We thank you for your letter dated August 16, 2006 relating to the subject project.

We have reviewed your comments and offer the following response:

Section 3.7 Transportation/Traffic

The developer has committed to improving the intersection at Waikoloa Road and Puniolo Avenue and will include additional traffic signals and turn lanes. Details of the proposed improvements are provided in the Draft EIS along with a traffic impact assessment report (TLAR) that will evaluate existing and future traffic with and without the proposed project.

Section 3.8 Utilities, Public Facilities, and Services

As part of the mitigation measures for this project, the developer has been required to pay impact fees to mitigate impacts on utilities, public facilities and services.

Please contact the undersigned if you have additional questions.

Sincerely,

Chester Koga, AICP
Project Coordinator

Cc: Waikoloa Mauka, LLC

APPENDIX N

Comments and Responses – Draft EIS

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APPENDIX N

COMMENTS AND RESPONSES – DRAFT EIS

A Draft EIS was prepared and notice of availability published in the October 23, 2006 edition of the OEQC's Environmental Notice, with the public comment deadline of December 8, 2006.

Individuals, organization and agencies providing comments to the Draft EIS are identified with an asterisk '*' below. Copies of letters received and responses to the letters, follows the list.

Federal Agencies

Army Corps of Engineers, Honolulu Engineer District
Environmental Protection Agency
Federal Highway Administration
Natural Resources Conservation Service
Fish and Wildlife Service
U.S. Geological Survey*

State Agencies

Department of Agriculture
Department of Accounting and General Services*
Department of Business, Economic Development & Tourism, ~~Office of Planning~~
Resources and Technology Division
~~Office of Planning Office*~~
Hawai'i Housing Finance Development Corporation*
State Land Use Commission*
Department of Education*
Department of Hawaiian Home Lands
Department of Land and Natural Resources
State Historic Preservation Division
Department of Health
Environmental Planning Office*
Office of Environmental Quality Control (4 copies)*
Department of Public Safety
Department of Transportation*
Office of Hawaiian Affairs
University of Hawai'i, Environmental Center*
University of Hawai'i, Marine Programs
University of Hawai'i, Water Resources Research Center

County of Hawai'i

Department of Environmental Management*

Fire Department*
Department of Parks and Recreation
Planning Department*
Police Department*
Department of Public Works*
Department of Water Supply*

Elected Officials, Community Organizations, and Other Organizations

Elected Officials

County Councilmember Pete Hoffman, County Council District 9
Representative Cindy Evans, State House District 7
Senator Paul Whalen Senate, State Senate District 3

Utility Companies

Hawai'i Electric Light Company, Inc.
Hawaiian Telcom, Inc.
Oceanic Time Warner Cable
Waikoloa Water Company

Libraries

Hawai'i Documents Center, Hawai'i State Library
Bond Memorial Public Library
Thelma Parker Memorial Library
Kailua-Kona Public Library

Newspapers

Hawai'i Tribune Herald
West Hawai'i Today

Other

Waimea Community Development Plan Committee
Waikoloa Village Association
Waikoloa Outdoor Circle
Waikoloa Community Development Corporation
Hawai'i Leeward Planning Council
West Hawai'i Economic Development Council
Chamber of Commerce
Mauna Kea Soil and Water Conservation District*



United States Department of the Interior

U.S. GEOLOGICAL SURVEY
Pacific Islands Water Science Center
677 Ala Moana Blvd., Suite 415
Honolulu, Hawaii 96813
Phone: (808) 587-2400/Fax: (808) 587-2401

November 30, 2006

Mr. Chester Koga
R.M. Towill Corporation
420 Waiakamilo Road, #411
Honolulu, Hawaii 96817

Dear Mr. Koga:

Subject: Draft Environmental Impact Statement
Waikoloa Highlands - Residential Subdivision, Island of Hawaii, South Kohala District

Thank you for forwarding the DEIS for review and comments by the staff of the U.S. Geological Survey, Pacific Islands Water Science Center. We regret however, that due to prior commitments and lack of available staff, we are unable to review this document.

We appreciate the opportunity to participate in the review process.

Sincerely,


Gordon Tribble
Center Director

cc: Mr. Kevin Kellow, Manager
Waikoloa Mauka, LLC
120 Aspen Oak Lane
Glendale, CA 91207

Mr. Anthony Ching
State Land Use Commission
735 South King Street, Suite 402
Honolulu, HI 96813

Office of Environmental Quality Control
235 S. Bereniana St., Suite 702
Honolulu, HI 969813

U.S. GEOLOGICAL SURVEY
HONOLULU, HAWAII



R. M. TOWILL CORPORATION
SINCE 1938

OCT 23 2006

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DRAFT ENVIRONMENTAL IMPACT STATEMENT
WAIKOLOA HIGHLANDS - RESIDENTIAL SUBDIVISION

October 23, 2006

Dear Reviewer:

Attached for your review is a draft environmental impact statement (DEIS) prepared pursuant to Chapter 343 Hawaii Revised Statutes, and the Title 11, Chapter 200, Hawaii Administrative Rules, for a 398-lot low density residential subdivision. A land use boundary amendment is being sought to change the State land use from Agriculture to Rural.

TITLE OF PROJECT: Waikoloa Highlands - Residential Subdivision

LOCATION: Island of Hawai'i, South Kohala District

TAX MAP KEY NUMBERS: (3) 6-8-002: 016 (portion)

AGENCY ACTION:

Accepting Authority: State Land Use Commission

Address: 735 South King Street, Suite 402, Honolulu, Hawaii 96813

Contact: Mr. Anthony Ching, Phone: (808) 587-3822

Applicant: Waikoloa Mauka, LLC

Address: 120 Aspen Oak Lane, Glendale, CA 91207

Contact: Mr. Kevin Kellow, Manager

Consultant: R.M. Towill Corporation

Address: 420 Waiakamilo Road # 411, Honolulu, Hawaii 96817

Contact: Mr. Chester Koga, Phone:(808) 842-1133 Fax: 808-842-1937

Email: ckostert@rmtowill.com

ENVIRONMENTAL NOTICE

PUBLICATION DATE: OCTOBER 23, 2006

REVIEW COMMENT DEADLINE: DECEMBER 7, 2006

Please send your written comments and inquiries to the Applicant, Accepting Authority, OEQC and Consultant if you wish to receive a copy of the Final EIS when it becomes available, please contact the Consultant.

Thank you for your participation in the review of this DEIS.

420 Waiakamohi Road
Suite 411
Honolulu, Hawaii 96817-4950
Telephone 808 942 1113
Fax 808 942 1927
email info@rmtowill.com



R. M. TOWILL CORPORATION
SINCE 1930

Planning
Engineering
Environmental Services
Photogrammetry
Surveying
Construction Management

January 31, 2007

Mr. Gordon Tribble, Director
U.S. Geological Services
677 Ala Moana Boulevard, Suite 415
Honolulu, Hawaii 96813

Dear Mr. Tribble:

**Draft Environmental Impact Statement
Waikoloa Highlands Residential Subdivision
South Kohala, Hawaii
Tax Map Key: (3) 6-8-002, Portion of 16**

This letter acknowledges your letter of November 30, 2006 indicating that your agency was not able to review and comment on the Draft EIS.

Please contact the undersigned if you have additional questions.

Sincerely,

Chester Koga, AICP
Project Coordinator

Cc: IUC, Waikoloa Maui, LLC



STATE OF HAWAII
DEPARTMENT OF EDUCATION
150 BUSH ST
HONOLULU, HAWAII 96804

OFFICE OF BUSINESS SERVICES

November 6, 2006

Mr. Kevin Kellow, Manager
Waikoloa Mauka, LLC
120 Aspen Oak Lane
Glendale, California 91207

Dear Mr. Kellow:

SUBJECT: Draft Environmental Impact Statement for Waikoloa Highlands
Residential Subdivision, South Kohala, Hawaii TMK: 6-8-002, not 16

The Department of Education (DOE) has reviewed the Draft Environmental Impact Statement (DEIS) for Waikoloa Highlands, a 398-lot, rural subdivision. The DOE is limited in its ability to estimate the impact of the proposed project on public schools, because the DEIS does not make clear how many dwelling units would be permitted in the project. The DOE initially raised this issue in my August 9, 2006, letter to Mr. Chester Koga, which is included in Section 5 of the DEIS.

Neither the social impact assessment nor the market study included in the DEIS explains how it was determined that the project would generate an additional 233 students.

The DEIS does accurately describe past enrollment, facility capacity, and future enrollment projections of the three schools that would serve the future residents of Waikoloa Highlands. The proposed project would have a significant impact on the future enrollment of the schools which are expected to exceed their facility capacity in the next several years.

To mitigate the impact of additional students attending the public schools serving Waikoloa Highlands, DOE requests that the State Land Use Commission impose a school fair-share condition. The proposed wording that will permit the DOE to collect a fair-share condition based on the actual number of dwelling unit in the project is as follows:

The Applicant shall contribute to the development, funding, and/or construction of school facilities, on a fair-share basis, as determined by and to the satisfaction of the Department of Education. Terms of the contribution shall be agreed upon in writing by the Applicant and the Department of Education prior to final plan approval for any area of development.

AN AFFIRMATIVE ACTION AND EQUAL OPPORTUNITY EMPLOYER

Mr. Kevin Kellow
Page 2
November 6, 2006

The DOE has met with representatives of Waikoloa Mauka, LLC, and is confident that we will be able to determine a school fair-share contribution provided the standard condition is imposed. The DOE appreciates the opportunity to review the plans for Waikoloa Highlands. If you have any questions, please call Heidi Meeker of the Facilities Development Branch at 733-4862.

Very truly yours,

Patricia Hanamoto
Superintendent

PH:jmb

cc: Randolph Moore, Acting Assistant Superintendent, OBS
Dwayne Kashiwagi, Public Works Manager, FDB
Arthur Souza, CAS, Homokaa/Kohala/Kona Complex Areas
Anthony Chang, SLUC
/ Chester Koga, R.M. Torwill
Laura H. Thielen, Office of Planning

420 Waiwaiwa Road
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Honolulu Hawaii 96817-4660
Telephone 808 842 1133
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dohd.moswell@hawaii.gov



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January 31, 2007

Ms. Patricia Hamamoto, Superintendent
Department of Education
P.O. Box 2360
Honolulu, Hawaii 96804

Dear Ms. Hamamoto:

Draft Environmental Impact Statement
Waikoloa Highlands Residential Subdivision
South Kohala, Hawaii
Tax Map Key: (3) 6-S-002, Portion of 16

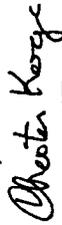
This letter acknowledges your letter of November 6, 2006 relating to the subject project. We offer the following responses to your inquiries:

1. Number of dwelling units in the project. The proposed subdivision envisions only one (1) dwelling unit per lot of record. We will include this statement in the Final EIS.
2. Student enrollment projection. At the time that the DEIS was written, we were under the impression that 576 students per household was the formula used by the DOE. In recent discussions with Heidi Meeker we understand this is no longer the case, and in its place the DOE requests discussions and negotiations on a project-by-project basis with the assumption that each project is unique. We understand that position and look forward to detailed discussions that permit us to estimate the impact of our project on education facilities, and to mutually arrive at a fair-share contribution.
3. We have reviewed the proposed fair-share education condition and find it acceptable. We will include your proposal in the Final EIS.

We will continue to work with DOE staff to reach an equitable fair-share solution to meet the needs of school children in the area.

Should you have questions, please contact the undersigned.

Sincerely,


Chester Koga, AICP

Cc: LUC, Waikoloa Maula LLC

420 Waikeamoo Road
Suite 411
Honolulu, Hawaii 96817-4960
Telephone 808 842 1133
Fax 808 842 1927
eMail rmwill@hawaii.com



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Ms. Patricia Hamamoto
June 13, 2007
Page 2 of 2

We have reviewed the proposed fair-share education condition and find it acceptable. We will continue to work with DOE staff to reach an equitable fair-share solution to meet the needs of school children in the area.

June 13, 2007

Ms. Patricia Hamamoto
Superintendent
Department of Education
State of Hawai'i
P. O. Box 2360
Honolulu, Hawai'i; 96804

Dear Ms. Hamamoto:

**Draft Environmental Impact Statement (DEIS)
Waikoloa Highlands Residential Subdivision
South Kohala, Hawai'i**

Thank you for your letter dated November 6, 2006 concerning the subject project. We have prepared the following revised response to our earlier mailing to you to provide further clarification and detail. Your comments are italicized for reference:

1. *The DOE is limited in its ability to estimate the impact of the proposed project on public schools, because the DEIS does not make clear how many dwelling units would be permitted in the project.*
2. *Neither the social impact assessment nor the market study included in the DEIS explains how it was determined that the project would generate an additional 233 students.*

The Waikoloa Highlands project will consist of 398 lots with one dwelling per lot as prescribed in Ordinance 05-157, County of Hawai'i, a copy of which is attached for your reference.

Since our last correspondence, we have been in contact with your staff and have been provided with the following information regarding anticipated student enrollment. Based on the number of units planned and the projected population, the DOE estimates that the project will contribute 24 additional elementary school students, 9 middle school students, and 7 high school students. The DOE staff also concluded due to the small number of additional students, that the project will not require additional school facilities. This information will be provided in the Final EIS, Section 3.6.4, Schools, Pages 3-60 to 3-62.

3. *To mitigate the impact of additional students attending the public schools serving Waikoloa Highlands, DOE requests that the State Land Use Commission impose a school fair-share condition. The proposed wording that will permit the DOE to collect a fair-share condition based on the actual number of dwelling unit in the project is as follows:*

The Applicant shall contribute to the development, funding, and/or construction of school facilities, on a fair-share basis, as determined by and to the satisfaction of the Department of Education. Terms of the contribution shall be agreed upon in writing by the Applicant and the Department of Education prior to final plan approval for any area of development.

Thank you for taking the time to share your comments and allowing us this opportunity to respond. Any further written comments may be directed to the undersigned.

Sincerely,

Chester Koga, AICP

Attachment: Ordinance 05-157

cc: Waikoloa Mauika LLC
Imanaka Kudo & Fujimoto



STATE OF HAWAII
DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM
LAND USE COMMISSION

P.O. Box 5056
Honolulu, Hawaii 96820-5056
Telephone: 808-541-3222
Fax: 808-541-3227

ANTHONY J. LIU
Executive Director

Mr. Kevin Kellow
October 31, 2006
Page 2

October 31, 2006

Mr. Kevin Kellow
Waikoloa Mauka, LLC
120 Aspen Oak Lane
Glendale, California 91207

Dear Mr. Kellow:

Subject: LUC Docket No. A06-767/Waikoloa Mauka, LLC ("Petitioner")
Draft Environmental Impact Statement ("DEIS")
South Kohala, Hawai'i
TMK No.: [3] 6-8-002-016 (por.)

We have reviewed the DEIS for the development of approximately 399 low-density rural residential lots, supporting infrastructure and open space recreational areas (the "Project") on 731.581 acres of land (the "Petition Area") in addition to 12.819 acres of land impacted by drainage improvements and have the following comments:

1. Please include a figure in the Final Environmental Impact Statement ("FEIS") that identifies the location of the 12.819 acres of land impacted by drainage improvements in relation to the Petition Area.
Please also confirm if the above-mentioned 12.819 acres are a portion of TMK No.: 6-8-003: 032 and make changes to the FEIS to include this TMK, as appropriate.
2. The Executive Summary of the FEIS should include a discussion of the Project impacts and mitigation to include cumulative and secondary impacts.
3. In reference to Section 1.2 of the DEIS, please clarify which state or county lands (not including those associated with the connection of planned roadways to existing

county or state roads) may be impacted by the Project. Additionally, please indicate if the Project requires the use of any public funds or lands.

4. Please clarify the phasing and development timetable of the project. Approximately how long will phase 2 take to complete?
5. As you may be aware, the Petition For Land Use District Boundary Amendment filed with the Land Use Commission on June 28, 2006, indicated that a golf course and related amenities are a "projected use" within the open space recreational areas of the Project. However, Section 2.5 of the DEIS notes that a golf course was considered but will not be included as a component of the Project; whereas Section 4.1.2 of the DEIS states that "[a] golf course may be proposed in appropriately-zoned areas of the property."
6. The Petitioner should resolve this inconsistency in the FEIS. If a golf course is proposed as a component of the Project, the environmental impacts and mitigation measures must be disclosed in the context of the Project as a whole. The inclusion of a golf course in the Project sometime after the completion of the environmental review process would undermine the spirit and intent of chapter 343, Hawai'i Revised Statutes ("HRS") and violate sections 11-200-7 and 11-200-17(f), of the Hawai'i Administrative Rules.
7. Please identify the current landowner of the large crater quarry at the base of Pu'u Hina 1 and the approximate date that quarry operations were terminated.
8. Please include a figure in the FEIS that depicts the location, acreage and unit count of the proposed affordable housing. Please also describe why the affordable units were not integrated into the layout of the Project. Depending on the location of any affordable housing units which are developed as a function of the Project, it may be appropriate to discuss the development of the offsite affordable units and the associated infrastructure improvements within the scope of the FEIS.

Please include a figure in the FEIS depicting the Underground Injection Control ("UIC") line in relation to the Petition Area. The FEIS should include a discussion of the Project's location in relation to the UIC line and how that may impact underground injection disposal of stormwater and/or wastewater.

9. The FEIS should include an estimate of the "soft costs" (impact fees and fair-share contributions) with its projected development cost to more accurately portray what the total development costs of the Project might equal.
10. Please provide a figure in the FEIS depicting the potential location of the new upper elevation well, which is under consideration as an optional water source for the Project. Again, the location of any such well might dictate that this item is included in the scope of the FEIS. However, no further discussion of the matter (other than a statement to that effect) may be necessary if the location and development of the drinking water source is construed to be another separate project.
11. Please include a figure in the FEIS that demonstrates the potential location and acreage of the school site across Waikoloa Road on the Waikoloa Village side, which is under consideration by the Petitioner and the state Department of Education ("DOE").
12. Please note that the statement made by Ms. Maigret of the State Historic Preservation Division ("SHPD") in her April 17, 2006 email correspondence (Figure 5 of Appendix E) that it is her *inclination* "that additional work is not necessary..." reads as a tentative approval which will require review and sign-off by Ms. Maigret's supervisor. However, on page 3-34, the DEIS states that SHPD recently "confirmed that additional work was not necessary..."
- Please also note that page 15 of the Cultural Impact Statement (Appendix F) states that "...recent consultation with the SHPD (4/17/06) has indicated that no further work is necessary." Please provide documentation to evidence this confirmation from SHPD.
13. Please add a figure to the FEIS to describe the locations of the proposed on-site reservoirs. Please also clarify how reservoir water levels will be maintained in an area with low annual rainfall (in relation to a relatively high mean annual evapotranspiration rate) and where soil permeability ranges from moderate to rapid.

14. Please add a subsection to the FEIS to segregate the description of the Project's irrigation water from the Project's drinking water. Please also clarify if nonpotable water will be used to irrigate landscaping associated with the Project.

Please note that Appendix K is a recommended irrigation scheme for the Highlands Golf Estate, which is a development that does not directly correlate to the description of the Project as defined in the DEIS. Please clarify if the Project will utilize the recommendations of Appendix K, despite this discrepancy.

Please clarify the relationship of the Waikoloa Water Master Plan dated February 1991 (Appendix A) to the drinking and irrigation water needs of the Project. Additionally, please describe which parts of the Waikoloa Water Master Plan will or will not apply to the Project. For example, the Project does not appear to adhere to the recommendation that "sewage treatment effluent be reused for irrigation wherever possible, to reduce groundwater pumping, reduce pumping costs, and to demonstrate and effort to conserve water to the State Water Commission."
- The FEIS should describe the Project's drinking water source, storage, and transmission requirements in the body of the document without referring the reader to Appendix A.
15. The FEIS should acknowledge that the state Department of Health, in its Environmental Impact Statement Preparation Notice ("EISP") comment letter dated August 21, 2006, recommended that the Project utilize a centralized wastewater system. The FEIS should also discuss why a centralized wastewater system was not considered for the Project. Please also clarify if septic tanks are the sole option considered for individual Wastewater System disposal for the Project.
16. Please clarify what is meant by the statement that with a "full staff" of police officers for the South Kohala Police Station in Waimea, the Project would be adequately serviced. Is the police station currently not fully staffed?

Taking into the consideration the comments from the police department that the Project "will impact the need for additional police personnel and police facilities to service the Waikoloa area", how many additional police officers (and related facilities) are needed for the Project to be adequately serviced?

Mr. Kevin Kellow
October 31, 2006
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17. The FEIS should provide a breakdown of the number of elementary, middle school, and high school students the Project is expected to generate.

18. The FEIS should respond to the DOE's request in its EISP comment letter (dated August 9, 2006) to provide:

- a confirmation whether or not accessory dwellings will be permitted in the Project;
- the range of lot sizes and minimum required price for homes built in the Project (if any); and
- best estimates of the number of homes (to include accessory dwellings, if permitted) expected to be occupied at any given time and the number of homes expected to be occupied full time when the Project is completely built out.

19. If accessory dwellings will be permitted in the Project, please revise the Project's impacts and mitigation measures accordingly in the FEIS to account for the potential increase in the Project's density.

20. Please clarify what studies (and projected timeframes for such studies) would be necessary to determine the feasibility of relocating the existing electric transmission lines to the perimeter of the Petition Area.

21. The FEIS should describe the Project's applicability (or not) to each of the coastal zone management program policies and objectives defined in chapter 205A-2, HRS.

22. If Ordinance No. 05-157 amended Ordinance No. 95-51 please clarify the relevance of Ordinance No. 95-157 to the Project. Please include the applicable rezoning ordinances as appendices to the FEIS.

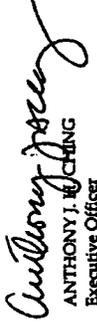
23. In the DEIS, the Project's drainage impacts and mitigation reference Appendix I (Drainage Report for the Waikoloa Highlands Subdivision, Phase 1). The FEIS should address drainage impact and mitigation measures in terms of the sum impact (i.e., both phases) of the Project.

Mr. Kevin Kellow
October 31, 2006
Page 6

24. The FEIS should include a discussion of the interrelationships and cumulative environmental impacts of the Project to other related projects.

Thank you for the opportunity to comment on the subject DEIS. Should you have any questions, please feel free to call me or Max Rogers of our office at 587-3822.

Sincerely,



ANTHONY J. KELLING
Executive Officer

c: Genevieve Salmonson, OEQC
✓ Chester T. Koga, R. M. Towill Corporation

420 Waialalo Road
Suite 411
Honolulu Hawaii 96817-4950
Telephone 808 842 1133
Fax 808 842 1937
email rmtowill@hawaii.com



R. M. TOWILL CORPORATION
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Construction Management

June 13, 2007

Anthony J.H. Ching, Executive Officer
Land Use Commission
State Department of Business, Economic Development & Tourism
P.O. Box 2359
Honolulu, Hawaii 96804-2359

Dear Mr. Ching:

**Draft Environmental Impact Statement (DEIS)
Waikoloa Highlands Residential Subdivision**
South Kohala, Hawaii

Thank you for your letter dated October 31, 2006 concerning the subject project. We have prepared the following revised response to our earlier mailing to you to provide further clarification and detail. Your comments are italicized for reference:

1. Please include a figure in the Final Environmental Impact Statement ("FEIS") that identifies the location of the 12.819 acres of land impacted by drainage improvements in relation to the Petition Area.
Please also confirm if the above-mentioned 12.819 acres are a portion of TMK No.: 6-8-003: 032 and make changes to the FEIS to include this TMK, as appropriate.

The 12.819 acres located at the northernmost portion of the subject property at the intersection of Waikoloa Road and Pua Meia Road is not required and will be excluded from this project. This parcel is designed as Tax Map Key: (3) 6-8-002, portion of parcel 016. During the initial phases of project design the 12.819-acre area was intended to be used for drainage improvements to handle the additional stormwater that would be generated from the proposed project. However, after further examination of infrastructure requirements it was determined that sufficient drainage improvements could be handled within the larger 731,581 acre property. The 12.819-acre area is now removed from this project. The new project acreage and petition area comprises 731,358 acres. This change will be reflected in the Final EIS in the following sections:

- Section 1, Executive Summary, Proposed Action
- Section 1.3, Introduction
- Figure 1, Project Location
- Figure 2, Site Plan
- Figure 3, Tax Map
- Figure 4, Subdivision Plan

2. The Executive Summary of the FEIS should include a discussion of the Project impacts and mitigation to include cumulative and secondary impacts.

The Final EIS, Executive Summary, starting from Page ES-5, provides a summary of these changes that include:

Anthony J.H. Ching
June 13, 2007
Page 2 of 11

Secondary Impacts
Secondary impacts that are anticipated include: a potential increase in retail sales in Waikoloa Village; a decrease in available agricultural land; and changes in the landscape from open space to developed land.

Increase in retail sales
It is anticipated that there will be increased retail sales at the Waikoloa Village Shopping area based on an increase in population. This will also result in increased demand for services.

Decrease in available agricultural land
The proposed project will have the effect of decreasing the availability of agricultural lands in the area. Recent agricultural uses have been limited to use pasturage activities.

Change in the landscape
The principal change in the landscape will be from a pastoral to a more rural setting. Where open space now occurs, there will be residences.

Cumulative Impacts
Cumulative impacts that are anticipated include: increased water demand (an additional 398,000 gallons per day); additional traffic on Waikoloa Road (an additional 50 eastbound and 110 westbound trips would be generated during the AM peak, and 85 eastbound and 45 westbound trips would be generated during the PM peak); additional demand on public services, e.g. police, fire, schools, solid waste, and parks use based on an increase in population by 1,068 persons; and an increase in housing stock by 398 units.

In each instance where impacts are anticipated, mitigation measures are identified and include the proposed use of traffic signals at the intersection of Waikoloa Road and Paniolo Avenue, and the provision of affordable housing in accordance with Ordinance 05-157, ceiling for the assessment of impact fees for public services that include affordable housing, parks, roadways, police service, fire service and solid waste. We add that we are continuing to discuss this project with the state Department of Education to determine the fair share contribution to meet public education requirements.

3. In reference to Section 1.2 of the DEIS, please clarify which state or county lands (not including those associated with the connection of planned roadways to existing county or state roads) may be impacted by the Project. Additionally, please indicate if the Project requires the use of any public funds or lands.

The FEIS, Section 1.2, Purpose of This Final Environmental Impact Statement, Page 1-2, will provide information on how the use of County of Hawai'i roadway facilities (lands) will be affected by the proposed project. These locations have been identified and include: (1) the intersection of Waikoloa Road and Paniolo Drive where traffic signals will be installed and the intersection will be re-striped; (2) a new intersection proposed along Pua Meia Road; and (3) a new intersection proposed where turn-lanes will be installed on Waikoloa Road, east of Paniolo Avenue. Section 1.2, will also include a statement to clarify that state or county funds will not be required to complete the roadway improvements.

Anthony J.H. Ching
June 13, 2007
Page 3 of 11

4. Please clarify the phasing and development timetable of the project. Approximately how long will phase 2 take to complete?

The FEIS, Section 2.2.2, Phasing Plan, Page 2-3, will clarify the phasing and development timetable for the project as follows:

The infrastructure improvements planned for Phase 1 will take approximately 8-10 months from the receipt of development permits from the County of Hawai'i which include: subdivision approval and plan approval for infrastructure improvements (grading, roadway and water line installation), Subdivision application has been filed with the County of Hawai'i and is currently pending. Infrastructure plans and roadway improvement plans are currently under preparation and will be submitted to the County of Hawai'i for review by Summer 2007. Completion of the Phase 1 improvements will involve 319.081 acres and is anticipated to be completed by Fall 2008, assuming a fall 2007 construction start.

Phase 2 improvements will involve 412.5 acres. Phase 2 plan preparation will commence in Spring 2007 and will be submitted to the County of Hawai'i following approval of the Phase 1 plans in Fall 2007. It is anticipated that the Phase 2 improvements will also take 8 to 10 months, with completion anticipated by Fall 2009 or early 2010.

5. As you may be aware, the Petition For Land Use District Boundary Amendment filed with the Land Use Commission on June 28, 2006, indicated that a golf course and related amenities are a "projected use" within the open space recreational areas of the Project. However, Section 2.5 of the DEIS notes that a golf course was considered but will not be included as a component of the Project; whereas Section 4.1.2 of the DEIS states that "[a] golf course may be proposed in appropriately-zoned areas of the property."

The Petitioner should resolve this inconsistency in the FEIS. If a golf course is proposed as a component of the Project, the environmental impacts and mitigation measures must be disclosed in the context of the Project as a whole. The inclusion of a golf course in the Project sometime after the completion of the environmental review process would undermine the spirit and intent of chapter 343, Hawai'i Revised Statutes ("HRS") and violate sections 11-200-7 and 11-200-17(i), of the Hawai'i Administrative Rules.

The golf course identified in the DEIS was cited in error and is not a part of the proposed project based on major additional infrastructure requirements and the uncertain market for another new golf course in the region. The golf course will not be developed and will be removed as a proposed part of the project from the FEIS.

6. Please identify the current landowner of the large cinder quarry at the base of Pu'u Hina'i and the approximate date that quarry operations were terminated.

Pu'u Hina'i is owned by Waikoloa Mauka, LLC. The Draft EIS reported incorrectly that the quarry operations were terminated. The quarry is currently permitted by Special Use Permit No. SF70-85, and is operated by Deluz Trucking and Gravel, LLC. An amendment to the permit was approved by the LUC on January 9, 2006 which extended the life of the permit from December 11, 2005 to December 11, 2010. This information will be provided in the Final EIS, Section 3.2.3, Topography, Page 3-2.

7. Please include a figure in the FEIS that depicts the location, acreage and unit count of the proposed affordable housing. Please also describe why the affordable units were not integrated into the layout of the Project. Depending on the location of any affordable housing units which are developed as a function of the Project, it may be appropriate to discuss the development of the offsite affordable units and the associated infrastructure improvements within the scope of the FEIS.

Anthony J.H. Ching
June 13, 2007
Page 4 of 11

A new figure will be provided in the Final EIS identifying Tax Map Key: (3) 6-8-003: Parcel 031, comprising 3.710 acres, as the location for an affordable housing parcel. Section 4.2.5, County Affordable Housing (Hawaii County Code, Chapter 11.1, Article 1), Page 4-12, will provide detail on compliance with the affordable housing requirements of the Hawaii County Code (HCC). In summary: (1) a total of 80 affordable housing units will be provided. This represents 20 percent of the planned 398 units of the project in accordance with Section 11-4, HCC; and (2) the location of the parcel is within 1.5 miles of the project site in accordance with Section 11-5, HCC.

Section 3.7.3, Affordable Housing, Page 3-63, will further describe the basis for the selection of the site according to the underlying 1-acre zoning of the planned Waikoloa Highlands project, and the developer's ownership of other nearby property that possessed the necessary zoning for affordable housing uses.

The Waikoloa Highlands project site is zoned RA-1a (Residential and Agricultural, Minimum 1-acre) and O (Open). In order to be used for affordable housing a rezoning of the site to a higher density would be required. The proposed affordable housing site is owned by the developer, is in close proximity to Waikoloa Highlands of less than half a mile, and is already zoned RM-1.5 (Multi-Family Residential, 1,500 square foot land/unit), which supports the development of affordable units without need for further rezoning.

Although the developer owns other property within a 1.5 mile radius that could be used to meet the affordable housing requirements of the HCC, the proposed site possesses zoning that is more consistent with surrounding land uses that also include multifamily, single-family, and village commercial land uses. In contrast, land uses surrounding Waikoloa Highlands are a combination of Open and A-5a (Agricultural, 5 acre minimum), that would make it less consistent with the underlying and surrounding zoning.

8. Please include a figure in the FEIS depicting the Underground Injection Control ("UIC") line in relation to the Petition Area. The FEIS should include a discussion of the Project's location in relation to the UIC line and how that may impact underground injection disposal of stormwater and/or wastewater.

The location of the UIC line in relation to the proposed project will be provided on Figure 20, Underground Injection Control Line, Page 3-54, of the Final EIS. The UIC line demarcates the limit of where wastewater injection into the ground is permitted. The area within the UIC zone is normally restricted from underground injection of wastewater. However, exceptions are made for areas that are not within a groundwater recharge area, are within a site that is not adjacent to a drinking water well, and/or the project contains large lots, greater than approximately one acre in size.

We note that the proposed project would be generally consistent with these exceptions: (1) the proposed project is not located within a groundwater recharge area; (2) the project location is downgradient of drinking water sources such as wells; and (3) the project is principally comprised of lots that are slightly greater than one acre in size. Discussion of these exceptions and additional information pertaining to underground injection of stormwater and/or wastewater is provided in the Final EIS, in Section 3.5.5, Wastewater, Page 3-53.

9. The FEIS should include an estimate of the "soft costs" (impact fees and fair-share contributions) with its projected development cost to more accurately portray what the total development costs of the Project might equal.

An estimate of the project's soft costs will be provided in the Final EIS, Table 2-3, Additional Costs, Page 2-7 and below. Table 2-3, identifies the impact fees and fair-share contributions that can be quantified at this time:

Recreation Fee (\$4,817.93 per lot)	\$1,917,536
Affordable Housing (20% of 398 total lots = 80 units)	TBD
Police Impact Fee (\$232.42 per lot x 398)	\$92,503
Solid Waste Fee (\$200.98 per lot x 398)	\$79,990
Water Development Fee	TBD
Road and Traffic Fees (\$4,280.82 per lot x 398)	\$1,703,766
School Impact Fee**	TBD
Fire Impact Fee (\$459.06 per lot x 398)	\$182,705
TOTAL ESTIMATED	\$3,976,500

* Fees estimated based on Ordinance 05-157. Fees may be adjusted, if required, by providing land or facilities and the final payment amount will be adjusted by the Honolulu Consumer Price Index at the time of Final Subdivision approval.

** Discussions with DOE are ongoing.
 TBD = to be determined

10. Please provide a figure in the FEIS depicting the potential location of the new upper elevation well, which is under consideration as an optional water source for the Project. Again, the location of any such well might dictate that this item is included in the scope of the FEIS. However, no further discussion of the matter (other than a statement to that effect) may be necessary if the location and development of the drinking water source is construed to be another separate project.

The development of off-site improvements is the responsibility of West Hawaii's Utility Company (WHUC), a Public Utilities Commission regulated utility company, who will designate the specific locations of well(s) and reservoirs. Although the specific locations of these well(s) and reservoirs are not known by the project developer, information that is known includes the approximate elevation of the reservoirs so that sufficient pressure can be provided to meet water system requirements. The Final EIS, Appendix A, Waikoloa Water Master Plan, 1991, identifies these water storage elevations at 1,300 feet and 1,800 feet relative to mean sea level (msl).

The applicant will be required to pay a fee to the WHUC for their share of off-site development costs based on the projected amount of water that will be used.

The system that will provide for the distribution of water will be the responsibility of the applicant. A preliminary plan is provided in the Final FEIS, in Section 3.5.3, Drinking Water, Pages 3-49 to 3-52; Figure 19, Water Distribution Plan, Page 3-51; and in Appendix J, Waikoloa Highlands Water Distribution System, September 2006.

11. Please include a figure in the FEIS that demonstrates the potential location and acreage of the school site across Waikoloa Road on the Waikoloa Village side, which is under consideration by the Petitioner and the State Department of Education ("DOE").

The DEIS, Section 3.7.2, Schools, previously indicated that approximately 3-acres of developable land would be considered to meet school educational requirements. This proposal has since been revised based on a change in the formula used by the DOE to estimate school enrollment. DOE reports that based on the number of units planned that the proposed Waikoloa Highlands project will contribute 24 additional elementary school students, 9 middle school students, and 7 high school students. The DOE has determined that due to the small number of additional students, that no additional schools will be needed.

The petitioner is continuing to discuss their fair-share requirement with the DOE and as required, will contribute their fair-share to mitigate the potential for adverse impacts on the provision of public educational services.

The FEIS, Section 3.6.4, Schools, Page 3-60 to 3-62, will provide further discussion on this item.

12. Please note that the statement made by Ms. Maigret of the State Historic Preservation Division ("SHPD") in her April 17, 2006 email correspondence (Figure 5 of Appendix E) that it is her inclination "that additional work is not necessary..." reads as a tentative approval which will require review and sign-off by Ms. Maigret's supervisor. However, on page 3-34, the DEIS states that SHPD recently "confirmed that additional work was not necessary..."

Please also note that page 15 of the Cultural Impact Statement (Appendix F) states that "... recent consultation with the SHPD (4/17/06) has indicated that no further work is necessary." Please provide documentation to evidence this confirmation from SHPD.

We have requested a clarification of the requirements of the SHPD and will forward their response to the LUC upon our receipt. We are aware that Ms. Mary Anne Maigret, Hawai'i Island Archaeologist, has since left the SHPD and her assignments have been transferred. We are in communication with the SHPD and intend to provide documentation concerning this item as soon as possible.

See FEIS, Section 3.4.5, Archaeological, Historic, and Cultural Resources, Page 3-36.

13. Please add a figure to the FEIS to describe the locations of the proposed on-site reservoirs. Please also clarify how reservoir water levels will be maintained in an area with low annual rainfall (in relation to a relatively high mean annual evapotranspiration rate) and where soil permeability ranges from moderate to rapid.

Proposed reservoirs (tanks) to serve this project are located off-site on property owned by the applicant. The general location of the proposed reservoirs will be provided in the Final FEIS, in Figure 19, Water Distribution Plan, Page 3-51, as well as in Appendix J, Waikoloa Highlands Water Distribution System, September 2006. The water source for this project will be from the West Hawai'i Utilities well field number 2 and 3. The approximately 400,000 gallons per day of water required for this project will be stored in covered tanks that will minimize water losses through evaporation.

14. Please add a subsection to the FEIS to segregate the description of the Project's irrigation water from the Project's drinking water. Please also clarify if nonpotable water will be used to irrigate landscaping associated with the Project.

The Final EIS, Section 3.5.3, Drinking Water, Page 3-49 to 3-51, will clarify that the proposed project will utilize a potable water system to meet irrigation and domestic water needs.

Please note that Appendix K is a recommended irrigation scheme for the Highlands Golf Estate, which is a development that does not directly correlate to the description of the Project as defined in the DEIS. Please clarify if the Project will utilize the recommendations of Appendix K, despite this discrepancy.

We confirm that the recommendations of Appendix K, Highlands Golf Estates Landscape Irrigation Water Study, August 2005, are intended to help guide the use of water conservation measures and do not imply the development of a golf course, which is not now a part of the proposed project.

Please clarify the relationship of the Waikoloa Water Master Plan dated February 1991 (Appendix A) to the drinking and irrigation water needs of the Project. Additionally, please describe which parts of the Waikoloa Water Master Plan will or will not apply to the Project. For example, the Project does not appear to adhere to the recommendation that "sewage treatment effluent be reused for irrigation wherever possible, to reduce groundwater pumping, reduce pumping costs, and to demonstrate and (sic) effort to conserve water to the State Water Commission."

The FEIS, Section 3.2.8, Hydrology, Pages 3-12 to 3-14, provides further discussion of the relationship between the proposed project and the Waikoloa Water Master Plan (WWMP), 1991. In summary, the WWMP was reviewed and an update of the applicability of the plan to the proposed project was undertaken in 2007, by Waimea Water Services, Inc. According to the WWSI update there is sufficient water resource capacity to meet the project demand of 1,000 gallons per day (gpd) per lot, or approximately 400,000 gpd for the project (1,000 gpd x approximately 400 lots).

The proposed water system will provide a separate water meter for each lot that will provide metering for both domestic and irrigation needs up to a water allowance of 1,000 gallons per day per lot.

Wastewater reuse is not possible with the adoption of the proposed Individual Wastewater Systems for the project. However, in order to promote water conservation the developer does intend to implement other measures that will include separate metering of domestic and irrigation water, and the use of water restrictions to promote conservation and discourage waste. Homeowners will be advised to use drought tolerant plants when landscaping, and if water uses exceed 1,000 gallons per day, the homeowner will be assessed a higher fee for any water usage over the daily allowance.

The developer is currently in negotiation with the WHUC to determine the water allocation for domestic and irrigation needs, and the facilities development charge for the source well(s), storage, and transmission facilities.

The FEIS should describe the Project's drinking water source, storage, and transmission requirements in the body of the document without referring the reader to Appendix A.

Please refer to our response to Item 13, above.

15. *The FEIS should acknowledge that the state Department of Health, in its Environmental Impact Statement Preparation Notice ("EISP/N") comment letter dated August 21, 2006, recommended that the Project utilize a centralized wastewater system. The FEIS should also discuss why a centralized wastewater system was not considered for the Project. Please also clarify if septic tanks are the sole option considered for Individual Wastewater System disposal for the Project.*

The following is a summary of information provided in the Final EIS, Section 3.5.5, Wastewater, page 3-53 to 3-55:

A centralized wastewater treatment system was considered for the proposed project as an alternative means of wastewater treatment, but was rejected from consideration in favor of use of individual wastewater systems (IWS). The reasons that supported this included: (1) IWS systems are allowed by the State Department of Health on large lots greater than 10,000 square feet as an environmentally sound method for treatment of wastewater; (2) A centralized wastewater treatment plant would need to be established as a private facility that would be the responsibility and liability of a homeowners' association; (3) the topography of the site would require the construction and use of wastewater lift stations across several lots. The several gullies crossing the project site would also require tunneling under drainageways that would significantly raise the cost of wastewater infrastructure development; and (4) the schedule for the development of the site would be phased over time. This would require a centralized wastewater treatment plant to operate at less than optimal efficiency during the initial years, at a relatively fixed and high operating cost.

16. *Please clarify what is meant by the statement that with a "full staff" of police officers for the South Kohala Police Station in Waimea, the Project would be adequately serviced. Is the police station currently not fully staffed?*

Taking into the consideration the comments from the police department that the Project "will impact the need for additional police personnel and police facilities to service the Waikoloa area", how many additional police officers (and related facilities) are needed for the Project to be adequately serviced?

A summary of the following will be provided in the Final EIS, Section 3.6.1, Police, page 3-58:

There are currently two patrol officers per watch that are dispatched from Waimea that serve the entire South Kohala District (Waikoloa, Kawaihae, and hotels along the Queen Kaahumanu Highway). The Police Department is currently authorized to have another 5 officers. Because these positions are vacant there are delays in service. If additional officers are needed, they are generally dispatched from Waimea. The Waimea area, however, is also only served by 2 officers suggesting that if these officers are called, there will be delayed service in the Waimea service area. In accordance with Ordinance 05-157, the applicant is required to pay fees to the County of Hawai'i for each lot to mitigate impacts to Police service. Until such time that the vacant police positions can be filled, the applicant will: (1) encourage an active community neighborhood watch program; (2) utilize private security personnel to perform random site and drive-through inspections; and/or (3) provide a gate at the entry to the development until such time that approximately 50 percent or more of the lots have been developed so that there is greater community and neighborhood presence in the development.

17. *The FEIS should provide a breakdown of the number of elementary, middle school, and high school students the Project is expected to generate.*

A summary of the following will be provided in the Final EIS, Section 3.6.4, Schools, Pages 3-60 to 3-62:

Until 2006, the Department of Education utilized a formula based on residential unit counts to estimate the number of public school students that a project would generate. The results of this formula, which were previously provided in the DEIS (and Appendix C, Social Impact Assessment, SMS Research, September 2006), have since been revised by the DOE. The current DOE practice involves analyzing the impacts of development projects based on a wider variety of factors to obtain a better estimate of the number of public

school students generated and the resultant impact on school facilities. DOE reports that based on the number of units planned that the proposed Waikoloa Highlands project will contribute 24 additional elementary school students, 9 middle school students, and 7 high school students. The DOE has determined that no additional schools will be needed based on this projection.

According to discussions with Heidi Meeker, DOE, the DOE will request that the Land Use Commission impose a school fair-share condition similar to such conditions that the Land Use Commission has imposed on other recent developments. The petitioner is continuing to discuss their fair-share requirement with the DOE and as required, will contribute their fair-share to mitigate the potential for adverse impacts on the provision of public educational services.

18. *The FEIS should respond to the DOE's request in its EISPN comment letter (dated August 9, 2006) to provide:*
- a confirmation whether or not accessory dwellings will be permitted in the Project;
 - the range of lot sizes and minimum required price for homes built in the Project (if any); and
 - best estimates of the number of homes (to include accessory dwellings, if permitted) expected to be occupied at any given time and the number of homes expected to be occupied full time when the Project is completely built out.

The FEIS will provide the following information as referenced:

Section 2.2.1, Subdivision Plan, Page 2-1: One single family home will be permitted in the development for each lot of record in accordance with Ordinance 05-157. Restrictions on additional units will be stated in the Covenants, Conditions and Restrictions (CC&Rs) for the project.

Section 3.4.3, Socio-Economic Environment, Page 3-28: The 1-acre lots at Waikoloa Highlands will sell for between approximately \$768,600 to \$1,058,400.

Executive Summary, Page ES-2: The developer has assumed that the buyers of the lots will be owner occupants with a preliminary estimate of full-time occupancy at build out of approximately 40 percent.

19. *If accessory dwellings will be permitted in the Project, please revise the Project's impacts and mitigation measures accordingly in the FEIS to account for the potential increase in the Project's density.*

Accessory dwellings or multiple dwellings on the lot are not permitted in accordance with Ordinance 05-157 (2005).

20. *Please clarify what studies (and projected timeframes for such studies) would be necessary to determine the feasibility of relocating the existing electric transmission lines to the perimeter of the Petition Area.*

The FEIS, Section 3.5.4, Electrical and Telecommunications, Page 3-52, will provide the following information:

According to Hawaii Electric Light Company (HELCO), the planning, design and relocation of the existing transmission lines to the perimeter of the petition area is anticipated to take two years. Appropriate studies will be prepared during the planning and design process to review the specific project requirements. This is not anticipated to impact the planned construction of the project infrastructure.

21. *The FEIS should describe the Project's applicability (or not) to each of the coastal zone management program policies and objectives defined in chapter 205A-2, HRS.*

The FEIS, Section 4.2.4, Coastal Zone Management/Special Management Area, starting on Page 4-11, will indicate the applicability of the project to each of the coastal zone management program policies and objectives.

22. *If Ordinance No. 05-157 amended Ordinance No. 95-51 please clarify the relevance of Ordinance No. 95-157 to the Project. Please include the applicable reasoning ordinances as appendices to the FEIS.*

Ordinance 95-157 does not have any relevance to this project and was a typographic error. It will be corrected in the Final EIS. The correct Ordinance number is 05-157.

23. *In the DEIS, the Project's drainage impacts and mitigation reference Appendix 1 (Drainage Report for the Waikoloa Highlands Subdivision, Phase 1). The FEIS should address drainage impact and mitigation measures in terms of the sum impact (i.e., both phases) of the Project.*

The major concern involving stormflows across both phases of the project was provided in the DEIS, Appendix H, Floodplain Limits and Flood Control Plan. According to this plan a combination of ditches and culverts were identified for drainage improvement to protect the site from flooding and flood associated impacts that include loss or destruction of property or life, and erosion of soils and sediments discharging downstream to state waters.

The plan identifies the specific drainage improvements that will be used for both phases of the project and include ditch and culvert controls to ensure stormflows are properly managed and addressed, in accordance with state and county regulations. In this regard, the potential for drainage impacts as well as the consideration and provision of appropriate mitigation measures are provided.

The controls that will integrate drainage into the flood control system was completed for Phase 1 of the project, and was included in the DEIS as Appendix 1, Drainage Report, Waikoloa Highlands Subdivision, Phase 1. The drainage control features included the use of drywells and road culverts. Similar controls will be used for Phase 2 and a separate Drainage Report is currently under preparation. We add that the drainage controls will also meet the drainage standards of the County of Hawaii, that requires no increase in runoff leaving the project site from the 10 and 50-year design storm.

The major concern involving the controls described above are anticipated to be during construction. The FEIS, Section 3.5.2, Drainage, will provide a list of appropriate best management practices considered for use at the site to ensure environmental protection and control of stormwater runoff. The list of controls that will ultimately be used will address the stormwater runoff control requirements of Chapter 11-55, Water Pollution Control, Hawaii Administrative Rules.

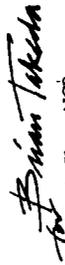
24. *The FEIS should include a discussion of the interrelationships and cumulative environmental impacts of the Project to other related projects.*

The FEIS, Executive Summary, will provide further discussion of secondary and cumulative impacts as a result of the proposed project, starting on page ES-5.

Anthony J.H. Ching
June 13, 2007
Page 11 of 11

Thank you for taking the time to share your comments and allowing us this opportunity to respond. Any further written comments may be directed to the undersigned.

Sincerely,


Chester Koga, AICP

cc: Waikoloa Maui LLC
Imanaka Kudo & Fujimoto

420 Waiakama Road
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Honolulu, Hawaii 96817-4950
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eMail rtw@rmtc.com



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January 31, 2007

Mr. Anthony Ching, Executive Officer
Land Use Commission
P.O. Box 2359
Honolulu, Hawaii 96804

Dear Mr. Ching:

Draft Environmental Impact Statement
Waikoloa Highlands Residential Subdivision
South Kohala, Hawaii
Tax Map Key: (3) 6-8-002, Portion of 16

This letter acknowledges your letter of October 31, 2006 relating to the subject project. We offer the following responses to your inquiries:

1. Location of the 12,819 acres. Since the publication of the Draft EIS, we find that this 12,819 acres will no longer be required for this project and will be excluded. Therefore, the project area and portion area is 731,358. We will amend the EIS accordingly.
2. Secondary and cumulative impacts. We will include additional discussion on the secondary and cumulative impacts of the project in the Final EIS.
3. Referencing Section 1.2 relating to state or county lands that may be impacted by the project. There are three locations where this project will impact County of Hawaii lands (roadway) - at the intersection of Waikoloa Road and Paniolo Drive where improvements (installation of signals) will be made, and at the new proposed intersection (along Pua Melia Road); and the new intersection proposed where turn-lanes will be installed on Waikoloa Road, east of Paniolo Avenue.
4. Project phasing, page 2-3. The infrastructure improvements planned for Phase 2 will take approximately 8-10 months from the completion of the Phase 1 improvements.
5. Land use petition and proposed golf course, page 2-7. As stated in the DEIS, the inclusion of a golf course was considered as an alternative for the project, however, as stated in the DEIS, page 2-8, the golf course is not part of this project.
6. Landowner of Pu'u Hinai. The land owner of the Pu'u Hinai is Waikoloa Mauka, LLC. The quarry operation is permitted via a Special Use Permit No. SP70-85. The most recent amendment was approved by the LUC on January 9, 2006. This amendment extended the life of the permit from December 11, 2005 to December 11, 2010.
7. Location of affordable housing. We will include a map showing the location of the proposed affordable housing in the Final EIS. The provision of affordable housing, according to the County of Hawaii, can be made through the accumulation of "credits" which can be accrued by construction of units on-site or off-site or the payment of fees. The developer has elected to provide units on his adjoining parcel zoned for multi-family units.
8. Location of underground injection control (UIC) line. We will include a map showing the location of the UIC line in the Final EIS.

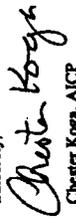
Mr. Anthony Ching
Page 2

9. Estimate of "soft costs." We will be including an estimate of the "soft cost" that can be quantified at this time and will include them in the Final EIS. These cost center about fees established in the Ordinance 05-157.
10. Location of upper elevation well. The development of off-site improvements are the responsibility of West Hawaii Utilities and therefore the specific location of wells and reservoirs proposed are not information that is available to the project developer. Information available is the approximate elevation at which the reservoirs need to be developed in order that sufficient pressure can be obtained.
11. Location and acreage of school site. Will include a map showing the potential location of a proposed school site. Note that the location has not been confirmed with the Department of Education (DOE). We will, however, continue discussions with the DOE regarding impacts to the school system in the area as a result of this project.
12. Statement by State Historic Preservation Division. We will clarify the language with SHPD and forward their response to your office.
13. Map showing locations of on-site reservoirs. There are no on-site reservoirs. Proposed reservoirs (tanks) that are off-site are depicted in Appendix J. Because the tanks are covered, evaporation will be minimized.
14. Add section on irrigation system separate from drinking water system. To clarify, there will not be a separate non-potable water system developed for this project for irrigation purposes. What is being planned is a separate water meter (from the potable line) that will be dedicated for irrigation. Each homeowner will be given a "water allowance" for irrigation apart from drinking water needs.
15. Use of centralized wastewater system. The use of a centralized wastewater treatment system was considered as an alternative but was rejected in favor of individual wastewater systems (IWS). There were several reasons for this choice: 1) the IWS's were allowed by the Department of Health, 2) operations of the treatment plant as a private facility would be the responsibility of the homeowners; 3) site topography required the utilization of lift stations for several lots and the gutters required tunneling under the streams; and 4) cost of the system would be greater than the IWS.
16. Staffing of Police to service the area. There are currently two patrol officers per watch that are dispatched from Waimea that serve the entire South Kohala District (Waikoloa, hotels along Queen Kaahumanu, and Kawaihae). The Department is currently authorized for another 5 officers. Because these positions are vacant there are delays in service. If additional officers are needed, they are generally dispatched from Waimea. The Waimea area, however, is also only served by 2 officers suggesting that if these officers are called, then there will be delayed service in the Waimea service area. In accordance with Ordinance 05-157 the applicant is required to pay fees to the County of Hawaii for each lot to mitigate impacts to Police service. School enrollment by grades. Until 2006, the Department of Education utilized a formula based merely on unit count to estimate the number of public school students that a project would generate. We utilized that formula in the DEIS. The DOE has since begun a new practice of custom analyzing the impacts of a project based on a much wider variety of factors to obtain a better estimation of the number of public school students and their impact. Neither under the old system, nor under the new, does DOE breakdown their estimate of students by elementary, intermediate or high school. Therefore, we cannot either. According to discussions with Heidi Meeker of the DOE, the total impact cannot be estimated at this time and it will require further discussion and negotiation at a later date. They have further requested that the Land Use Commission impose a school fair-share condition similar to such conditions that the Land Use Commission has imposed on other recent developments.
17. School enrollment by grades. Until 2006, the Department of Education utilized a formula based merely on unit count to estimate the number of public school students that a project would generate. We utilized that formula in the DEIS. The DOE has since begun a new practice of custom analyzing the impacts of a project based on a much wider variety of factors to obtain a better estimation of the number of public school students and their impact. Neither under the old system, nor under the new, does DOE breakdown their estimate of students by elementary, intermediate or high school. Therefore, we cannot either. According to discussions with Heidi Meeker of the DOE, the total impact cannot be estimated at this time and it will require further discussion and negotiation at a later date. They have further requested that the Land Use Commission impose a school fair-share condition similar to such conditions that the Land Use Commission has imposed on other recent developments.

18. Response to Department of Education. We have attached a copy of our response to the DOE. Only single family homes will be permitted in the development per lot of record and restrictions will be listed in the CC&R for the project. The average lot size in the project is one (1) acre and the range of costs of the lots is projected to be sold between \$768,600 and \$1,058,400. The total number of units is 398. The developer has assumed that the lot buyers will be owner occupants and have not estimated the percent of full-time occupants. Establishing a percentage at this time would be speculative at best.
19. Accessory dwellings. Accessory dwelling will not be permitted.
20. Relocation of existing transmission lines. The planning, design and relocation of the existing transmission lines is anticipated to take two years according to Hawai'i Electric and Light Company. The relocation will not impact the planned project infrastructure.
21. Applicability to program policies and objectives of Chapter 205A. We will note in the Final EIS the applicability of the policies and objectives of 205A.
22. Relating to Ordinance 05-157. A reference to Ordinance 95-157 was a typographic error and will be corrected in the Final EIS.
23. Drainage impacts. Drainage improvements proposed for Phase 1 as reported in the DEIS has considered flows from Phase 2. Additional improvements planned include drywells along the roadways. No additional improvements are planned along the drainageways. We will note these changes in the Executive Summary and Section 3.5.
24. Interrelationships and cumulative impacts of the Project to other related projects. The proposed project will add an additional 398 residential units and approximately 1,068 persons to the Waikoloa Village housing stock and population. As discussed above, the proposed project will place demands on the services currently available, such as roadways, schools and parks. In each instance where impacts are anticipated measures are being taken or will be taken to mitigate these impacts. As examples, the proposed intersection improvements at Waikoloa Road and Paniolo Avenue and the provision of affordable housing. Further, impact fees have been assessed for the provision of public services, such as parks. In addition, discussions are continuing to provide land or money to mitigate educational needs. The developer of the project is attempting to mitigate the impacts of the project by providing his fair-share along with other developers in the area.

Should you have questions, please contact the undersigned.

Sincerely,


Chester Koga, AICP

Cc: Waikoloa Mauna LLC

LINDA LINDALE
GOVERNOR



STATE OF HAWAII
DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT AND TOURISM
HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION
677 QUEEN STREET, SUITE 300
Honolulu, Hawaii 96813
PAC (808) 587-4800

ORLANDO "DAN" DAVIDSON
EXECUTIVE DIRECTOR

IN REPLY REFER TO:
06/PECD/180

November 16, 2006

Mr. Chester Koga
R.M. Towill Corporation
420 Waikamilo Road, Suite 411
Honolulu, Hawaii 96817

Dear Mr. Koga:

Re: Draft Environmental Impact Statement (EIS) for Waikoloa Highlands - Residential Subdivision

We have reviewed the subject EIS and note the following:

- The proposed Waikoloa Highlands will offer approximately 308 low-density, rural residential lots of a minimum of one acre in size for residents and second-home buyers. The market study assumes that 60 percent of the lots will be "used by full-time residences and 40 percent by part-time/second home users." Purchasers will need incomes in the range of \$182,000 to \$284,000 to purchase the lots with anticipated selling prices ranging from \$768,000 to \$1,058,000.
- Discussions regarding the provision of affordable housing are ongoing with the County. The Applicant has indicated that it will comply with the County's affordable housing requirements per Ordinance 96-157/8/11 25.

It appears that the affordable housing units may be provided on a site located west of the subject project, in an area designated for multi-family residential units. Please elaborate on this, particularly in relationship to the Hawaii State Plan policy of increasing homeownership and rental opportunities and choices in terms of quality, location, cost densities, style and size of housing.

Sincerely,

Orlando "Dan" Davidson
Executive Director

cc: Anthony Ching, State Land Use Commission
Kevin Kellow, Waikoloa Mauka, LLC
Office of Environmental Quality Control

420 Waikamilo Road
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R. M. TOWILL CORPORATION
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Planning
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Environmental Services
Program Management
Surveying
Construction Management

January 31, 2007

Mr. Orlando Davidson, Executive Director
Hawaii Housing Finance and Development Corporation
677 Queen Street, Suite 300
Honolulu, Hawaii 96813

Dear Mr. Davidson:

Draft Environmental Impact Statement
Waikoloa Highlands Residential Subdivision
South Kohala, Hawaii
Tax Map Key: (3) 6-8-002, Portion of 16

This letter acknowledges your letter of November 16, 2006 relating to the subject project. We offer the following responses to your inquiries:

- Number of Unit and Sales Price. We acknowledge that the subject project will include 398 low-density rural residential units. The selling prices as stated (between \$768,000 to \$1,078,000) are subject to change, however.
- Relationship to State Plan. We have stated in the EIS that affordable housing will be provided off-site in an area immediately west of the subject project in an area currently designated multifamily. The exact nature of the affordable housing has not been formalized at this time. Alternatives being considered are: a) rental units, b) town homes for purchase, or c) a combination of rentals and multifamily units. The project needs to generate 20% affordable housing credits/units as required by the County of Hawaii Housing Code. This requirement will be satisfied on a parcel owned by the applicant, wherein the units will either be rented or sold, subject to meeting with the County's affordable housing requirement. By providing the housing units described the objectives of the State Plan will be met by meeting location, type, size and cost of various housing type. Further, these units will be built according to current State and County regulations.

Should you have questions, please contact the undersigned.

Sincerely,

Chester Koga, AICP

Cc: LUC, Waikoloa Mauka LLC



R. M. TOWILL CORPORATION
SINCE 1930

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June 13, 2007

Mr. Orlando "Dan" Davidson
Executive Director
Hawaii Housing Finance & Development
Corporation, DBEDT
State of Hawaii
677 Queen Street, Suite 300
Honolulu, Hawaii 96813

Dear Mr. Davidson:

**Draft Environmental Impact Statement (DEIS)
Waikoloa Highlands Residential Subdivision
South Kohala, Hawaii**

Thank you for your letter dated November 16, 2006 concerning the subject project. We have prepared the following revised response to our earlier mailing to you to provide further clarification and detail. Your comments are italicized for reference:

- The proposed Waikoloa Highlands will offer approximately 398 low-density, rural residential lots of a minimum of one acre in size for residents and second-home buyers. The market study assumes that 60 percent of the lots will be "used by full-time residences and 40 percent by part-time second home users." Purchasers will need incomes in the range of \$192,000 to \$264,000 to purchase the lots with anticipated selling prices ranging from \$768,000 to \$1,058,400.*

We acknowledge that the subject project will include 398 low-density rural residential units. The anticipated selling prices as stated in Section 3.4.3, Socioeconomic Environment, Page 3-28, are between \$768,600 to \$1,058,400.

- Discussions regarding the provision of affordable housing are ongoing with the County. The Applicant has indicated that it will comply with the County's affordable housing requirements per Ordinance 95-157 (Bill 25).*

Ordinance 05-157 (not 95-157) requires the developer to accrue housing "credits" equal to 20% of the total number of units being proposed. Chapter 11 of the Hawaii County Code allows the accrual of credits by building affordable housing, providing in-lieu fees, and/or the provision of land. The developer has elected to provide land on a parcel adjacent to the subject project. This parcel of land is designated as Tax Map Key (3) 6-8-003; parcel 31. The land is owned by the applicant and is zoned for multifamily residences.

Mr. Orlando "Dan" Davidson
June 13, 2007
Page 2 of 2

- It appears that affordable housing units may be located on a site located west of the subject project, in an area designated for multifamily housing units. Please elaborate on this, particularly in relationship to Hawaii State Plan policy of increasing homeownership and rental opportunities and choices in terms of quality, location, cost densities, style and size of housing.*

While the provision of affordable housing addresses the Hawaii State Plan policy of increasing homeownership, the site location is designed to comply with the requirements of the Hawaii County Code (HCC). In summary: (1) a total of 80 affordable housing units will be provided. This represents 20 percent of the planned 398 units of the project in accordance with Section 11-4, HCC; and (2) the location of the parcel is within 15 miles of the project site in accordance with Section 11-5, HCC.

The factors that influenced the selection of the site included the underlying 1-acre zoning of the planned Waikoloa Highlands project, and the developer's ownership of other nearby property that possessed the necessary zoning for affordable housing uses.

The Waikoloa Highlands project site is zoned RA-1a (Residential and Agricultural, Minimum 1-acre) and O (Open). In order to be used for affordable housing a rezoning of the site to a higher density would be required. The proposed affordable housing site is owned by the developer, is in close proximity to Waikoloa Highlands of less than half a mile, and is already zoned RM-1.5 (Multi-Family Residential, 1,500 square foot land/unit), which supports the development of affordable units without need for further rezoning.

Although the developer owns other property within a 15 mile radius that could be used to meet the affordable housing requirements of the HCC, the proposed site possesses zoning that is more consistent with surrounding land uses that also include multifamily, single-family, and village commercial land uses. In contrast, land uses surrounding Waikoloa Highlands are a combination of Open and A-5a (Agricultural, 5 acre minimum), that would make it less consistent with the underlying and surrounding zoning.

Thank you for taking the time to share your comments and allowing us this opportunity to respond. Any further written comments may be directed to the undersigned.

Sincerely,

Chester Koga, AICP

cc: Waikoloa Mauka LLC
Imanaka Kudo & Fujimoto



STATE OF HAWAII
OFFICE OF ENVIRONMENTAL QUALITY CONTROL

155 SOUTH BERETANIA STREET
HONOLULU, HAWAII 96813
TELEPHONE: (808) 586-1133
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E-MAIL: HQE@HAWAII.GOV

November 22, 2006

GENEVIÈVE SALMONSON
DIRECTOR

420 Waiakamohi Road
Suite 411
Honolulu, Hawaii 96817-4950
Telephone 808 842 1133
Fax 808 842 1137
eMail info@hawaii.gov



R. M. TOWILL CORPORATION
SINCE 1930

Planning
Engineering
Environmental Services
Photogrammetry
Surveying
Construction Management

January 31, 2007

Mr. Anthony Ching, Executive Officer
State Land Use Commission
235 South Beretania Street, 4th Floor
Honolulu, Hawaii 'i 96813

Ms. Genevieve Salmonson, Director
Office of Environmental Quality Control
235 South Beretania Street, Room 701
Honolulu, Hawaii 'i 96813

Dear Mr. Ching:

Subject: DEIS for Waikoloa Highlands, Island of Hawai 'i

Thank you for the opportunity to review the subject document. We have the following comments.

1. What is the estimate percentage of the homes that will be purchased by second-home buyers?
2. Please describe whether this residential project will provide affordable housing units?
3. Where will the residents shop? Is the nearest shopping area within walking distance?
4. Will potential home buyers be notified of the potential unexploded bombs on this site?
5. Please explain how the introduction of residents with more than 4 times the median income changes the social fabric of the community. What are the potential impacts of this change?
6. Please explain more clearly how this project will create a more balanced community as described on page 3-26 of the EIS.

Should you have any questions, please call Joyun Thiruganasam at 586-4185.

Sincerely,

Genevieve Salmonson
Genevieve Salmonson
Director

c: Waikoloa Maula
R.M. Towill

Dear Ms. Salmonson:

Draft Environmental Impact Statement
Waikoloa Highlands Residential Subdivision
South Kohala, Hawai 'i
Tax Map Key: (3) 6-8-002, Portion of 16

This letter acknowledges your letter of November 22, 2006 relating to the subject project. We offer the following responses to your inquiries:

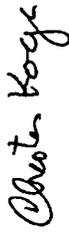
1. Estimate of the percentage of second home buyers. It has been estimated that approximately 40% of the lots will be purchased by second home buyers (Hallstrom, pg. 32).
2. Will the project provide affordable housing? Affordable housing will be provided by this project on a site adjacent to the planned development (see DEIS, Section 3.8.3). Specific development plans will be developed in consultation with the County of Hawai 'i.
3. Where will residents shop? No commercial-retail amenities are planned as part of this development. Currently, the closest shopping area is in the Waikoloa Village, and the closest lots are approximately 1/4 miles, while the furthest is approximately 1/4 mile from the shopping area. Additional retail is proposed on properties west of the proposed development.
4. Will the potential home buyers be notified of the potential of unexploded bombs? The project site has been cleared of unexploded ordnance by the Army Corps of Engineers, however, in the interest of public safety, homebuyers will be advised of the potential risk.
5. How will the introduction of residents with more than 4 times the median income changes the social fabric of the community? We do not believe that this development will necessarily change the social fabric of the community because the total number of families that will be added to the Waikoloa community is small, less than 5 percent. These new residents, along with current residents, will place demands on services available in the community, but not disproportionately.
6. Please explain more clearly how this project will create a more balanced community as described on page 3-26. Household incomes in Waikoloa Village are highly concentrated around the mean; households with incomes of \$150,000 or higher make up only 2.1 percent of the population. After assuming probable construction costs, one can see that nearly every household that buys into the project will need an income of \$150,000 thereby increasing that category, flattening the income curve and enabling a more heterogeneous population.

Ms. Genevieve Salmonson, Director
Page 2

7. There are numerous studies that indicate that the more heterogeneous a population – whether measured by income, ethnicity, age, home of origin, etc. – the more dynamic the community, the more diverse the idea and discourse, the richer the events and activities of that community.

Should you have questions, please contact the undersigned.

Sincerely,



Chester Koge, AICP
Cc: LUC, Waikoloa Mauna LLC



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Mr. Laurence K. Lau
June 13, 2007
Page 2 of 2

5. Please explain how the introduction of residents with more than 4 times the median income changes the social fabric of the community. What are the potential impacts of this change?, and

The potential impact to the community will involve the development of a more heterogeneous and diverse socioeconomic population than presently exists. Household incomes in Waikoloa Village are highly concentrated around the mean; households with incomes of \$150,000 or higher make up only 2.1 percent of the population. After assuming probable construction costs, one can see that many households that buy into this project will need the incomes as estimated in the DEIS in the range of \$192,000 to \$264,000 annually, thereby increasing that category, flattening the income curve and enabling a more heterogeneous population.

In this regard, it is anticipated that greater balance within the Waikoloa community will result from having a greater mix of housing types with residents from diverse socioeconomic backgrounds. It is the developer's expectation that the more heterogeneous population – whether measured by income, ethnicity, age, home of origin, etc. – the more dynamic the community, the more diverse the social interaction, and the richer the events and activities of that community. We add that this is expected to be facilitated with the greater provision of public services for all residents that will also result from the increased tax revenues made possible with this project.

6. Please explain more clearly how this project will create a more balanced community as described on page 3-26 of the EIS.

Please refer to our response to Item No. 5, above.

Thank you for taking the time to share your comments and allowing us this opportunity to respond. Any further written comments may be directed to the undersigned.

Sincerely,

Chester Koga
Chester Koga, AICP

cc: Waikoloa Mauka LLC

June 13, 2007

Mr. Laurence K. Lau, Interim Director
Office of Environmental Quality Control
State of Hawaii
235 South Bercliana Street, Suite 703
Honolulu, Hawaii 96813.

Dear Mr. Lau:

**Draft Environmental Impact Statement (DEIS)
Waikoloa Highlands Residential Subdivision
South Kohala, Hawaii**

Thank you for your letter dated November 22, 2006 concerning the subject project. We have prepared the following revised response to our earlier mailing to you to provide further clarification and detail. Your comments are italicized for reference:

1. *What is the estimate (S/C) percentage of the homes that will be purchased by second-home buyers?*
According to the DEIS, approximately 40% of the lots will be purchased by second home buyers (Appendix D, Market Study, Economic Impact Analysis and Public Cost/Benefits Assessment). The Hallstrom Group, Inc., May 2006, Page 32.

2. *Please describe whether this residential project will provide affordable housing units?*
The Final EIS (FEIS) will indicate in Section 3.7.3, Affordable Housing, Page 3-62, that the developer will provide affordable housing as required by Ordinance 05-157, by providing land on an adjoining parcel that is entitled for multifamily use. The parcel is identified by Tax Map Key (3) 6-8-03, parcel 31 and is located west of the proposed project area.

3. *Where will the residents shop? Is the nearest shopping area within walking distance?*
No commercial or retail amenities are proposed as part of this development. Currently, the closest shopping area is in Waikoloa Village, with the closest lots approximately ¼ miles to approximately ¼ miles from the shopping area. Additional retail may be planned on properties west of the proposed development.

4. *Will potential home buyers be notified of the potential unexploded bombs on this site?*
The Final EIS (FEIS) will indicate in Section 3.2.7, Man Made Hazards, Page 3-10, that the project site has been cleared of unexploded ordnance by the U.S. Army Corps of Engineers. However, the developer will notify prospective homeowners of prior clearing activities and the potential for discovery of unexploded ordnance as part of the lot sales program.

LINDA LINDLE
GOVERNOR



STATE OF HAWAII
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES
P.O. BOX 119, HONOLULU, HAWAII 96810

RUSK K. BARTO
COMPTROLLER
KATHERINE N. THOMASON
DEPUTY COMPTROLLER

(71)394.5



R. M. TOWILL CORPORATION
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January 31, 2007

NOV 24 2006

Mr. Chester Koga
R. M. Towill Corporation
420 Waiakamilo Road, Suite 411
Honolulu, Hawaii 96817

Dear Mr. Koga:

Subject: Waikoloa Highlands - Residential Subdivision
Draft Environmental Impact Statement
South Kohala District, Island of Hawaii
TMK: (3) 6-8-002:016

Mr. Ernest Y.W. Lau
Department of Accounting and General Services
P.O. Box 119
Honolulu, Hawaii 96810

Dear Mr. Lau:

Draft Environmental Impact Statement
Waikoloa Highlands Residential Subdivision
South Kohala, Hawaii
Tax Map Key: (3) 6-8-002, Portion of 16

This letter acknowledges receipt of your letter of November 24, 2006 noting that your Department does not have comments to offer.

Please contact the undersigned if you have additional questions.

Sincerely,

Chester Koga, AICP
Project Coordinator

Cc: LUC, Waikoloa Maui LLC

Thank you for the opportunity to review the information regarding the subject project. The project does not impact any of the Department of Accounting and General Services' projects or existing facilities and we have no comments to offer.

If you have any questions regarding the above, please have your staff call Mr. David DePonis of the Planning Branch at 586-0492.

Sincerely,

ERNEST Y.W. LAU
Public Works Administrator

DD:md

c: Ms. Genevieve Salmonson, OEQC
Mr. Kevin Kellow, Waikoloa Maui, LLC
Mr. Anthony Ching, State Land Use Commission



**DEPARTMENT OF BUSINESS,
ECONOMIC DEVELOPMENT & TOURISM**

OFFICE OF PLANNING
235 South Beretania Street, 6th Floor, Honolulu, Hawaii 96813
Mailing Address: P.O. Box 2356, Honolulu, Hawaii 96804

LINDA LINDLE
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LAWRENCE H. THIELSEN
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Programmatic
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January 31, 2007

Ms. Laura H. Thielens, Director
Office of Planning
Department of Business, Economic Development and Tourism
235 South Beretania, 6th Floor
Honolulu, Hawaii 96804

Dear Ms. Thielens:

Draft Environmental Impact Statement
Waikoloa Highlands Residential Subdivision
South Kohala, Hawaii
Tax Map Key: (3) 6-8-002, Portion of 16

This letter acknowledges your letter of December 8, 2006. We would like to offer the following response to your comment relating to visual and scenic resources.

We will include photographs of the project site from Waikoloa Road towards Pu'u Hina'i to document the existing views. We believe that the views of the Pu'u Hina'i from Waikoloa Road will not be impacted by the proposed project as the height of the residential structures will be limited to a maximum height of 35 feet as provided by zoning. Further, the homes will be built on 1-acre lots and will be spaced far enough apart from each other, rather than clustered, thereby allowing views between the homes.

Please contact the undersigned if you have additional questions.

Sincerely,

Chester Koga, AICP
Project Coordinator

Cc: LUC, Waikoloa Mauka LLC

Ref. No. P-11589

December 8, 2006

Mr. Chester Koga
R.M. Towill Corporation
420 Waiakamilo Road #411
Honolulu, Hawaii 96817

Dear Mr. Koga:

Subject: Draft Environmental Impact Statement (DEIS)
Waikoloa Highlands - Residential Subdivision
A06-767 Waikoloa Mauka, LLC, Agricultural to Rural District
Infrastructure improvements and subdivision of property in approximately 398
low-density, rural residential lots. Each lot will be a minimum of one acre in
size. TMK: 6-8-002: 16 por., 731.581 acres

Thank you for sending the Office of Planning the Draft Environmental Impact Statement (DEIS) for the above referenced proposal. We have the following comments to offer for your consideration.

Visual and Scenic Resources. Page ES-3, pages 3-37 and 3-38. We note that the DEIS indicates that there will be an impact on views from Waikoloa Road toward Pu'u Hina'i cinder cone, and to Mauna Kea. The DEIS indicates that setbacks and landscaping along Waikoloa Road will help to minimize adverse visual impacts. We request that you include a visual analysis with photos of the views from different locations within and outside of the project area.

Thank you for the opportunity to comment. If you have any questions, please call Lorenz Maki at 587-2888.

Sincerely,

Laura H. Thielens
Director



R. M. TOWILL CORPORATION
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Ms. Laura H. Thielen
June 13, 2007
Page 2 of 2

Thank you for taking the time to share your comments and allowing us this opportunity to respond. Any further written comments may be directed to the undersigned.

June 13, 2007

Ms. Laura H. Thielen
Director
Office of Planning
P. O. Box 2359
Honolulu, Hawaii 96804

Dear Ms. Thielen:

**Draft Environmental Impact Statement (DEIS)
Waikoloa Highlands Residential Subdivision
South Kohala, Hawaii**

Thank you for your letter dated December 8, 2006 concerning the subject project. We have prepared the following revised response to our earlier mailing to you to provide further clarification and detail. Your comments are *italicized* for reference:

Visual and Scenic Resources. Page ES-3, pages 3-37 and 3-38. We note that the DEIS indicates that there will be an impact on views from Waikoloa Road toward Pu'u Hina'i cinder cone, and to Mauna Kea. The DEIS indicates that setbacks and landscaping along Waikoloa Road will help to minimize adverse visual impacts. We request that you include a visual analysis with photos of the views from different locations within and outside of the project area.

Photographs and discussion of the project site from Waikoloa Road towards Pu'u Hina'i to document the existing views and planned mitigation have been incorporated in the Final EIS (FEIS), Section 3.4.6, Visual and Scenic Resources, Page 3-40, and Figure 17, Site Photos, Page 3-40. The photographs are of Pu'u Hina'i from two different locations – one from the north, and one from the south along Waikoloa Road. The views of Pu'u Hina'i from Waikoloa Road are not anticipated to be adversely impacted by the proposed project based on the following:

- (1) The height of the residential structures will be limited to a maximum height of 35 feet as provided by zoning. Unless one is directly in back of a residential structure, views of Pu'u Hina'i will not be obstructed; and
- (2) The homes will be constructed on 1-acre lots and spaced far enough apart from each other, rather than clustered, that views will be readily available between the homes. Further assurance that views of Pu'u Hina'i from Waikoloa Road are not blocked will be accomplished by prohibiting landscaping involving the use of tall trees along Waikoloa Road that would block northern views toward the ocean, south toward the mountain, and west toward Pu'u Hina'i.

Sincerely,

Chester Koga, AICP

cc: Waikoloa Mauka LLC
Imanaka Kudo & Fujimoto

LILUA LILUA
GOVERNOR OF HAWAII



STATE OF HAWAII
DEPARTMENT OF HEALTH
P.O. Box 3770
HONOLULU, HAWAII 96811-3770

December 5, 2006

Mr. Anthony Ching
State Land Use Commission
735 South King Street, Suite 402
Honolulu, Hawaii 96813

Dear Mr. Ching:

SUBJECT: Draft Environmental Impact Statement (DEIS) for Waikoloa Highlands-
Residential Subdivision, South Kohala District, Island of Hawaii, Hawaii
TMK: (3) 6-8-002: 16 (portion)

Thank you for allowing us to review and comment on the subject document. The document was
routed to the various branches of the Environmental Health Administration. We have the
following Safe Drinking Water Branch comments:

Safe Drinking Water Branch (SDWB)

General Comments to Sections 3.5.3-Drinking Water

There is insufficient information to determine whether these proposed subdivision will be a
regulated public water system (PWS) or not. The DEIS cites the planned use of West Hawaii
Utilities (WHU) water but also implies that other well sources may be developed for the
subdivision.

Will these new well resources and associated reservoir, booster station and distribution system
improvements be turned over to WHU or will they remain separate and under the subdivision
association as a new regulated PWS?

Should the subdivision's system be designated a regulated PWS, they must meet the following
conditions prior to operation of the water system:

Use of Approved Sources of Potable Water

In accordance with Hawaii Administrative Rules Title 11, Chapter 20, all new regulated PWSs
must utilize approved sources of water for consumptive use and demonstrate technical,
managerial and financial capacity. Specific sections include: HAR 11-20-29 Use of DEIS

CYNTHIA L. FARNSWORTH, M.S.
DIRECTOR OF HEALTH

In reply, please refer to:
EPO-06-118d

Mr. Ching
December 5, 2006
Page 2

sources of raw water for public water systems and HAR 11-20-29.5 Capacity demonstration and
evaluation.

Unapproved sources must obtain source approval through water quality testing and the submittal
of an engineering report by a licensed professional engineer, as outlined in the Safe Drinking
Water Branch's "Guidelines for Preparation of Engineering Reports for New Potable Water
Sources."

Capacity Demonstrations (for New Public Water Systems)

All new community public water systems and new non-transient non-community public water
systems must demonstrate adequate technical, managerial, and financial capacity to produce and
deliver drinking water in compliance with State and Federal drinking water regulations.

1. Technical capacity refers to the physical infrastructure of the water system, including
but not limited to the adequacy of the source water, infrastructure (source, treatment,
storage, and distribution), and the ability of system personnel to adequately operate and
maintain the system and to otherwise implement technical knowledge.
2. Managerial capacity refers to the management structure of the water system, including
but not limited to ownership accountability, staffing and organization, and effective
linkages to customers and regulatory agencies.
3. Financial capacity refers to the financial resources of the water system, including but
not limited to revenue sufficiency, credit worthiness, and fiscal controls.

Operator Certification

Operator certification will require certified operators to operate the treatment facilities and/or
distribution systems of public water systems.

Construction Plans Review

Construction plans for all onsite and offsite water system improvements for this subdivision,
including connections to the WHU infrastructure, must be reviewed and approved by the
Department of Health Safe Drinking Water Branch.

If you have any questions, please contact Mr. Michael Miyahira of the SDWB Engineering
Section at 586-4258

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Mr. Ching
December 5, 2006
Page 3

We strongly recommend that you review all of the Standard Comments on our website:
www.state.hi.us/health/environmental/cmv-planning/landuse/landuse.html. Any comments
specifically applicable to this application should be adhered to.

January 31, 2007

If there are any questions about these comments please contact Jiacai Liu with the Environmental
Planning Office at 586-4346.

Sincerely,

KELVIN H. SUNADA, MANAGER
Environmental Planning Office

Mr. Kelvin H. Sunada, Manager
Environmental Planning Office
Department of Health
P.O. Box 3378
Honolulu, Hawaii 96801-3378

Dear Mr. Sunada:

Draft Environmental Impact Statement
Waikoloa Highlands Residential Subdivision
South Kohala, Hawaii
Tax Map Key: (3) 6-S-002, Portion of 16

C: EPO
SDWB
Mr. Kevin Kallow, Waikoloa Mauka, LLC
Mr. Chester Koga, R.M. Towill Corporation

This letter acknowledges your letter of December 5, 2006 relating to drinking water requirements of the
project.

As stated in the DEIS, water service will be provided to each lot in the subdivision by the West Hawaii
Utility (WHU) Company, a Public Utilities Commission, regulated company. The developer will not be
developing a separate water system. Therefore, we believe that all Safe Drinking Water Standards are
being met if the development uses water from WHU. We have included information on the water
distribution system in the DEIS (Section 3.5.3). No wells are currently planned to be dug within the
project limits. Further, the reservoirs identified in the developer's plans will become part of the West
Hawaii Utility water system. Construction plans will be submitted to the Department of Health when
they become available.

As directed, we have reviewed the standards comments posted on Health Department's web site and do
not have any comments to offer.

Please contact the undersigned if you have additional questions.

Sincerely,

Chester Koga, AICP
Project Coordinator

Cc: LUC, Waikoloa Mauka, LLC



STATE OF HAWAII
DEPARTMENT OF TRANSPORTATION
885 PUNCHBOWL STREET
HONOLULU, HAWAII 96813-6087

RODNEY K. HARAGA
DIRECTOR
Deputy Director
FRANCIS HALL, JR.
MARKYI P. KAWANAKA
KIMBERLY T. KAWANAKA
SPENCER H. KAWANAKA
WALTER H. KAWANAKA
WALTER H. KAWANAKA

STP 8.2339

STP 8.2339

Mr. Kevin Kellow
Page 2
December 5, 2006

We appreciate the opportunity to provide our comments.

Very truly yours,

RODNEY K. HARAGA
Director of Transportation

Mr. Kevin Kellow
Manager
Waikoloa Maui, LLC
120 Aspen Oak Lane
Glendale, California 91207

Dear Mr. Kellow:

Subject: Waikoloa Highlands - Residential Subdivision
Draft Environmental Impact Statement (DEIS)
TMK: (3) 6-4-002: 016 (portion)

We have the following comments on your subject project as presented in the Draft EIS:

1. The TIAR did not contain a discussion of the project's contribution to the traffic conditions and impacts at the intersections with our two State highways (Queen Kaahumanu and Mamalahoa), including the project's factor in the cumulative traffic from other land developments in Waikoloa at the intersections. A supplement should be prepared addressing the impact to the highways and submitted to us for our review and approval.
2. It is our recommendation to the approving/accepting agencies that, the master developer/landowner and/or each independent or sub-developer of projects at Waikoloa should provide the traffic improvements and mitigation measures for impacts from the project, and participate in and contribute their fair share for regional transportation improvements.
3. The development of each project in Waikoloa, such as the subject project, affects the applicable drainage basin leading toward the ocean and Queen Kaahumanu Highway. In the each respective land development project, there should be a discussion of and addressing of any downstream impact reaching the highway accumulating from the collective development of the lands in Waikoloa.

c: Laura Thielon, Office of Planning
Christopher Yuen, Hawaii Planning Department
Anthony Ching, Land Use Commission
Genevieve Salmonson, Office of Environmental Quality Control
Chamberlain, K. M. C. P. O. Box 1000, Honolulu, HI 96813

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January 31, 2007

Mr. Barry Fukunaga, Acting Director
Department of Transportation
869 Punchbowl Street
Honolulu, Hawaii 96813

Dear Mr. Fukunaga:

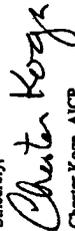
Draft Environmental Impact Statement
Waikoloa Highlands Residential Subdivision
South Kohala, Hawaii
Tax Map Key: (3) 6-8-002, Portion of 16

This letter acknowledges your letter of December 5, 2006. We would like to offer the following responses to your comments.

1. Potential impacts to Mamelohoa and Queen Ka'ahumanu Highway Intersections. We note that your letter suggests that there may be impacts to the two State facilities, Queen Ka'ahumanu Highway, and Mamelohoa Highway. Based on our projections of traffic generation within the time frame of this project we estimate that this project will add an additional 5 percent to the east bound traffic and 10 percent to the westbound traffic volume (see Table 6, Appendix G). We note that the Waikoloa Road and Mamelohoa Highway intersection is currently operating under capacity. We acknowledge that the intersection at Queen Ka'ahumanu and Waikoloa Road will require improvements in the future because of development along the highway corridor. We will continue our discussions with your Department other developers along both highway corridors to find an equitable and reasonable solution to mitigate traffic delays at this important intersection.
2. Improvements on Waikoloa Road. As stated in the Draft EIS, the developer of the project is currently contributing to improvements along Waikoloa Road as a pre-condition of development.
3. Drainage impacts. We would like to state at the outset that the proposed development will not increase flood flows down stream of the project as we are required by County Ordinances to retain or detain the flows caused by the increase of impervious surfaces or through modifications of the drainageways. The proposed project, however, will not be correcting deficiencies in the drainageways that were preexisting.

Please contact the undersigned if you have additional questions.

Sincerely,



Chester Koga, AICP
Project Coordinator

Cc: LLC, Waikoloa Mauka, LLC



STATE OF HAWAII
OFFICE OF HAWAIIAN AFFAIRS
711 KAPOLANI BOULEVARD, SUITE 500
HONOLULU, HAWAII 96813

December 7, 2006

HRD0672529B

Chester T. Koga, Project Manager
R.M. Towill Corporation
420 Walkamilo Road, Suite 411
Honolulu, Hawaii 96817

RE: Petition to Amend State Land Use District Boundaries, Agricultural to Rural,
Walkoia Mauka, LLC, South Kohala, Hawaii, TMK: 6-8-002:016 (port.)

Dear Mr. Koga,

The Office of Hawaiian Affairs (OHA) is in receipt of the Draft Environmental Impact Statement (DEIS) for the Walkoia Highlands project in South Kohala. The developer proposes to build 398 residents on 731.581 acres. To facilitate these plans, the developer seeks a District Boundary Amendment from Agricultural to Rural, and this DEIS supports that application.

We appreciate that the applicant has prepared an EIS, and is seeking a land use amendment, instead of attempting to force the project into the current land use definitions. We also appreciate that the applicant contacted Ruby McDonald of our Kona Office as a part of the cultural impact assessment. We do, however, have several concerns.

First, the hydrology and potable water analyses are inadequate. The Walkoia Water Master Plan, prepared in 1991, is outdated and does not address the specific project under consideration. The DEIS does not estimate how much water will be needed for the Walkoia Highlands at full build-out. Further, the DEIS notes on page 3-12 that there is a regional water resource limitation, and a cooperative water allocation solution is required. There is no indication whether the applicant has taken any steps toward such a solution or other mitigation measures. Because fresh water issues are often contentious in our island state, the potential impacts must be identified and addressed at the earliest possible time to prevent costly delays.

Second, the DEIS at page 3-35 states that "the project will have no effect on archaeological resources" and "no substantial structures are expected." Yet the report prepared by Cultural Surveys Hawaii (CSH) at page 10 reveals that a previous archaeological study by Bevaquoa in 1972 uncovered a "complex of walls," including a "well-built bifaced wall, 45 meters long." Although CSH could not locate this complex, it is possible that it could be re-discovered during construction. With such a large and possibly significant archaeological feature potentially onsite, we take exception to the blanket statement that no archaeological resources will be affected, especially since CSH spent only "2-man-days including travel time" to survey over 730 acres. More field work needs to be done, and, at a minimum, the EIS should note that the project could potentially affect archaeological resources. We further request that mitigation measures be considered and planned for now to ensure protection of the archaeological site, rather than waiting until construction has already commenced.

Chester T. Koga, R.M. Towill Corp.
December 7, 2006
Page 2

Also on page 3-35, the DEIS states that "the SHPD has recently reconfirmed that no further work in the project area is required." From page 3-24, it appears that this statement arises from correspondence with Hawaii's Island State Historic Preservation Division (SHPD) archaeologist Mary Anne Maigret. Although the e-mail correspondence from Ms. Maigret dated April 17, 2006 does state her opinion that additional work may not be necessary, the official SHPD letter, dated July 3, 2006 from Melanie Chinen, did identify concerns and did not explicitly state that no further work was required. Please clarify this section of the EIS and ensure that the official SHPD letter is referenced and addressed.

We appreciate that the applicant has flagged potable water development and affordable housing as unresolved issues. We reserve the right to comment on these issues once they have been fully addressed. Thank you for the opportunity to comment, and we look forward to reviewing the final EIS. If you have any further questions or concerns please contact Koa Kauliukuku at (808) 594-0244 or kkauliku@oha.hawaii.gov.

Sincerely,

Clyde W. Nani'u
Administrator

c:

Anthony Chiang
State Land Use Commission
P.O. Box 2339
Honolulu, Hawaii 96813

Ruby McDonald
OHA Kona Office
75-3706 Hanama Place, Suite 107
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January 31, 2007

Mr. Clyde W. Namu 'o, Director
Office of Hawaiian Affairs
711 Kapi'olani Boulevard, Suite 500
Honolulu, Hawaii 'i 96813

Dear Mr. Namu 'o:

Draft Environmental Impact Statement
Waikoloa Highlands Residential Subdivision
South Kohala, Hawaii 'i
Tax Map Key: (3) 6-4-002, Portion of 16

This letter acknowledges your letter of December 7, 2006. We would like to offer the following responses to your comments.

1. Hydrology and Potable Water. We acknowledge your concern that the Waikoloa Water Master Plan was prepared in 1991. We would like to note, however, that the master plan did include this project in their water development plans (see Appendix A, references to this project is "Highlands"). Further, we would like to note that the water demand originally projected was greater than currently projected for this project (page 3-12). A separate study was conducted by Waimea Water Service (November 2006) for this project to ascertain the availability of water. Water services will be provided by West Hawaii 'i Utilities and the developer is currently in discussion with them to establish the cost of the services and the cost of storage. The project plans do include provisions for additional storage and distribution, however, along with other developers in the area, the developer of this project is required to contribute to the development of additional water resources to West Hawaii 'i Utilities.
2. Archaeological investigations, page 3-35. Another ground and aerial survey of the area was conducted by Cultural Surveys Hawaii 'i to locate the site identified by Bevaequa. The site, however, was not located within the project limits. The findings are described in Appendix E. The findings will be confirmed with the State Historic Preservation Division.

Please contact the undersigned if you have additional questions.

Sincerely,

Chester Koga

Chester Koga, AICP
Project Coordinator

Cc: LUC, Waikoloa Maula, LLC



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June 13, 2007

Mr. Clyde W. Namu'o
Administrator
Office of Hawaiian Affairs
State of Hawaii
711 Kapiolani Boulevard, Suite 500
Honolulu, Hawaii 96813

Dear Mr. Namu'o:

**Draft Environmental Impact Statement (DEIS)
Waikoloa Highlands Residential Subdivision
South Kohala, Hawai'i**

Thank you for your letter dated December 7, 2006 concerning the subject project. We have prepared the following revised response to our earlier mailing to you to provide further clarification and detail. Your comments are italicized for reference:

1. *First, the hydrology and potable water analyses are inadequate. The Waikoloa Water Master Plan, prepared in 1991, is outdated and does not address the specific project under consideration. The DEIS does not estimate how much water will be needed for the Waikoloa Highlands at full build-out. Further, the DEIS notes on page 3-12 that there is a regional water resource limitation, and a cooperative water allocation solution is required. There is no indication whether the applicant has taken any steps toward such a solution or other mitigation measures. Because fresh water issues are often contentious in our island state, the potential impacts must be identified and addressed at the earliest possible time to prevent costly delays.*

An update to the 1991 Tom Nance Water Resources Engineering study was commissioned by the project owners to Waimea Water Services, Inc. (WWSI). This update will be included in the Final EIS (FEIS) as Appendix L. The 2007 study examined the 1991 water development plan as well as the current development plans of the West Hawai'i Utility Company (WHUC), a water utility company serving the Waikoloa region and regulated by the State Public Utilities Commission. According to the WWSI update there is sufficient water resource capacity to meet the project demand of approximately 400,000 gpd.

The developer is currently in negotiation with the WHUC to determine the water allocation, and the facilities development charge for the source well(s), storage, and transmission facilities. In addition, the developer will pay for the water distribution network that will be required to distribute water within the project.

You may refer to the FEIS, Section 3.2.8, Hydrology, pages 3-12 to 3-14, for further discussion of these items.

2. *Second, the DEIS at page 3-35 states that "the project will have no effect on archaeological resources" and "no substantial structures are expected." Yet the report prepared by Cultural Surveys Hawaii (CSH) at page 10 reveals that a previous archaeological study by Bevacqua in 1972 uncovered a "complex of*

Mr. Clyde W. Namu'o
June 13, 2007
Page 2 of 2

walls," including a "well-built bifaced wall, 45 meters long." Although CSH could not locate this complex, it is possible that it could be re-discovered during construction. With such a large and possibly significant archaeological feature potentially onsite, we take exception to the blanket statement that no archaeological resources will be affected, especially since CSH spent only "2-man-days including travel time" to survey over 730 acres. More field work needs to be done, and, at a minimum, the EIS should note that the project could potentially affect archaeological resources. We further request that mitigation measures be considered and planned for now to ensure protection of the archeological site, rather than waiting until construction has already commenced.

The DEIS documents a total of three surveys undertaken in 1972, 1990, and most recently in 2006, by Cultural Surveys Hawai'i (CSH). Archaeologists, who conducted a ground and aerial survey of the area. The CSH archeologists determined that the site identified by Bevacqua, as Site 22, in 1972 may be located outside of the project boundary and based their conclusion on the limited detail provided by the Bevacqua maps. However, because of potential concern for the inadvertent discovery of Site 22 during construction activities the developer will promote the use of an on-call archaeological monitor in the event of a field discovery. The monitor will coordinate archaeological reporting responsibilities for the project and notify the SHPD immediately of any inadvertent discoveries of significant artifacts or human remains. Upon the discovery of a significant site or human remains work will cease until the SHPD has been notified and appropriate action is taken.

You may refer to the FEIS, Section 3.4.5, Archaeological, Historic, and Cultural Resources, Pages 3-35 to 3-37, for further discussion.

3. *Also on page 3-35, the DEIS states that "the SHPD has recently reconfirmed that no further work in the project area is required." From page 3-24, it appears that this statement arises from correspondence with Hawai'i Island State Historic Preservation Division (SHPD) archaeologist Mary Anne Maigret. Although the e-mail correspondence from Ms. Maigret dated April 17, 2006 does state her opinion that additional work may not be necessary, the official SHPD letter, dated July 3, 2006 from Melanie Chinen, did identify concerns and did not explicitly state that no further work was required. Please clarify this section of the EIS and ensure that the official SHPD letter is referenced and addressed.*

At the request of the State Land Use Commission, we have forwarded a request to the SHPD to provide a letter of clarification to specifically state that the project would not have any effect to historic properties. The response to our request is pending.

Documentation of this item is provided in the FEIS, Section 3.4.5, Archaeological, Historic, and Cultural Resources, Page 3-36.

Thank you for taking the time to share your comments and allowing us this opportunity to respond. Any further written comments may be directed to the undersigned.

Sincerely,

Chester Koga, AICP

cc: Waikoloa Mauka LLC
Imanaka Kudo & Fujimoto

UNIVERSITY OF HAWAII AT MANOA
Environmental Center

December 14, 2006
RE:0757 Revised

Mr. Kevin Kellow
Waikoloa Mauka, LLC
120 Aspen Oak Lane
Glendale, CA 91207

Dear Mr. Kellow:

Draft Environmental Impact Statement
Waikoloa Highlands - Residential Subdivision
Waikoloa, Hawaii

Waikoloa Mauka proposes to subdivide and construct infrastructure improvements for a new 744.40-acre property in the South Kohala District, Island of Hawai'i. The property is located southeast of Waikoloa Village, an existing residential and commercial area. The proposed subdivision will create approximately 398 low-density, rural residential lots, each a minimum of one-acre in size. The project will also construct roadways within the subdivision and provide water and electrical service to the property. Existing water courses through the subdivision will mostly remain unchanged. Increases in surface runoff due to increased impervious areas will be addressed on-site through detention basins and drywells.

This review was conducted with the assistance of Sara Peck and Richard Brock (Sea Grant College Program) and Jene Michaud (UH Hilo Geology Department).

General Comments

One of our main concerns was the potential for sediments from the proposed development reaching the anchialine ponds in the shoreline area of Waikoloa. However, the proposed project is far enough mauka that we believe there will be no impacts on the pond system.

We would also like to point out that the County is in the midst of developing community plans as part of the General Plan process. You mention that in the DEIS, but indicate the process is not complete. It is, however, an important process that may have impacts on development on the west side of the Big Island. We wonder if you are aware of how far along the community development plans are and whether they address the area around Waikoloa. We also note that the Office of Planning is examining how development will occur in the state's rural areas. They may some preliminary results which may be applied to the proposed development at Waikoloa.

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UNIVERSITY OF HAWAII AT MANOA
Environmental Center

December 14, 2006

Mr. Kevin Kellow
Waikoloa Mauka, LLC
120 Aspen Oak Lane
Glendale, CA 91207

Dear Mr. Kellow:

The Environmental Center submitted comments on the Waikoloa Highlands Development DEIS on December 7, 2006. We have revised our letter for your consideration to include comments from two faculty members who submitted their comments after the deadline. We realize the review period ended a week ago and that you are not obligated to accept our revised letter. It does, however, contain some issues that you may wish to address in the final document.

I would like to add that the Environmental Center is assisted in its reviews of various environmental documents by faculty and staff from various university departments systemwide. Their participation is voluntary and usually the end of the semester is a busy time for most faculty and staff at the University. The Environmental Center's reviews do offer a third party perspective on projects which we limit to technical issues. We apologize for any delays in the process we may have caused.

Thank you for consideration.

Sincerely,


Peter Rappa
Environmental Review Coordinator

cc: OBQC
Anthony Chung, State Land Use Commission
Chester Koga, R.M. Towill
Janice Moncur

2600 Oahu Street, Kawaia Anae, 16, Honolulu, Hawaii 96822-3313
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Mr. Kevin Kellow
Page 3 of 7

Recently, botanists have found endemic and native plants growing in areas where they were not recorded previously, possibly due to the revitalization of dormant seed stock caused by a change in environmental conditions and rainfall. We suggest that botanical resources should be reassessed and if any rare, threatened or endangered species are found then the impacts of the proposed project on these botanical resources should be mitigated. We recommend that the Waikoloa Outdoor Centre be included in this discussion.

In this section, the DEIS states that as of 2000 "there were 5,348 residential units in South Kohala. On page 3-22 in the section on Demographic Characteristics, it is stated that as of 2000 there was a resident population of 13,079 in 4,648 households. Why is there such a large difference between the two figures? Is the difference attributable to absentee owners or just vacant units?"

Housing (p. 3-24)

In this section, the DEIS states that as of 2000 "there were 5,348 residential units in South Kohala. On page 3-22 in the section on Demographic Characteristics, it is stated that as of 2000 there was a resident population of 13,079 in 4,648 households. Why is there such a large difference between the two figures? Is the difference attributable to absentee owners or just vacant units?"

Social Impacts (p. 3-25)

In the section on Waikoloa Villages, the DEIS states that the Highland project would only contribute 9% to all the new development proposed. Where did the figure of 4,533 proposed units come from? Going back to pages 3-20 to 3-21, we can only count 2,496 new units being proposed for this area. A chart of all new developments and the number of new units proposed would be most helpful in section 3.4 Social and Built Environment.

Community Balance (p. 3-25 - 3-26)

In this section, the DEIS claims that a better balanced community would result from having a number of wealthy people move into the area. Using this logic it could be said that every low income community would do well to have high income people move into the area. This is putting a positive spin on what should be an issue of potential concern. Communities do well when people with a range of incomes and interest move into an area. This analysis is disingenuous at best.

Public Coast vs. Benefits Assessment (p. 3-30 - 3-33)

The DEIS states on page 3-30 in the section on Methodology, "the project represents only a fraction of the County and State residential inventory and is unlikely that the Waikoloa Highlands residents will themselves create the need for expansion of public services. That is, no new schools, parks, highways, recreational facilities, service agencies or other public services will be required specifically because of the Waikoloa Highlands development." On the previous page in the section on Public Fiscal Impacts, the DEIS states that SMS Research,

Mr. Kevin Kellow
Page 2 of 7

We also have a question about the market for the housing that is proposed for this project. The DEIS states on page 3-26 that a family purchasing a house in this development will need to have an income of between \$192,000 and \$264,000. How many people on the Big Island have the income needed to purchase a house in the proposed development? If the number is small, then this project will not really be addressing the need for housing in the local market. What is the target market for this development? Who will live in these expensive houses?

We have a number of specific comments below.

Climate and Air Quality (p. 3-7)

In the first paragraph under Existing Conditions, the rainfall range is stated as being between 10 to 20 inches and two lines below it is given as 10 to 15 inches. Which is correct?

Natural Hazards (p. 3-9)

It is stated in the section on Existing Conditions that the project falls within Zone 3 on the U.S. Geological Survey hazard classification map. This indicates a medium-high risk of damage to the proposed development from lava flows. In the section on Project Impacts and Mitigation, it is stated that the project will have no effect on the occurrence of natural hazards or the level of public risk. This may be true, but if people move into the area won't they be at risk in the event that an eruption occurs on Mauna Loa? Is there a planned evacuation strategy for residents in the event of an eruption?

Residents will also be exposed to earthquake hazards. Until recently, the United States was mapped into five earthquake hazard zones. The entire island of Hawaii met the criteria for the most hazardous zone. The largest historical earthquake on the island is the fourth largest in U.S. history when earthquakes from Alaska are excluded.

Hydrology (p. 3-11 - 3-12)

The DEIS states at the bottom of page 3-12 that the Waikoloa Water Master Plan recommends that sewage treatment effluent be reused for irrigation wherever possible to reduce groundwater pumping etc. Will the proposed development be causing wastewater effluent in an attempt to conserve limited water resources in the area?

Botanical Resources (p. 3-15)

The DEIS states on page 3-15 that there are native species, three dozen 'ahia (*Phytrosenima pulcherrima*), 'Uhaloa (*Waltheria indica*) and 'Ahaheha (*Chenopodium*

Mr. Kevin Kellow
Page 4 of 7

2006 noted that "no major new commitment of County or State funds is needed to support the project."

The document recognizes that five other developments are underway or in active preparation, estimated to add approximately 2120 more units, possibly 4,000 more people. This project of 398 lots is expected to produce 907 full time residents of which 233 would be students. This document also recognizes (p. 3-31) the cumulative effect of increased housing inventory. By presenting this project as a 'small fraction' of the overall housing unit inventory, this DEIS is obscuring the fact that this project contributes to the cumulative effect and should be held responsible for mitigation measures where necessary.

Though the state and county apparently did not require any level of participation in public services, the project's proposers should not consider themselves exempt from providing public services and should strive to collaborate with the community to establish services or facilities needed by the community. Such needs, well documented through the Hawaii County Community Development Process currently underway include: a middle school, a high school, a community center, an emergency medical care facility, a public library, better staffed emergency responders (fire and police), etc. An area should be set aside for future public use, possibly 50 acres as required for a high school.

Proposed Supply (p.3-32)

We had a hard time making the figures on the top of the page add up. The units listed don't add up to 3,456. On page 3-21, the DEIS stated that the County is planning to develop 1,000 affordable units in the area with 207 being planned for 2007. Where did the figure of 225 County planned units come from? The figures on what is planned changes several times throughout the DEIS. They should be consistent throughout the document. A few tables would be really helpful.

Archaeology (p. 3-35)

The DEIS states "although the Jensen field crew looked for Bevaqua's Site 22, even examining lands 250 meters beyond the perimeter of the project area, it could not be located. Other than Site T-1, no other evidence of pre or post-contact use was found within the project area. Jensen concluded that the Bevaqua's Site 22 was probably destroyed sometime during the preceding 5-10 years." In the following paragraph Cultural Surveys Hawaii, in their 2006 review, noted "it seems odd that a site nearly 150 feet long that presumably had been around for many decades could disappear in the course of 18 years. It also, however, seems unlikely that the Jensen crew would have missed Site 22. Perhaps it lies further afield." We believe that Site 22 may be significant and suggest that the search for it be reinstated using Hawaiian kupuna with local knowledge.

Mr. Kevin Kellow
Page 5 of 7

Pu'u Hinai, which is mentioned several times in this and the following section of the DEIS is currently being excavated for building material. Hawaiian residents have indicated that area pu'u's are of cultural significance. This issue should be explored more fully in the DEIS perhaps after conferring with Hawaiian kupuna.

Traffic (p. 3-39)

The DEIS notes on page 3-39 that the TIAR noted that other projects are not expected to generate significant traffic volumes, then goes on to say "Even with the creation of dedicated right turn lanes, the change in traffic volumes will result in over-capacity conditions at the intersection of Waikoloa Road, Pua Meia Street and Puniolo Avenue. Traffic signals would be warranted for four hours of an average day." This project should be responsible, in some part, for the cost of traffic mitigation. When the county council extended the entitlements for this project for 10 years, it was with the condition that one or more traffic lights will be installed by this project.

It is also unclear that the number of entrances and exits to this project on Waikoloa Road and Pua Meia are adequate. Community members indicate that the understanding with the developer is that there will be at least three intersections.

We would also point out that since some of the residents of the proposed subdivision will work and shop in Kailua-Kona, it should be acknowledged that the subdivision will contribute to traffic congestion in Kailua-Kona.

Drainage (p. 3-42)

The county regulations require that dry wells be sized to handle runoff from the 10-year flood. If a more severe flood occurs (20-year or 50-year flood), the drywells may be inadequate to handle the runoff. In such a case it is possible that runoff would enter the stream. It is an established principle that the largest floods have by far the greatest loads of sediment and pollutants picked up from roads, driveways, and yards. Further, because some of the lots border on the stream, it is possible that runoff from roofs and yards will drain towards the stream rather than the street. Such runoff would not be mitigated by the dry walls. Residents with lots bordering the streams should be encouraged to maintain vegetated buffer strips along the edge of the stream. The DEIS should acknowledge that it is possible that under certain circumstances the subdivision will contribute excess storm runoff and associated sediment to the stream, although this would probably occur rarely.

Mr. Kevin Kellow
Page 6 of 7

Wastewater (p. 3-48 - 3-49)

There is no estimate of the amount of wastewater that this proposed development will generate. Approximately how much will be generated and will any of it be reused?

Also, effluent from the septic tanks will contribute to groundwater pollution, at least in some measure because the effluent travels downwards until it reaches the water table. Septic tank waste does contain nutrients and possible pathogens. However, we acknowledge that the proposed development meets the county wastewater regulations, which allow septic tanks in low density subdivisions.

Solid Waste (p. 3-49 - 3-50)

The landfill capacity is given in cubic yards of space, but the amount of waste generated by the proposed development is given in pounds per day. This makes it difficult to determine how much of the landfill's capacity is taken up by the waste stream generated by the proposed project. It would be helpful if the authors could convert one or the other measure or give a rough equivalent so that a calculation can be made.

The DEIS states in the last paragraph that given the "projected capacity of the County landfill, the project is not expected to have an adverse impact on the landfill." Although the amount of solid waste generated by the development is small it will have an adverse impact on the landfill, it will help fill it up and shorten the life of the facility.

The DEIS mentions that "the project's developers will encourage practices such as recycling and composting to reduce and divert materials from the waste stream." What will the developer do to encourage this behavior?

Public Services and Facilities (p. 3-50 - 3-54)

It would be helpful to show the service areas of each of the public services discussed in this section. Each fire station, for example, has a service area which it covers. The same can be said for police and emergency medical services. It would be helpful to see what these areas are in relation to the proposed development. It would also be helpful to know the capacity of these services and how much of that capacity the proposed development will take up. This discussion on the schools on page 3-53 is a good example of how each of these services should be discussed.

The DEIS noted on the bottom of page 3-52 that Walkojos is currently underserved by parks. The proposed subdivision will worsen this situation. This could be mitigated by building a small neighborhood park in the open areas planned for the subdivision. This would

Mr. Kevin Kellow
Page 7 of 7

enhance the attractiveness of the subdivision to potential buyers.

Thank you for the opportunity to review this Draft EIS

Sincerely,


Peter Rappe
Environmental Review Coordinator

cc:

- Anthony Ching, State Land Use Commission
- Chester Koga, R.M. Towill
- James Monser
- Sara Peck
- Jens Michaud
- Dick Brock

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January 31, 2007

Mr. Peter Rappas
Environmental Center
University of Hawaii'i at Manoa
2500 Dole Street, Kraus Annex 19
Honolulu, Hawaii'i 96822

Dear Mr. Rappas:

Draft Environmental Impact Statement
Waikoloa Highlands Residential Subdivisions
South Kohala, Hawaii'i
Tax Map Key: (3) 6-4-002, Portion of 16

This letter acknowledges your letter of December 14, 2006. We offer the following responses to your comments.

1. General Comments
 - a. Drainage impacts. As stated in your letter we do not anticipate sediments from this project will reach the coastline. We are incorporating sediment basins in the project to assist in this process.
 - b. Community Development Plan (CDP). Representatives of this development are currently in contact with members of the community and are aware of community issues. The CDP process is still in its infancy but the landowner is committed to stay involved with the community.
 - c. Market for housing, how many people on the Big Island has the income needed to purchase a house in the proposed development? Purchasing capability is not merely a question of income. It includes other factors such as accumulated reserves, equity in real property already owned, financing capabilities and the availability and cost of money. Further, to limit the potential buyers to only people on the Big Island would be short-sighted on our part. We note that there are vacant lots in Waikoloa villages that ranging in size between 10,000 and 50,000 square feet are on the market between \$515,000 and \$719,000 (see Appendix P). This project will be marketing 1 acre lots.
2. Climate and Air Quality, page 3-7. Rainfall should be between 10 to 15 inches per year.
3. Natural Hazards, page 3-9. We acknowledge that the residents of this subdivision are at risk should Mauna Loa erupt, and they are subject to earthquake as recently experienced. Until very recently, there was only one exit out of the Waikoloa community, now there are two. Unless the hazard is sudden and catastrophic, residents of this area will have time to evacuate the area, if necessary.

Mr. Peter Rappas
Page 2

4. Hydrology. Regarding wastewater re-use, this project will not be considering wastewater re-use at this time as the house lots will be developed with individual wastewater systems. Individual homeowners, however, can choose to install aerobic systems that can allow the production of R-2 quality irrigation water.
5. Botanical Resources. We acknowledge that during the botanical survey, native plant species were located on the project site. These plants are not currently listed as endangered. We will correct page 3-37 to remove the note indicating that there are no native plant species in the project site.
6. Households vs. Residential Units. Please note that the differences in numbers between page 3-22 and 3-24 equates to the number of households in the South Kohala District versus the number of residential units in the District. Both figures come from the 2000 Census. There is no information within the Census that would allow us to definitively answer your questions regarding the reason for the "vacancy." One should note, however, that if one were to combine units available for rental, units available for sale, and units owned by second-home/vacation buyers, 13% would not have been an unusually high "vacancy" in 2000.
7. Social Impact. The total projected units in Waikoloa are 4,533 units (2,400 existing and 2,133 proposed, excluding the 398 proposed by this project).
8. Community Balance. We do not believe that this development will necessarily change the social fabric of the community because the total number of families that will be added to the Waikoloa community is small, less than 5 percent. Household incomes in Waikoloa Village are highly concentrated around the mean; households with incomes of \$150,000 or higher make up only 2.1 percent of the population. After assuming probable construction costs, one can see that nearly every household that buys into the project will fall into that category, resulting in a flatter income curve and a more heterogeneous population. Please note that this is a comment of a public official and not the conclusion of an analysis. Perhaps it is in the wrong place in the report and should have been included in the collection of other public comments. But we don't see that his position differs significantly from yours.
9. Public Cost vs. Benefits Assessment. The section on public costs, beginning page 3-30, did not suggest that the project proponents will not be contributing to the incremental increase to the demand for public facilities. Elsewhere in the document, we have noted that the developer will be contributing to school facilities, affordable housing, and traffic improvements. In addition, there are impact fees assessed by the County for police, fire, and recreation.
10. Proposed Supply, page 3-32. To clarify, there are 2,400 residential units currently in Waikoloa Village. An additional 2,133 (excluding the proposed 398 units of this project) are proposed. The section on "proposed supply" will be modified to match the unit count shown on page 3-30.
11. Archaeology. Another aerial and ground survey to locate Site 22 was undertaken and the site was not found. The review of cultural impacts of the area, Pu'u Hinai was not mentioned in the literature or via informant interviews.
12. Traffic. There will be three entrances into the proposed subdivision. Two will be from Waikoloa Road, and the third from Pua Melia. We acknowledge that residents of this project will contribute to the overall traffic volume along the major highway corridors, particularly Queen Ka'ahumanu. Specific impacts to traffic congestion in Kaiulua-Kona were not studied as part of this project.
13. Drainage. As noted in the DEIS, stormwater flows will continue as currently directed. Drywells will be installed along the roadways to accommodate rainfall from a 10-year storm as prescribed by the County of Hawaii'i. During 20 or 50-year storms, it is anticipated that the excess stormwater will continue into the existing drainage channels.

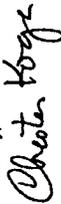
Mr. Peter Rappa
Page 2

There are no plans to change the drainage channels, except at roadway crossings. The channels will remain in its current vegetated state. We acknowledge, that during severe storm events, sediments from the developed lots will enter the gulches.

14. Wastewater, page 3-48 - 3-49. As stated earlier, the proposed development will be developed using individual wastewater systems.
15. Solid Waste, page 3-49-3-50. The projected solid waste volume per year is approximately 2,192 cubic yards (1068 persons x 4.5 pounds per person per day = 877.09 tons per year x 1.25 cover factors x 2 cubic conversion = 2,192 cubic yards per year. Encouragement for recycling will be stated in the homeowners covenants. A solid waste management plan will be prepared in consultation with the County of Hawai'i and will contain provisions for recycling. This Plan will be submitted for review prior to final subdivision approval.
16. Public Service and Facilities and Coverage (Fire, Police, Emergency Services, and Schools). A new figure will be included in Section 3.6 showing the location of the cited public facilities. As noted above, the developer will be contributing to the mitigation of impacts to public facilities.

Please contact the undersigned if you have additional questions.

Sincerely,



Chester Koga, AICP
Project Coordinator

Cc: LUC, Waikoloa Maui LLC

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June 13, 2007

Mr. Peter Rappa
Environmental Review Coordinator
University of Hawaii at Manoa
Environmental Center
2500 Dole Street, Krauss Annex 19
Honolulu, Hawaii 96822

Dear Mr. Rappa:

**Draft Environmental Impact Statement (DEIS)
Waikoloa Highlands Residential Subdivision
South Kohala, Hawaii**

Thank you for your letter dated December 14, 2006 concerning the subject project. We have prepared the following revised response to our earlier mailing to you to provide further clarification and detail. Your comments are *italicized* for reference:

General Comments

1. *One of our main concerns was the potential for sediments from the proposed development reaching the anchialine ponds in the shoreline areas of Waikoloa. However, the proposed project is far enough mauka that we believe there will be no impacts on the pond system.*
We acknowledge your comment and similarly do not anticipate that sediments from this project will reach the coastline. As noted in the DEIS, Section 3.5.2, *Drainage*, Page 3-46, "The project will not increase off-site flows or have an adverse drainage impact off-site."
2. *We would also like to point out that the County is in the midst of developing community plans as part of the General Plan process. You mention that in the DEIS, but indicate the process is not complete. It is, however, an important process that may have impacts on development on the west side of the Big Island. We wonder if you are aware of how far along the community development plans are and whether they address the area around Waikoloa. We also note that the Office of Planning is examining how development will occur in the state's rural areas. They may some preliminary results which may be applied to the proposed development at Waikoloa.*
Representatives of the proposed project remain in contact with members of the community who have shared their concerns and issues. Although the Community Development Plan process is currently in its infancy, the landowner is committed to staying involved with the community.
3. *We also have a question about the market for the housing that is proposed for this project. The DEIS states on page 3-26 that a family purchasing a house in this development will need to have an income of between \$192,000 and \$264,000. How many people on the Big Island have the income needed to purchase a house in the proposed development? If the number is small, then this project will not really be addressing the*

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need for housing in the local market. What is the target market for this development? Who will live in these expensive houses?

We do not have the data that identifies the specific number of people on the Big Island with the income needed to purchase the lots associated with the proposed project. We do note, however, that the ability to purchase a home does not only involve income. Other factors are involved that include accumulated reserves, equity in real property already owned, financing capabilities, and the availability and cost of borrowing money.

If income is the sole determinant of purchasing capacity, then the target market will be families with incomes, as noted in the DEIS, of between \$192,000 and \$264,000 annually.

The families that will purchase and live in this development are expected to include those with space requirements that would not ordinarily be met by the existing vacant lots in Waikoloa Villages. These lots range in size from 10,000 to 50,000 square feet, with the majority of lots far smaller than 1-acre or 43,560 square feet. The proposed project will instead be providing 1-acre lots that will meet a unique demand offering opportunities for land ownership that are not now readily available in the region.

Climate and Air Quality (p. 3-7)

4. *In the first paragraph under Existing Conditions, the rainfall range is stated as being between 10 to 20 inches and two lines below it is given as 10 to 15 inches. Which is correct?*

Rainfall is between 10 to 15 inches per year. The FEIS, Section 3.2.5, *Climate and Air Quality*, Page 3-6, will provide this corrected information.

Natural Hazards (p. 3-9)

5. *It is stated in the section on Existing Conditions that the falls within Zone 3 on the U.S. Geological Survey hazard classification map. This indicates a medium high risk of damage to the proposed development from lava flows. In the selection on Project Impacts and Mitigation, it is stated that the project will have no effect on the occurrence of natural hazards or the level of public risk. This may be true, but if people move into the area won't they be at risk in the event that an eruption occurs on Mauna Loa? Is there a planned evacuation strategy for residents in the event of an eruption?*

Residents will also be exposed to earthquake hazards. Until recently, the United States was mapped into five earthquake hazard zones. The entire island of Hawaii met the criteria for the most hazardous zone. The largest historical earthquake on the island is the fourth largest in U.S. history when earthquakes from Alaska are excluded.

The residents of the proposed project, as well as surrounding developments will be at risk in the event of an eruption of Mauna Loa. Area residents will also be subject to earthquakes. Until very recently, there was only one exit out of the Waikoloa community, now there are two. Unless the hazard is sudden and catastrophic, residents of this area will have time to evacuate the area, as required. The FEIS, Section 3.2.6, Natural Hazards, starting on Page 3-9, will reflect this situation as follows (deleted text is lined out and new text is underlined):

*According to the USGS, defining hazard zones for the effects of earthquakes is more difficult than for eruptions and has not been attempted for the Island of Hawaii¹. The island experiences

thousands of earthquakes each year, most so small that they are only detectable by instruments. Most of Hawaii's earthquakes are directly related to volcanic activity and are caused by magma moving beneath the earth's surface. These earthquakes tend to be concentrated beneath Kilauea and Mauna Loa, the island's active volcanoes, particularly their south flanks and in the region between them. In order to facilitate evacuation from the Waikoloa Village area, the County of Hawaii developed in 2006 a secondary evacuation route to the northwest of Waikoloa Village."

Hydrology (p. 3-11 - 3-12)

6. *The DEIS states at the bottom of page 3-12 that the Waikoloa Water Master Plan recommends that sewage treatment effluent be reused for irrigation wherever possible to reduce groundwater pumping etc. Will the proposed development be reusing wastewater effluent in an attempt to conserve limited water resources in the area?*

Wastewater reuse is not possible with the adoption of the proposed Individual Wastewater Systems for the project. However, in order to promote water conservation the developer does intend to implement other measures that will include separate metering of domestic and irrigation water, and the use of water restrictions to promote conservation and discourage waste. Homeowners will be advised to use drought tolerant plants when landscaping, and if water uses exceed 1,000 gallons per day, the homeowner will be assessed a higher fee for any water usage over the daily allowance.

Regarding sufficiency of water resources, the FEIS, Section 3.2.8, Hydrology, Pages 3-12 to 3-14, will provide further discussion. In summary, the Waikoloa Water Master Plan (WWMP), 1991, was reviewed and an update of the applicability of the plan to the proposed project was undertaken in 2007, by Waiman Water Services, Inc. (WWSI). According to the update there is sufficient water to meet a minimum project demand of 1,000 gallons per day (gpd) per lot, or approximately 400,000 gpd for the project (1,000 lots x approximately 400 lots).

Botanical Resources (p. 3-15)

7. *The DEIS states on page 3-15 that there are native species, three dozen 'akia (Wikstroemia pulcherrima), 'Uhaloa (Waltheria indica) and 'Aheakea (Chenopodium obtusum). Later on page 3-17, it contradicts the above statement under Project Impacts and Mitigation stating that "the project area has changed and there are no native plants . . ."*

The FEIS, Section 3.4.5, Archaeology, Cultural Resources, Impacts and Mitigation, Impacts and Mitigation, Page 3-38, will revise the DEIS, as follows:

"Historical evidence suggests that the land in Waikoloa was not intensively used, and if used, was a corridor between the mauka lands of Waimea and the coastal areas during historic times and for cattle in latter periods. The vegetation in the project area has changed over the years to a point where there are no very few native plants due in part to cattle grazing and wildland fires."

8. *Recently, botanists have found endemic and native plants growing in areas where they were not recorded previously, possibly due to the revitalization of dormant seed stock caused by a change in environmental conditions and rainfall. We suggest that botanical resources should be reassessed and if any rare, threatened or endangered species are found then the impacts of the proposed project on these botanical resources should be mitigated. We recommend that the Waikoloa Outdoor Circle be included in this discussion.*

We have forwarded our botanical study to the Waikoloa Outdoor Circle for review and comment. At this writing a response has not yet been received.

Housing (p. 3-24)

9. *In this section, the DEIS states that as of 2000 there were 5,348 residential units in South Kohala. On page 3-22 in the section on Demographic Characteristics, it is stated that as of 2000 there was a resident population of 13,079 in 4,648 households. Why is there such a large difference between the two figures? Is the difference attributable to absentee owners or just vacant units?*

The difference in numbers between page 3-22 and 3-24 of the DEIS relates to the number of households in the South Kohala District and the number of residential units in the District. Both figures come from the 2000 Census. There is no information in the Census that allows us to definitively answer your questions regarding the reason for the "vacancy." It should be noted, however, that combining the units available for rental, the units available for sale, and the units owned by second-home/vacation buyers, that 13 percent would not be an unusually high "vacancy" for the year 2000 based on the information provided by SMS Research.

Social Impacts (p. 3-25)

10. *In this section on Waikoloa Village, the DEIS states that the Highland project would only contribute 9% to all the new development proposed. Where did the figure of 4,533 proposed units come from? Going back to pages 3-20 to 3-21, we can only count 2,496 new units being proposed for this area. A chart of all new developments and the number of new units proposed would be most helpful in section 3.4 Social and Built Environment.*

The FEIS, Section 3.4.4, Marketing Plan, starting on Page 3-33, will revise the DEIS, as follows to clarify the total number of units:

" There are five major projects in-development, approved or proposed in the Waikoloa Village area. These projects are: Wehiani (473 756 units), 17th Fairway (27 units), Sunset Ridge (264 120 units), and Kiloana Kai (230 units). These projects have the potential of providing a maximum of 3,456 1,133 units (combined single family and multi-family units) to the housing inventory of the area. The County of Hawaii is also planning a housing project with 229 1,000 units in the area. Combined, there are approximately 4,979 2,133 units proposed for a total of 4,533 units (existing (2,400) and proposed (2,133))."

Community Balance (p. 3-25 - 3-26)

11. *In this section, the DEIS claims that a better balanced community would result from having a number of wealthy people move into the area. Using this logic it could be said that every low income community would do well to have high income people move into the area. This is putting a positive spin on what should be an issue of potential concern. Communities do well when people with a range of incomes and interests move into an area. This analysis is disingenuous at best.*

The proposed project will provide the opportunity for a more heterogeneous and diverse socioeconomic population than presently exists. Household incomes in Waikoloa Village are highly concentrated around the mean; households with incomes of \$150,000 or higher make up only 2.1 percent of the population.

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After assuming probable construction costs, one can see that many households that buy into this project will need the incomes as estimated in the DEIS in the range of \$192,000 to \$264,000 annually, thereby increasing that category, flattening the income curve and enabling a more heterogeneous population.

In this regard, it is anticipated that greater balance within the Waikoloa community will result from having a greater mix of housing types with residents from diverse socioeconomic backgrounds. It is the developer's expectation that the more heterogeneous a population – whether measured by income, ethnicity, age, home of origin, etc. – the more dynamic the community, the more diverse the social interaction, and the richer the events and activities of that community. We add that this is expected to be facilitated with the greater provision of public services for all residents that will also result from the increased tax revenues made possible with this project.

Public-Cost vs. Benefits Assessment (p. 3-30 - 3-33)

12. *The DEIS states on page 3-30 in the section on Methodology, "the project represents only a fraction of the County and State residential inventory and is unlikely that the Waikoloa Highlands residents will themselves create the need for expansion of public services. That is, no new schools, parks, highways, recreational facilities, services agencies or other public services will be required specifically because of the Waikoloa Highlands development." On the previous page in the section on Public Fiscal Impacts, the DEIS states that SMS Research, 2006 noted that "no major new commitment of County or State funds is needed to support the project."*

The document recognizes that five other developments are underway or in active preparation, estimated to add approximately 2120 more units, possibly 4,000 more people. This project of 398 lots is expected to produce 907 full time residents of which 233 would be students. This document also recognizes (p. 3-31) the cumulative effect of increased housing inventory. By presenting this project as a "small fraction" of the overall housing unit inventory, this DEIS is obscuring the fact that this project contributes to the cumulative effect and should be held responsible for mitigation measures where necessary.

Though the state and county apparently did not require any level of participation in public services, the project's proposers should not consider themselves exempt from providing public services and should strive to collaborate with the community to establish services or facilities needed by the community. Such needs, well documented through the Hawaii County Community Development Process currently underway include: a middle school, a high school, a community center, an emergency medical care facility, a public library, better staffed emergency responders (fire and police), etc. An area should be set aside for future public use, possibly 30 acres as required for a high school.

The developer of the Waikoloa Highlands project is cognizant of their responsibility to provide adequate services to new residents of the area and the Waikoloa community in general. We do not suggest that the developer is exempt from providing public services. A summary of actions taken and the mitigation proposed is summarized below. These findings will be reported in the FEIS.

Education: In Section 3.6.4, Schools, Page 3-60. The FEIS will note that the DOE has determined that no additional schools will be needed as a result of the project impact of 24 additional elementary school students, 9 middle school students and 5 high school students. According to discussions with Heidi Meeker of the DOE, the DOE will request that the Land Use Commission impose a school fair-share condition similar to such conditions that the Land Use Commission has imposed on other recent developments. Discussions are continuing with the DOE to determine an appropriate resolution.

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Impact Fees: Section 2.2.6, Development Costs, Page 2-7. The FEIS will state that the developer has agreed, as a condition of Ordinance 05-157, to paying impact fees to the County of Hawaii according to the following schedule:

Recreation Fee (\$4,817.93 per lot)	\$1,917,536
Affordable Housing (20% of total = 80)	TBD
Police Impact Fee (\$232.42 per lot)	\$92,503
Solid Waste Fee (\$200.98 per lot)	\$79,990
Water Development Fee	TBD
Road Fees and Traffic Fee (\$4,280.82 per lot)	\$1,703,766
School Impact Fee	TBD
Fire Impact Fee (\$459.06 per lot)	\$182,705
TOTAL ESTIMATED	\$3,976,500

* Fees estimated based on Ordinance 05-157. Fees may be adjusted by providing land or facilities and the final payment amount will be adjusted by the Honolulu Consumer Price Index at the time of Final Subdivision approval.
TBD = to be determined

Affordable Housing. Section 3.7.3, Affordable Housing, Page 3-62. The FEIS will state, "The Petitioner is committed to meeting its affordable housing requirement per Ordinance 05-157 and Chapter 11, HCC, through the provision of land adjacent to the project site. To date, discussions with the County have centered on providing the housing off-site and within the 1.5-mile radius required in Section 11-4 (HCC). The land that is being proposed meets the affordable housing requirement and is located to the west (Tax Map Key 3-6-8-03, portion of parcel 31) of the subject project within the 1.5-mile radius in an area zoned for multi-family residential units. This parcel is owned by Petitioner."

Traffic Improvements. Section 3.5.1, Transportation and Traffic, Page 3-41. The developer will be improving the intersection at Waikoloa Road, Pua Melia and Paniolo Avenue by installing new traffic signals and re-striping the roadway. According to the project's traffic consultant, Julian Ng, these improvements will mitigate poor levels of service during the peak hours for left turns onto Waikoloa Road. With traffic signals and separate right-turn lanes, the intersection will have adequate capacity to serve peak hour volumes at project build out. As traffic volumes increase due to other developments in the Waikoloa area, peak hour conditions will worsen. A second eastbound left-turn lane at the intersection is a mitigation that will improve conditions to acceptable levels for the peak hour volumes projected to year 2025.

Proposed Supply (p. 3-32)

13. *We had a hard time making the figures on the top of the page add up. The units listed didn't add up to 3,456. On page 3-2.1, the DEIS stated that the County is planning to develop 1,000 affordable units in the area with 207 being planned for 2007. Where did the figure of 2125 County planned units come from? The figures on what is planned changes several times throughout the DEIS. They should be consistent throughout the document. A few tables would be really helpful.*

Please refer to our response to Item No. 10, above.

Archaeology (p. 3-35)

14. *The DEIS states "although the Jensen field crew looked for Bevacqua's Site 22, even examining lands 250 meters beyond the perimeter on the project area, it could not be located. Other than Site T-1, no other evidence of pre or post-contact use was found within the project area. Jensen concluded that the Bevacqua's Site 22 was probably destroyed sometime during the preceding 3-10 years". In the following paragraph Cultural Surveys Hawaii, in their 2006 review, noted "it seems odd that a site nearly 150 feet long that presumably had been around for many decades could disappear in the course of 18 years. It also, however, seems unlikely the Jensen crew would have missed Site 22. Perhaps it lies farther afield." We believe that Site 22 may be significant and suggest that the search for it be reinitiated using Hawaiian kupuna with local knowledge.*

Section 3.4.5, *Archaeology*, Page 3-35. The FEIS will note that in November 2006, Cultural Surveys Hawai'i undertook another survey of the project area to determine if Site 22 could be located. As a result of both a pedestrian survey and aerial survey, Site 22 was not located and was presumed to be destroyed or is located outside of the project area. However, because of potential concern for the inadvertent discovery of Site 22 during construction activities the developer will promote the use of an on-call archaeological monitor in the event of a field discovery. The monitor will coordinate archaeological reporting responsibilities for the project and notify the SHPD immediately of any inadvertent discoveries of significant artifacts or human remains. Upon the discovery of a significant site or human remains work will cease until the SHPD has been notified and appropriate action is taken.

15. *Pu'u Hina'i, which is mentioned several times in this and the following section of the DEIS is currently being excavated for building material. Hawaiian residents have indicated that area pu'u is are of cultural significance. This issue should be explored more fully in the DEIS perhaps offer conferring with Hawaiian kupuna.*

Pu'u Hina'i is currently outside of the boundary limits of this project. During the research into cultural practices in the area informants identified Pu'u Hina'i as being culturally significant. The quarrying operations are planned to cease as development progresses on the subject project. State Land Use Commission records for the use of the site indicate that following termination of use that the operator will be responsible for restoring the site.

Traffic (p. 3-39)

16. *The DEIS notes on page 3-39 that the TIAR noted that other projects are not expected to generate significant traffic volumes, then goes on to say "Even with the creation of dedicated right turn lanes, the change in traffic volumes will result in over-capacity conditions at the intersection of Waikoloa Road, Pua Mélia Street and Paniolo Avenue. Traffic signals would be warranted for four hours of an average day." This project should be responsible, in some part, for the cost of traffic mitigation. When the county council extended the entitlements for this project for 10 years, it was with the condition that one or more traffic lights will be installed by this project.*

Please refer to our response in Item No. 12, above.

17. *It is also unclear that the number of entrances and exits to this project on Waikoloa Road and Pua Mélia are adequate. Community members indicate that the understanding with the developer is that there will be at least three intersections.*

Section 2.2.3, *Access and Circulation*, of the Draft EIS describes the three (3) intersections that are proposed for the subject project. One of the access points is the Waikoloa Road, Pua Mélia, Paniolo Avenue intersection described above in comment 16. The second access is along Waikoloa Road approximately 2,000 feet east of the Waikoloa Road, Pua Mélia, and Paniolo Avenue intersection. This second access into the subdivision will require the approval of the Hawai'i County Council. This proposed access is currently pending before the Planning Department.

18. *We would also point out that since some of the residents of the proposed subdivision will work and shop in Kailua-Kona, it should be acknowledged that the subdivision will contribute to traffic congestion in Kailua-Kona.*

We acknowledge that residents of this project will contribute to the overall traffic volume along the major highway corridors, particularly Queen Ka'ahumanu. Specific impacts to traffic congestion in Kailua-Kona were not studied as part of this project.

Drainage (p. 3-42)

19. *The county regulations require that dry wells be sized to handle runoff from the 10-year flood. If a more severe flood occurs (20-year or 50-year flood), the drywells may be inadequate to handle the runoff. In such a case it is possible that runoff would enter the stream. It is an established principle that the largest floods have by far the greatest loads of sediment and pollutants picked up from roads, driveways, and yards. Further because some of the lots border on the stream, it is possible that runoff from roofs and yards will drain towards the stream rather than the street. Such runoff would not be mitigated by the dry wells. Residents with lots bordering the streams should be encouraged to maintain vegetated buffer strips along the edge of the stream. The DEIS should acknowledge that it is possible that under certain circumstances the subdivision will contribute excess storm runoff and associated sediment to the streams, although this would probably occur rarely.*

Section 3.5.2, *Drainage*, Page 3-46. The FEIS will describe on-site drainage improvements including the use of drywells, which will be used to dispose of any increase in roadway surface flows in accordance with state and county regulations.

We also note that under extreme storm conditions that it is possible that drywells, and drainage control structures such as vegetated buffer strips, will not be capable of handling the stormflows. There is occasional evidence of this throughout the state along coastal areas when stormflows eventually reach coastal and low lying areas as a result of heavy storms.

Wastewater (p. 3-48 - 3-49)

20. *There is no estimate of the amount of wastewater that the proposed development will generate. Approximately how much will be generated and will any of it be reused?*

We anticipate an approximate wastewater generation of 1,000 gallons per day per 1-acre lot. According to Chapter 11-23, Hawaii Administrative Rules, the provision of an individual wastewater system will be permitted by DOH. Although opportunities for wastewater reuse for the proposed project are not possible.

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the developer does intend to implement water conservation measures. Please refer to our response to Item No. 6, above.

21. Also, effluent from the septic tanks will contribute to groundwater pollution, at least in some measure because the effluent travels downwards until it reaches the water table. Septic tank waste does contain nutrients and possible pathogens. However, we acknowledge that the proposed development meets the county wastewater regulations, which allow septic tanks in low density subdivisions.

We acknowledge your comment that septic tanks are an accepted method for the disposal of wastewater that complies with County and State regulatory requirements.

Solid Waste (p. 3-49 - 3-50)

22. The landfills capacity is given in cubic yards of space, but the amount of waste generated by the proposed development is given in pounds per day. This makes it difficult to determine how much of the landfill's capacity is taken up by the waste stream generated by the proposed project. It would be helpful if the authors convert one or the other measure or give a rough equivalent so that a calculation can be made.

The DEIS, Section 3.5.6, Solid Waste, notes that the proposed Waikoloa Highlands subdivision is estimated to have an average population at build out of 1,068 persons (The Hallstrom Group, 2006). Using the federal Environmental Protection Agency's per capita estimate of 4.5 pounds of municipal solid waste (MSW) generated per day, the subdivision residents will generate approximately 4,806 pounds of MSW per day. We will provide further information for this section in the FEIS, Page 3-55, that the projected solid waste volume per year is approximately 2,192 cubic yards (1068 persons x 4.5 pounds per person per day = 877.09 tons per year x 2.5 cover factors x 2 cubic yard conversion = 2,192 cubic yards per year).

23. The DEIS states in the last paragraph that given the "projected capacity of the County landfill, the project is not expected to have an adverse impact on the landfill." Although the amount of solid waste generates [sic] by the development is small it will have an adverse impact on the landfill, it will help fill it up and shorten the life of the facility.

We acknowledge that given the current and projected capacity of the County landfill, that the proposed project is not expected to have an adverse impact. However, the developer recognizes that it is in the interest of the greater community to encourage recycling and composting to reduce and divert materials from the waste stream thereby helping to prolong the life of the landfill.

The FEIS, Section 3.5.6, Solid Waste, Page 3-55, will begin this process of appropriately managing the solid waste issues associated with the proposed project through the preparation of a Solid Waste Management Plan for review by the County Department of Environmental Management.

24. The DEIS mentions that "the project's developers will encourage practices such as recycling and composting to reduce and divert materials from the waste stream." What will the developer do to encourage this behavior?

Please see our response to Item No. 23, above.

25. It would be helpful to show the service areas of each of the public services discussed in this section. Each fire station, for example, has a service area which it covers. The same can be said for police and emergency medical service. It would be helpful to see what these areas are in relation to the proposed

development. It would also be helpful to know the capacity of these services and how much of that capacity the proposed development will take up. The discussion on the schools on page 3-33 is a good example of how each of these services should be discussed

The FEIS, Section 3.6, Public Services and Facilities, will revise the DEIS with a figure depicting the general locations of police facilities, fire facilities, emergency services, recreation facilities and schools. The map will be referenced in the FEIS, as Figure 21, Public Facilities, Page 3-57.

26. The DEIS noted on the bottom of page 3-52 that Waikoloa is currently underserved by parks. The proposed subdivision will worsen this situation. This could be mitigated by building a small neighborhood park in the open areas planned for the subdivision. This would enhance the attractiveness of the subdivision to potential buyers.

As stated in our response to Comment No. 12 above, the developer is required to contribute approximately \$1.9 million to the County of Hawai'i for the purposes of developing recreation facilities.

Thank you for taking the time to share your comments and allowing us this opportunity to respond. Any further written comments may be directed to the undersigned.

Sincerely,



Chester Koga, AICP

cc: Waikoloa Mauika LLC
Imanaka Kudo & Fujimoto



County of Hawaii
PLANNING DEPARTMENT

101 Puuoli Street, Suite 3 • Hilo, Hawaii 96720-3043
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Harry Kim
Mayor

Christopher J. Yuen
Director
Brad Kurukawa, ASLA
LEED® AP
Deputy Director

November 24, 2006

Mr. Chester Koga
R.M. Towill Corporation
420 Waikamilo Road, # 411
Honolulu, HI 96817

Dear Mr. Koga:

Draft Environmental Impact Statement
Waikoloa Highlands
TMK: (3) 6-8-2:16 (portion)

We have reviewed the Draft Environmental Impact Statement (DEIS) and have the following comments:

1. Throughout the document, reference is made to Change of Zone Ordinance No. 95-157. The correct Ordinance No. is 05-157. This ordinance amended Ordinance No. 95-51, which amended Ordinance No. 90-160. We suggest that the referenced ordinances (90-160, 95-51 and 05-157) be attached as Appendices. Enclosed for your information and use are copies of the ordinances.
2. There is a discrepancy as to the number of lots proposed. Page ES-1 states that the project will include 398 one-acre sized lots. However, on page 2-7 (section 2.5), 286 one to two-acre lots are proposed. Please make the necessary correction as to the number of lots proposed.
3. On page ES-1 (Proposed Action), the second sentence referenced a 744.40-acre parcel site. However, the next sentence states that the area to be reclassified is 731.581 acres. Please explain this discrepancy.
4. On the top of page 3-2, reference is made to "Richard Smart, present owner of Parker Ranch." Mr. Smart has passed on.

Hawaii's County is an Equal Opportunity Provider and Employer.

Mr. Chester Koga
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5. Section 3.2.3 on page 3-2 states that the lease for Puu Hinai cinder quarry was terminated. Is this the quarry that Edwin DeLuz Trucking and Gravel LLC received an extension last year to operate under Special Permit 70-857?
6. Page 3-35 (3rd paragraph) states that Cultural Surveys Hawaii, in their 2006 review, noted that "it seems odd that a site nearly 150 feet long that presumably had been around for many decades could disappear in the course of 18 years. It also, however, seems unlikely the Jensen crew would have missed Site 22. Perhaps, it lies farther offsite." Has someone done a further survey to determine the location of Site 22?

Thank you allowing us to comment on the DEIS. We look forward to receiving a copy of the Final EIS. Should you have any questions regarding our comments, please contact Norman Hayashi of this office at (808) 961-8288 x205.

Sincerely,

CHRISTOPHER J. YUEN
Planning Director

Enclosures - Ordinance Nos. 90-160, 95-51, 05-157

cc: Anthony Ching, Executive Offices, State Land Use Commission
Kevin C. Kellow, Manager, Waikoloa Mauka, LLC
Benjamin Kudo, Esq.

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Construction Management

Mr. Christopher Yuen, Director
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Please contact the undersigned if you have additional questions.

Sincerely,

Chester Koga
Chester Koga, AICP
Project Coordinator

Cc: LUC, Waikoloa Mauka LLC

January 31, 2007

Mr. Christopher Yuen, Director
Planning Department
County of Hawaii
25 Aupuni Street, Suite 13
Hilo, Hawaii 96720

Dear Mr. Yuen:

Draft Environmental Impact Statement
Waikoloa Highlands Residential Subdivision
South Kohala, Hawaii
Tax Map Key: (3) 6-8-002, Portion of 16

This letter acknowledges your letter of November 24, 2006 relating to the subject project. We offer the following responses to your inquiries:

1. Reference to Ordinance 05-157. We will correct references in the Final EIS relating to Ordinance 05-157. Further, the references provided by your Department will be appended to the Final EIS.
2. Number of Lots. The proposed project is for 398 lots as stated on page ES-1. The reference to 286 lots (page 2-7) was for an alternative that was considered but rejected.
3. The differences in area, 744.40 acres versus 731.581 acres. The project plans have been modified since the issuance of the Draft EIS. The project area and the Land Use Boundary Petition Area are now 731.581 acres, not 744.40 acres. The Boundary Amendment Petition is requesting the redesignation of 731,358 acres from the State Agricultural District to the State Rural District.
4. Page 3-2. We will correct the reference to lands owned by Parker Ranch.
5. Section 3.2.3, page 3-2. The Draft EIS incorrectly stated that the lease for quarrying at Pu'u Hinai was terminated. We will correct this reference in the Final EIS.
6. Page 3-35 relating to survey of Site 22. Archaeologist from Cultural Surveys Hawaii'i conducted additional surveys since the publication of the Draft EIS of the project area and have not been able to locate the site identified by Bevaqua (1972), however, the site identified by Jensen was located and features noted (see Appendix E, page 12).

COUNTY OF HAWAII STATE OF HAWAII

BILL NO. 154

ORDINANCE NO. 90 160

1. 27° 56' 00" 1,777.88 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;
2. 98° 52' 20" 408.28 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;
3. 135° 05' 56" 2,023.07 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;
4. 87° 40' 00" 27.80 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;
5. 3° 20' 00" 24.45 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;
6. Thence along remainder of Lot 2B, Waikoloa Development, File Plan 1172, on a curve to the right with a radius of 1200.00 feet, the chord azimuth and distance being:
30° 35' 00" 1,098.90 feet;
7. 57° 50' 00" 440.00 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;
8. Thence along remainder of Lot 2B, Waikoloa Development, File Plan 1172, on a curve to the left with a radius of 720.00 feet, the chord azimuth and distance being:
38° 46' 00" 470.40 feet;

AN ORDINANCE AMENDING SECTION 25-95A (NORTH AND SOUTH KOHALA DISTRICTS ZONE MAP) AND SECTION 25-95H (WAIKOLOA VILLAGE ZONE MAP) ARTICLE 3, CHAPTER 25 (ZONING CODE) OF THE HAWAII COUNTY CODE, BY CHANGING THE DISTRICT CLASSIFICATION FROM UNPLANNED (U) AND MULTIPLE FAMILY RESIDENTIAL (RM-1.5) TO OPEN (O) AND RESIDENTIAL-AGRICULTURAL (RA-1a) AT WAIKOLOA, SOUTH KOHALA, HAWAII, COVERED BY TAX MAP KEY 6-8-02:PORTION OF 16 AND 6-8-03:PORTION OF 32.

BE IT ORDAINED BY THE COUNCIL OF THE COUNTY OF HAWAII:

SECTION 1. Section 25-95A, Article 3, Chapter 25 (Zoning Code) of the Hawaii County Code, is amended to change the district classification of properties described hereinafter as follows:

The district classification of the following area situated at Waikoloa, South Kohala, Hawaii, shall be Residential-Agricultural (RA-1a):

PARCEL A:

Beginning at the Southeast corner of this parcel of land, on the Southwesterly side of Waikoloa Road, the coordinates of which referred to Government Survey Triangulation Station "PUU HIMAI" being 1,933.36 feet North and 2,611.01 feet East, and running by azimuths measured clockwise from true South:

9. 19° 42' 00"	1,301.88 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;	19. 210° 25' 00"	570.00 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;
10. 160° 02' 36"	95.45 feet along Lot 3, Waikoloa Development, File Plan 1172;	20. 166° 36' 00"	74.00 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;
11. 124° 52' 31"	2,011.22 feet along Lot 3, Waikoloa Development, File Plan 1172;	21. 147° 12' 00"	172.00 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;
12. 196° 43' 02"	2,730.87 feet along Lot 3, Waikoloa Development, File Plan 1172;	22. 93° 20' 00"	70.00 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;
13. 347° 04' 00"	584.90 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;	23. 38° 30' 00"	234.72 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;
14. 307° 46' 00"	593.00 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;	24. 68° 50' 00"	341.39 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;
15. 0° 00' 00"	115.00 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;	25. 110° 00' 00"	780.00 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;
16. 314° 06' 00"	400.00 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;	26. 119° 28' 00"	115.00 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;
17. 295° 38' 00"	512.00 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;	27. 131° 20' 00"	570.00 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;
18. 266° 18' 00"	720.00 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;	28. 167° 04' 00"	345.00 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;

29. 157° 36' 00"	185.31 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;	39. 123° 38' 00"	899.98 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;
30. 154° 22' 00"	550.00 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;	40. 211° 44' 00"	510.12 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;
31. 244° 12' 00"	119.90 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;	41. 263° 34' 00"	586.98 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;
32. 285° 16' 00"	304.53 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;	42. 200° 30' 00"	906.37 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;
33. 309° 10' 00"	380.00 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;	43. 108° 03' 00"	749.90 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;
34. 283° 46' 00"	130.00 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;	44. Thence along remainder of Lot 2B, Waikoloa Development, File Plan 1172, on a curve to the right with a radius of 380.00 feet, the chord azimuth and distance being:	
35. 193° 46' 00"	368.75 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;	113° 01' 44" 62.49 feet;	
36. 102° 38' 00"	214.76 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;	45. 21° 58' 00"	700.74 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;
37. 185° 42' 00"	190.12 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;	46. 25° 53' 00"	447.00 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;
38. 161° 18' 00"	941.20 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;	47. 16° 24' 00"	414.00 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;

48. 119° 30' 00" 246.00 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;
49. 140° 19' 00" 590.00 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;
50. 137° 43' 00" 257.00 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;
51. 230° 36' 00" 757.00 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;
52. 202° 00' 00" 760.00 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;
53. 197° 00' 00" 197.04 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;
54. 218° 00' 00" 267.26 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;
55. Thence along remainder of Lot 2B, Waikoloa Development, File Plan 1172, on a curve to the left with a radius of 400.00 feet, the chord azimuth and distance being:
111° 05' 00" 331.54 feet;
56. 86° 36' 00" 38.27 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;
57. 0° 42' 00" 227.69 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;
58. 40° 26' 00" 390.00 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;
59. 22° 00' 00" 515.00 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;
60. 76° 14' 00" 273.00 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;
61. 198° 03' 09" 1,228.12 feet along Lot 2 and Lot 1 of Waikoloa MM 1-5, Unit 1, File Plan 1378;
62. Thence along the southeasterly side of Puu Melia Road, on a curve to the left with a radius of 630.00 feet, the chord azimuth and distance being:
28° 02' 49" 114.54 feet;
63. Thence along remainder of Lot 2B, Waikoloa Development, File Plan 1172, on a curve to the left with a radius of 30.00 feet, the chord azimuth and distance being:
350° 26' 20.5" 40.45 feet;
64. 308° 02' 49" 45.13 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;
65. Thence along remainder of Lot 2B, Waikoloa Development, File Plan 1172, on a curve to the left with a radius of 300.00 feet, the chord azimuth and distance being:
287° 19' 24.5" 212.31 feet;

66. 266° 36' 00"	604.24 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;	23.09 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;	76. 201° 44' 00"
67. 256° 32' 00"	733.17 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;	77. Thence along remainder of Lot 2B, Waikoloa Development, File Plan 1172, on a curve to the left with a radius of 30.00 feet, the chord azimuth and distance being:	
68. 18° 03' 09"	1,383.49 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;	156° 44' 03.5" 42.43 feet;	
69. 288° 03' 09"	225.00 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;	700.57 feet along the Southwesterly side of Waikoloa Road;	78. 291° 44' 07"
70. 288° 03' 00"	160.35 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;	79. Thence along the southwesterly side of Waikoloa Road, on a curve to the right with a radius of 910.00 feet, the chord azimuth and distance being:	
71. 219° 08' 00"	435.00 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;	336° 31' 44.5" 1,282.29 feet;	80. 21° 19' 22"
72. 200° 46' 00"	365.00 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;	81. Thence along the Southwesterly side of Waikoloa Road, on a curve to the left with a radius of 840.00 feet, the chord azimuth and distance being:	
73. 230° 58' 00"	463.49 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;	353° 57' 41" 772.13 feet;	82. 108° 50' 00"
74. 172° 30' 00"	201.81 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;	770.00 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;	83. 32° 28' 00"
75. Thence along remainder of Lot 2B, Waikoloa Development, File Plan 1172, on a curve to the right with a radius of 410.00 feet, the chord azimuth and distance being:	187° 07' 00" 206.93 feet;		

84. 52° 42' 00"	701.33 feet along remainder of Lot 28, Waikoloa Development, File Plan 1172;	93. 313° 58' 00"	506.00 feet along remainder of Lot 28, Waikoloa Development, File Plan 1172;
85. 4° 20' 00"	92.76 feet along remainder of Lot 28, Waikoloa Development, File Plan 1172;	94. 302° 46' 00"	520.00 feet along remainder of Lot 28, Waikoloa Development, File Plan 1172;
86. Thence along remainder of Lot 28, Waikoloa Development, File Plan 1172, on a curve to the right with a radius of 2,030.00 feet, the chord azimuth and distance being:		95. 327° 58' 00"	184.96 feet along remainder of Lot 28, Waikoloa Development, File Plan 1172;
9° 03' 00" 333.85 feet		96. 64° 00' 00"	187.18 feet along remainder of Lot 28, Waikoloa Development, File Plan 1172;
87. 13° 46' 00"	85.00 feet along remainder of Lot 28, Waikoloa Development, File Plan 1172;	97. 79° 28' 00"	230.00 feet along remainder of Lot 28, Waikoloa Development, File Plan 1172;
88. 283° 46' 00"	364.00 feet along remainder of Lot 28, Waikoloa Development, File Plan 1172;	98. 45° 34' 00"	716.00 feet along remainder of Lot 28, Waikoloa Development, File Plan 1172;
89. 189° 14' 00"	484.00 feet along remainder of Lot 28, Waikoloa Development, File Plan 1172;	99. 15° 26' 00"	812.89 feet along remainder of Lot 28, Waikoloa Development, File Plan 1172;
90. 236° 26' 00"	540.00 feet along remainder of Lot 28, Waikoloa Development, File Plan 1172;	100. 315° 06' 00"	298.74 feet along remainder of Lot 28, Waikoloa Development, File Plan 1172;
91. 206° 34' 00"	506.00 feet along remainder of Lot 28, Waikoloa Development, File Plan 1172;	101. 3° 20' 00"	81.77 feet along remainder of Lot 28, Waikoloa Development, File Plan 1172;
92. 255° 10' 00"	70.00 feet along remainder of Lot 28, Waikoloa Development, File Plan 1172;	102. 273° 20' 00"	70.00 feet along remainder of Lot 28, Waikoloa Development, File Plan 1172;

to the point of beginning and containing an area of 532.608 Acres. (Refer to Parcel A as shown on Exhibit "A")

The district classification of the following area situated at Waikoloa, South Kohala, Hawaii shall be

Open (O):

PARCEL B:

Beginning at the North corner of this parcel of land, on the Southerly side of Waikoloa Road, the coordinates of which referred to Government Survey Triangulation Station "PUU HIMA" being 8,417.43 feet North and 1,916.32 feet West, and running by azimuths measured clockwise from true South:

1. 291° 44' 07" 861.23 feet along the Southerly side of Waikoloa Road;
2. Thence along remainder of Lot 2B, Waikoloa Development, File Plan 1172, on a curve to the right with a radius of 30.00 feet, the chord azimuth and distance being:
336° 44' 03.5" 42.43 feet;
3. 21° 44' 00" 23.09 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;
4. Thence along remainder of Lot 2B, Waikoloa Development, File Plan 1172, on a curve to the left with a radius of 410.00 feet, the chord azimuth and distance being:
7° 07' 00" 206.93 feet;
5. 352° 30' 00" 201.81 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;

103. 183° 20' 00" 90.00 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;
104. 147° 38' 00" 150.39 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;
105. 204° 08' 00" 691.97 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;
106. 219° 14' 00" 718.00 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;
107. 289° 32' 00" 276.00 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;
108. 257° 08' 00" 467.87 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;
109. Thence along the Southwesterly side of Waikoloa Road, on a curve to the left with a radius of 2,090.00 feet, the chord azimuth and distance being:
324° 37' 57" 692.32 feet;
110. 315° 05' 56" 1,029.38 feet along the Southwesterly side of Waikoloa Road;
111. Thence along the Southwesterly side of Waikoloa Road, on a curve to the left with a radius of 2,090.00 feet, the chord azimuth and distance being:
306° 30' 58" 623.82 feet

16. 86° 36' 00" 604.24 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;
17. Thence along remainder of Lot 2B, Waikoloa Development, File Plan 1172, on a curve to the right with a radius of 300.00 feet, the chord azimuth and distance being:
 107° 19' 24.5" 212.31 feet;
 18. 128° 02' 49" 45.13 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;
19. Thence along remainder of Lot 2B, Waikoloa Development, File Plan 1172, on a curve to the right with a radius of 30.00 feet, the chord azimuth and distance being:
 170° 26' 20.5" 40.45 feet;
20. Thence along the Easterly side of Puu Malia Road, on a curve to the left with a radius of 830.00 feet, the chord azimuth and distance being:
 205° 26' 30.5" 162.05 feet;
21. 259° 46' 00" 1,406.63 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172 to the point of beginning and containing an area 34.192 Acres. (Refer to Parcel B as shown on Exhibit "A")
- The district classification of the following area situated at Waikoloa, South Kohala, Hawaii shall be
 Open (O):

6. 50° 58' 00" 463.49 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;
7. 20° 46' 00" 365.00 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;
8. 39° 08' 00" 435.00 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;
9. 108° 03' 00" 160.35 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;
10. 198° 03' 09" 200.00 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172 (Hawaii Electric Light Company Lot);
11. 108° 03' 09" 150.00 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172 (Hawaii Electric Light Company Lot);
12. 18° 03' 09" 200.00 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172 (Hawaii Electric Light Company Lot);
13. 108° 03' 09" 75.00 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;
14. 198° 03' 09" 1,383.49 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;
15. 76° 32' 00" 733.16 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;

PARCEL C:

Beginning at the Northwest corner of this parcel of land, on the Southeast corner of Lot 2, Waikoloa RM 1-3, Unit 1, File Plan 1178, the coordinates of which refer to Government Survey Triangulation Station "POU NIHAU" being 6,783.33 feet North and 3,821.37 feet West, and running by azimuths measured clockwise from true South:

1. 256° 14' 00"	273.00 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;	8. 17° 00' 00"	197.04 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;
2. 202° 00' 00"	516.00 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;	9. 22° 00' 00"	760.00 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;
3. 220° 26' 00"	390.00 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;	10. 50° 36' 00"	757.00 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;
4. 180° 42' 00"	227.69 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;	11. 317° 43' 00"	257.00 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;
5. 266° 36' 00"	38.27 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;	12. 320° 19' 00"	590.00 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;
6. Thence along remainder of Lot 2B, Waikoloa Development, File Plan 1172, on a curve to the right with a radius of 400.00 feet, the chord azimuth and distance being:	291° 05' 00" 331.56 feet;	13. 299° 30' 00"	246.00 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;
7. 38° 00' 00"	267.26 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;	14. 196° 24' 00"	414.00 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;
		15. 205° 53' 00"	447.00 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;
		16. 201° 58' 00"	700.74 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;

17. Thence along remainder of Lot 2B, Waikoloa Development, File Plan 1172, on a curve to the left with a radius of 360.00 feet, the chord azimuth and distance being:				368.75 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;
293° 01' 44" 62.49 feet;				
18. 288° 03' 00" 749.90 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;		26. 13° 46' 00"		
19. 20° 30' 00" 906.27 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;		27. 103° 46' 00"		130.00 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;
20. 83° 34' 00" 586.98 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;		28. 129° 10' 00"		380.00 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;
21. 31° 44' 00" 510.12 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;		29. 105° 16' 00"		304.53 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;
22. 303° 38' 00" 899.98 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;		30. 64° 12' 00"		119.90 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;
23. 341° 18' 00" 941.20 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;		31. 334° 22' 00"		550.00 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;
24. 5° 42' 00" 190.12 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;		32. 337° 36' 00"		185.31 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;
25. 282° 38' 00" 214.76 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;		33. 347° 04' 00"		346.00 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;
		34. 311° 20' 00"		570.00 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;
		35. 299° 28' 00"		115.00 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;

46. 180° 00' 00" 115.00 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;

47. 127° 46' 00" 593.00 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;

48. 167° 04' 00" 584.90 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;

49. 196° 43' 02" 328.43 feet long Lot 3, Waikoloa Development, File Plan 1172;

50. 150° 55' 16" 3,143.20 feet long Lot 3, Waikoloa Development, File Plan 1172;

51. 198° 03' 09" 827.03 feet along Lot 5, Waikoloa MA 1.5, Unit 1, File Plan 1378 to the point of beginning and containing an area of 120.570 Acres. (Refer to Parcel C as shown on Exhibit "A")

The district classification of the following area

situated at Waikoloa, South Kohala, Hawaii shall be

Open (O):

PARCEL D:

Beginning at the Northwest corner of this parcel of land, on the Southwesterly side of Waikoloa Road, the coordinates of which referred to Government Survey Triangulation Station "PUU HIMA" being 4,979.96 feet North and 230.81 feet West, and running by azimuths measured clockwise from true South:

36. 290° 00' 00" 780.00 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;

37. 248° 50' 00" 341.39 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;

38. 218° 30' 00" 234.72 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;

39. 273° 20' 00" 70.00 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;

40. 327° 12' 00" 172.00 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;

41. 346° 36' 00" 74.00 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;

42. 30° 25' 00" 570.00 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;

43. 86° 18' 00" 720.00 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;

44. 115° 38' 00" 512.00 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;

45. 134° 06' 00" 400.00 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;

1. Along the Southwesterly side of Waikoloa Road, on a curve to the left with a radius of 840.00 feet, the chord azimuth and distance being: 311° 14' 42" 444.86 feet;				150.39 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;
2. 295° 53' 24" 250.22 feet along the Southwesterly side of Waikoloa Road;				
3. Thence along the Southwesterly side of Waikoloa Road, on a curve to the right with a radius of 910.00 feet, the chord azimuth and distance being: 316° 58' 38.5" 654.82 feet;				
4. 338° 03' 53" 199.34 feet along the Southwesterly side of Waikoloa Road;				
5. Thence along the Southwesterly side of Waikoloa Road, on a curve to the left with a radius of 2,090.00 feet, the chord azimuth and distance being: 336° 06' 55.5" 142.18 feet;				
6. 77° 08' 00" 467.87 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;				
7. 109° 32' 00" 276.00 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;				
8. 39° 14' 00" 718.00 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;				
9. 24° 08' 00" 691.97 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;				
	10. 327° 38' 00"			150.39 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;
	11. 3° 20' 00"			90.00 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;
	12. 93° 20' 00"			70.00 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;
	13. 183° 20' 00"			81.77 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;
	14. 135° 06' 00"			298.74 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;
	15. 195° 26' 00"			812.89 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;
	16. 225° 34' 00"			716.00 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;
	17. 239° 28' 00"			230.00 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;
	18. 244° 00' 00"			187.18 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;
	19. 147° 58' 00"			184.96 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;

29. 184° 20' 00" 92.76 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;
30. 232° 42' 00" 701.33 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;
31. 213° 28' 00" 770.00 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;
32. 288° 50' 00" 362.00 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172 to the point of beginning and containing an area of 43.518 Acres. (Refer to Parcel D as shown on Exhibit "A")

SECTION 2. Section 25-95K, Article 3, Chapter 25 (Zoning

Code) of the Hawaii County Code, is amended to change the district classification of property described hereinafter as follows:

The district classification of the following area situated at Waikoloa, South Kohala, Hawaii shall be

Open (O):

PARCEL E:

Beginning at the Northeast corner of this parcel of land, on the Southeast corner of Lot 2, Waikoloa RM 1.5, Unit 1, File Plan 1378, the coordinates of which are referred to Government Survey Triangulation Station "PUU HINAI" being 6,763.33 feet North and 3,821.37 feet West, and running by azimuths measured clockwise from true South:

1. 18° 03' 09" 827.03 feet along Lot 2B of Waikoloa Development, File Plan 1172;

20. 122° 46' 00" 520.00 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;
21. 133° 58' 00" 506.00 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;
22. 75° 10' 00" 70.00 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;
23. 26° 34' 00" 506.00 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;
24. 56° 26' 00" 540.00 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;
25. 9° 14' 00" 484.00 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;
26. 103° 46' 00" 364.00 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;
27. 193° 46' 00" 85.00 feet along remainder of Lot 2B, Waikoloa Development, File Plan 1172;
28. Thence along remainder of Lot 2B, Waikoloa Development, File Plan 1172, on a curve to the left with a radius of 2,030.00 feet, the chord azimuth and distance being:
189° 03' 00" 333.85 feet;

2. Thence along Lot 3, Waikoloa Development, File Plan 1172, on a curve to the left with a radius of 2,900.00 feet, the chord azimuth and distance being:

130° 19' 05.5" 1,282.88 feet;

3. 117° 32' 22" 952.00 feet along Lot 3 of Waikoloa Development, File Plan 1172;

4. 207° 32' 00" 260.00 feet along remainder of Lot 5 of Waikoloa RM 1.5, Unit 1, File Plan 1378;

5. 247° 48' 00" 777.48 feet along remainder of Lot 5 of Waikoloa RM 1.5, Unit 1, File Plan 1378;

6. 324° 03' 36" 30.17 feet along the westerly side of Puu Meleia Road;

7. 27° 32' 22" 87.91 feet along Lot 4 of Waikoloa RM 1.5, Unit 1, File Plan 1378;

8. 325° 42' 30" 127.67 feet along Lot 4 of Waikoloa RM 1.5, Unit 1, File Plan 1378;

9. 352° 13' 50" 98.31 feet along Lot 4 of Waikoloa RM 1.5, Unit 1, File Plan 1378;

10. 3° 46' 00" 144.58 feet along Lot 4 of Waikoloa RM 1.5, Unit 1, File Plan 1378;

11. 304° 37' 35" 78.70 feet along Lot 4 of Waikoloa RM 1.5, Unit 1, File Plan 1378;

12. 291° 52' 20" 179.67 feet along Lot 4 of Waikoloa RM 1.5, Unit 1, File Plan 1378;

13. 298° 45' 00" 108.48 feet along Lot 4 of Waikoloa RM 1.5, Unit 1, File Plan 1378;

14. 264° 02' 05" 203.62 feet along Lots 4 and 3A of Waikoloa RM 1.5, Unit 1, File Plan 1378;

15. 302° 41' 35" 68.70 feet along Lot 3A of Waikoloa RM 1.5, Unit 1, File Plan 1378;

16. 281° 00' 00" 72.77 feet along Lot 3A of Waikoloa RM 1.5, Unit 1, File Plan 1378;

17. 301° 22' 15" 110.23 feet along Lot 3B of Waikoloa RM 1.5, Unit 1, File Plan 1378;

18. 312° 55' 00" 127.57 feet along Lot 3B of Waikoloa RM 1.5, Unit 1, File Plan 1378;

19. 287° 10' 00" 96.36 feet along Lot 3B of Waikoloa RM 1.5, Unit 1, File Plan 1378;

20. 348° 09' 45" 71.37 feet along Lot 3B of Waikoloa RM 1.5, Unit 1, File Plan 1378;

21. 312° 49' 15" 146.55 feet along Lots 3B and 2 of Waikoloa RM 1.5, Unit 1, File Plan 1378;

22. 280° 18' 30" 127.50 feet along Lot 2 of Waikoloa RM 1.5, Unit 1, File Plan 1378 to the point of beginning and containing an area of 29.609 Acres. (Refer to Parcel X as shown on Exhibit "A.")

All as shown on the map attached hereto, marked Exhibit "A" and by reference made a part hereof.

SECTION 3. These changes in district classification are conditioned upon the following: (A) the applicant, successors or its assigns shall be responsible for complying with all of

including off-site roadway improvements, shall be submitted in conjunction with construction drawings for final subdivision approval of the first increment; (D) access shall meet with the requirements of the Department of Public Works. Direct access to Waikoia Road shall be limited to one roadway from the project site. Waikoia Road-Pua Maki Street-Paniolo Avenue intersection shall be channelized and signalized meeting with the requirements of the Department of Public Works. These improvements together with other roadway improvements required by the Department of Public Works based upon a Traffic Impact Analysis Report dated December 1989 shall be provided prior to opening of the golf course or in conjunction with final subdivision approval of the first increment, whichever occurs first, or as otherwise provided by Chapter 23 (Subdivision Control); (E) to ensure that the goals and policies of the Housing Element of the General Plan are implemented, the applicant shall secure the concurrence of the County Housing Agency, upon the recommendation of the Office of Housing and Community Development, that the applicant's affordable housing requirements, if any, have been fulfilled prior to the issuance of final subdivision approval; (F) a drainage system shall be installed in accordance with the requirements of the Department of Public Works and other affected agencies; (G) comply with all applicable laws, rules, regulations and requirements, including conditions of Use Permit No. 71; (H) should the council adopt a Unified Impact Fees ordinance setting forth

the stated conditions of approval: (B) the RA zoned area shall be subdivided in three increments. The first and second increment shall consist of a maximum of 175 one-acre lots each and the third increment, the remaining area. Subdivision plans shall be submitted for successive increments only after development has occurred in the preceding increment as determined by the Planning Director. "Development" means that building permits have been issued for dwelling units and construction has been partially completed to the extent that roofs have been constructed on a minimum of twenty-five percent of the number of lots proposed for the first increment. In lieu of actual construction, the applicant may enter into an agreement with the Planning Department to assure the County that the dwellings will be constructed within a given period. Such agreement shall be secured by a surety bond, certified check or other security acceptable to Corporation Counsel and the Planning Department. Upon final execution of such agreement and filing of the security with the County, subdivision plans for the next increment may be submitted prior to the actual construction of the dwellings in the first increment; (C) subdivision plans for the first increment shall be submitted within one year from the effective date of the change of zone. Final subdivision approval shall be secured within one year from the date of receipt of tentative subdivision approval. Plans for infrastructural improvements,

submit the applicant's request to the County Council for appropriate action. Further, should any of the conditions not be met or substantially complied with in a timely fashion, the Director shall initiate rezoning of the area to its original or more appropriate designation.

SECTION 4. In the event that any portion of this ordinance is declared invalid, such invalidity shall not affect the other parts of this ordinance.

SECTION 5. This ordinance shall take effect upon its approval.

INTRODUCED BY:


COUNCIL MEMBER, COUNTY OF HAWAII

Hilo, Hawaii

Date of Introduction: December 5, 1990
Date of 1st Reading: December 5, 1990
Date of 2nd Reading: December 27, 1990
Effective Date: December 27, 1990

criteria for the imposition of exactions or the assessment of impact fees, conditions included herein may, at the developer's election, be satisfied by performance in accordance with the requirements of the Unified Impact Fees Ordinance; (I) an annual progress report shall be submitted to the Planning Director prior to the anniversary date of the effective date of the change of zone. The report shall address the status of the development and the compliance with the conditions of approval. This condition shall remain in effect until all of the conditions of approval have been complied and the Planning Director acknowledges that further reports are not required; and, (J) an extension of time for the performance of conditions within the ordinance may be granted by the Planning Director upon the following circumstances: 1) the non-performance is the result of conditions that could not have been foreseen or are beyond the control of the applicant, successors, or assigns, and that are not the result of their fault or negligence; 2) granting of the time extension would not be contrary to the General Plan or Zoning Code; 3) granting of the time extension would not be contrary to the original reasons for the granting of the change of zone; 4) the time extension granted shall be for a period not to exceed the period originally granted for performance (i.e., a condition to be performed within one year may be extended for up to one additional year); and 5) if the applicant should require an additional extension of time, the Planning Director shall

COUNTY OF HAWAII STATE OF HAWAII

JOHN A. WAGNER
County Clerk



OFFICE OF THE COUNTY CLERK

County of Hawaii
Hawaii County Building
35 Alameda Street
Hilo, Hawaii 96720

ROBERT S. SMIC:1
Deputy County Clerk

HARRY A. TAKAHASHI
Legislative Auditor

BILL NO. 34
(Draft 2)

ORDINANCE NO. 95 51

AN ORDINANCE AMENDING SECTION 25-95A (NORTH AND SOUTH KOHALA DISTRICTS ZONE MAP) AND SECTION 25-95H (WAIKOLOA VILLAGE ZONE MAP), ARTICLE 3, CHAPTER 25 (ZONING CODE) OF THE HAWAII COUNTY CODE, RELATING TO THE MODIFICATION OF CONDITIONS B AND C OF ORDINANCE NO. 90-169, WHICH RECLASSIFIED APPROXIMATELY 761 ACRES OF LAND FROM AN UNPLANNED (U) AND MULTIPLE FAMILY RESIDENTIAL (RM-1.5) TO OPEN (O) AND RESIDENTIAL-AGRICULTURAL (RA-1a) AT WAIKOLOA, SOUTH KOHALA, HAWAII, COVERED BY TAX MAP KEY 6-8-02; PORTION OF 16 AND 6-8-03; PORTION OF 32.

BE IT ORDERED BY THE COUNCIL OF THE COUNTY OF HAWAII:

SECTION 1. Ordinance No. 90-160 is amended as follows:

SECTION 3. This change in district classification is conditioned upon the following:

- A. The applicant, successors or its assigns shall be responsible for complying with all of the stated conditions of approval;
- B. the RA zoned area shall be subdivided in three increments. The first and second increment shall consist of a maximum of 175 one-acre lots each and the third increment, the remaining area. Subdivision plans shall be submitted for successive increments only after development has occurred in the preceding increment as determined by the Planning Director. "Development" means that building permits have been issued for dwelling units and construction has been partially completed to the extent that roofs have been constructed on a minimum of twenty-five percent of the number of lots proposed for the first increment. In lieu of actual construction, the applicant may enter into an agreement with the Planning Department to assure the County that the dwellings will

On Bill No. 354, Ordinance No. 90-160, reference is made to a map attached hereto, marked Exhibit "A".

Said Exhibit is not part of the duplicate copies of this ordinance, due to its size, but is available for viewing in the Office of the County Clerk.

If further information is needed, call 961-8255.

John A. Wagner

John A. Wagner
COUNTY CLERK

be constructed within a given period. Such agreement shall be secured by a surety bond, certified check or other security acceptable to Corporation Counsel and the Planning Department. Upon final execution of such agreement and filing of the security with the County, subdivision plans for the next increment may be submitted prior to the actual construction of the dwellings in the first increment;)

(C)B. (Subdivision plans for the first increment shall be submitted within one year from the effective date of the change of zone.) Final subdivision approval for not less than 175 lots shall be secured within (one year from the date of receipt of tentative subdivision approval) five (5) years from the effective date of this amendment. Plans for infrastructural improvements, including off-site roadway improvements required in Condition C, shall be submitted in conjunction with construction drawings for final subdivision approval (of the first increment) for any portion of the subject property. Prior to June 30, 1995, construction of the channelization improvements to the Waikoloa/Pua Malia/Paniolo Avenue intersection (including acceleration/deceleration and left turn storage lanes and pavement and shoulder widening) meeting with the requirements of the Department of Public Works, shall be completed and dedicated to the county. In addition, the applicant shall install and dedicate the traffic signalization improvements required in Condition C prior to the Final Subdivision Approval for more than 150 lots of twenty acres or less, or sooner in the event the warrants for such installation are justified by the chief engineer. In lieu of actual construction of infrastructural improvements required herein, except for

Condition C, the applicant may enter into an agreement with the County to assure the County that the infrastructural improvements will be constructed together with the appropriate bond, surety or other security deemed acceptable to the Planning Director and the Corporation Counsel. Upon execution of such agreement and/or filing of the security with the County, final subdivision approval for the subject property or portions thereof shall be granted prior to the actual construction of required infrastructural improvements;

(D)C. Access shall meet with the requirements of the Department of Public Works. Direct access to Waikoloa Road shall be limited to one roadway from the project site, Waikoloa Road-Pua Malia Street-Paniolo Avenue intersection shall be channelized and signalized meeting with the requirements of the Department of Public Works. These improvements together with other roadway improvements required by the Department of Public Works based upon a Traffic Impact Analysis Report dated December 1989 shall be provided prior to opening of the golf course or in conjunction with final subdivision approval of the first increment, whichever occurs first, or as otherwise provided by Chapter 23 (Subdivision Control);

(E)D. To ensure that the goals and policies of the Housing Element of the General Plan are implemented, the applicant shall secure the concurrence of the County Housing Agency, upon the recommendation of the Office of Housing and Community Development, that the applicant's affordable housing requirements, if any, have been fulfilled prior to the issuance of final subdivision approval;

(F)E. A drainage system shall be installed in accordance with the requirements of the Department of Public Works and other affected agencies;

(G)E. Comply with all applicable laws, rules, regulations and requirements, including conditions of Use Permit No. 71;

(H)G. Should the council adopt a Unified Impact Fees ordinance setting forth criteria for the imposition of exactions or the assessment of impact fees, conditions included herein may, at the developer's election, be satisfied by performance in accordance with the requirements of the Unified Impact Fees Ordinance;

(I)G. An annual progress report shall be submitted to the Planning Director prior to the anniversary date of the effective date of the change of zone. The report shall address the status of the development and the compliance with the conditions of approval. This condition shall remain in effect until all of the conditions of approval have been complied and the Planning Director acknowledges that further reports are not required;

(J)H. An extension of time for the performance of conditions within the ordinance may be granted by the Planning Director upon the following circumstances:

1. The non-performance is the result of conditions that could not have been foreseen or are beyond the control of the applicant, successors or assigns, and that are not the result of their fault or negligence;
2. Granting of the time extension would not be contrary to the General Plan or Zoning Code;

3. Granting of the time extension would not be contrary to the original reasons for the granting of the change of zone;

4. The time extension granted shall be for a period not to exceed the period originally granted for performance (i.e., a condition to be performed within one year may be extended for up to one additional year); and

5. If the applicant should require an additional extension of time, the Planning Director shall submit the applicant's request to the County Council for appropriate action.

Further, should any of the conditions not be met or substantially complied with in a timely fashion, the Director shall initiate rezoning of the area to its original or more appropriate designation."

SECTION 2. Material to be deleted is bracketed. New material is underscored.

SECTION 3. In the event that any portion of this ordinance is declared invalid, such invalidity shall not affect the other parts of this ordinance.

SECTION 4. This Ordinance shall be effective upon its approval.

INTRODUCED BY:

COUNCIL MEMBER, COUNTY OF HAWAII

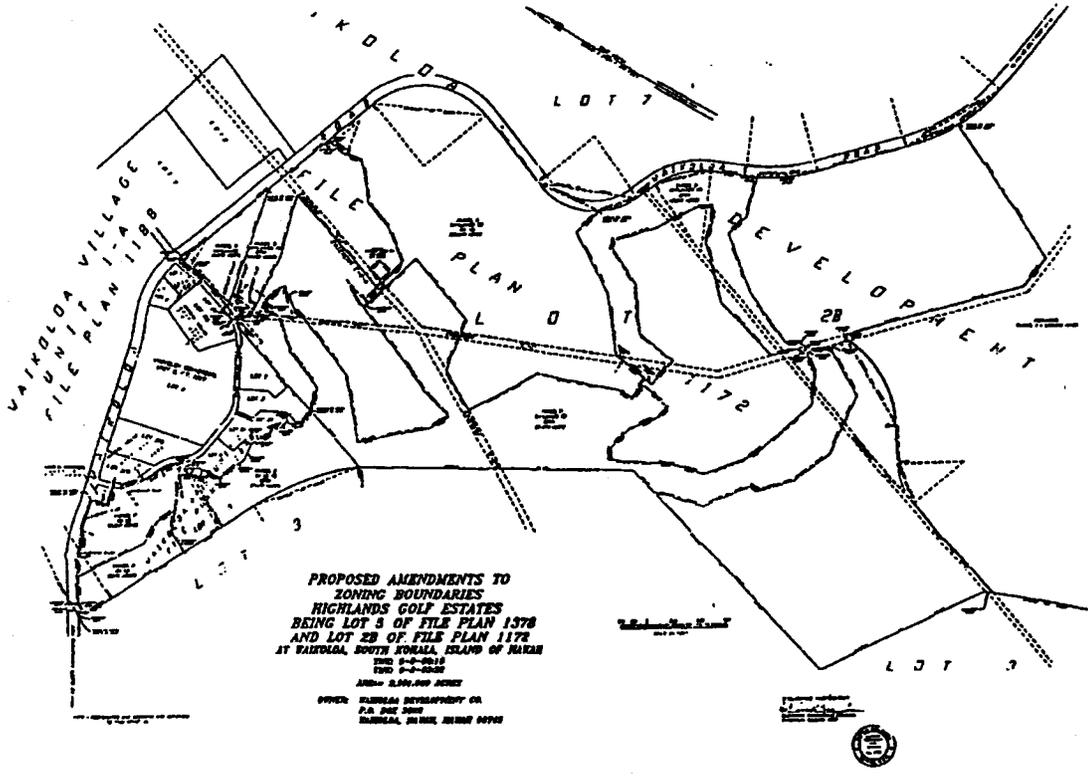
Hilo, Hawaii

Date of Introduction: March 1, 1995
Date of 1st Reading: March 1, 1995
Date of 2nd Reading: March 15, 1995
Effective Date: March 21, 1995

APPROVED AS TO FORM AND LEGALITY:

CORPORATION COUNSEL

DATED: 3/15/95



OFFICE OF THE COUNTY CLERK
County of Hawaii

Hilo, Hawaii

(DRAFT 2)

Introduced By: Keola Childs
Date Introduced: March 1, 1995
First Reading: March 1, 1995
Published: N/A

REMARKS:

Second Reading: March 15, 1995
To Mayor: March 16, 1995
Returned: March 21, 1995
Effective: March 21, 1995
Published: March 28, 1995

REMARKS:

	ROLL CALL VOTE			
	AYES	NOES	ABS	EX
Anakali	X			
Berk-Abrahamson	X			
Childs	X			
De Lima	X			
Domingo			X	
Osorio	X			
Rath	X			
Ray	X			
Smith	X			
	8	0	1	0

	ROLL CALL VOTE			
	AYES	NOES	ABS	EX
Anakali	X			
Berk-Abrahamson	X			
Childs	X			
De Lima	X			
Domingo	X			
Osorio	X			
Rath	X			
Ray	X			
Smith	X			
	9	0	0	0

I DO HEREBY CERTIFY that the foregoing BILL was adopted by the County Council and published as indicated above

APPROVED as to FORM and LEGALITY
CORPORATION COUNSEL
COUNTY OF HAWAII
Date MAR 20 1995

Approved/Disapproved this 21 day of March 19 95

Keola Childs
MAYOR, COUNTY OF HAWAII

Keola Childs
COUNTY CHAIRMAN
Keola Childs
COUNTY CLERK

Bill No: 34 (Draft 2)
Reference: C-158/PC-33
Ord. No.: 95 51



COUNTY OF HAWAII

STATE OF HAWAII

BILL NO. 89
Draft 3
ORDINANCE NO. 05 157

AN ORDINANCE AMENDING ORDINANCE NO. 95 51 AMENDING ORDINANCE NO. 90-160, WHICH RECLASSIFIED LANDS FROM AN UNPLANNED (U) AND MULTIPLE FAMILY RESIDENTIAL (RM-1.5) TO OPEN (O) AND RESIDENTIAL-AGRICULTURAL (RA-1a) AT WAIKOLOA, SOUTH KOHALA, HAWAII, COVERED BY TAX MAP KEY 6-4-02:PORTION OF 16 AND 6-4-03:PORTION OF 32.

BE IT ORDAINED BY THE COUNCIL OF THE COUNTY OF HAWAII:

SECTION 1. Ordinance No. 95 51 is amended as follows:

SECTION 3. This change in district classification is conditioned upon the following:

- A. The applicant, successors or its assigns shall be responsible for complying with all of the stated conditions of approval;
- B. Final subdivision approval for not less than 175 lots shall be secured within (five (5) to ten (10) years from the effective date of this new amendment. Plans for infrastructural improvements, including off-site roadway improvements required in Condition C, shall be submitted in conjunction with construction drawings for final subdivision approval for any portion of the subject property. [Prior to June 30, 1996, easements of the abutment improvements to the Waikoloa-Puu Mela-Panolo Avenue intersection (including acceleration/deceleration and left turn storage lanes and pavement and shoulder widening) meeting with the requirements of the Department of Public Works, shall be completed and dedicated to the county. In addition,] [The applicant shall install and dedicate the traffic signalization improvements required in Condition C prior to the Final Subdivision Approval for more than 350 lots of twenty acres or less, or sooner in the event the warrants for such installation are justified by the [chief engineer] director of public works. In lieu of actual construction of infrastructural

improvements required herein, except for Condition C, the applicant may enter into an agreement with the County to assure the County that the infrastructural improvements will be constructed together with the appropriate bond, surety, or other security deemed acceptable to the Planning Director and the Corporation Counsel. Upon execution of such agreement and/or filing of the security with the County, final subdivision approval for the subject property or portions thereof shall be granted prior to the actual construction of required infrastructural improvements.

C. Access shall meet with the requirements of the Department of Public Works. Direct access to Waikoloa Road shall be limited to one roadway from the project site. Waikoloa Road-Puu Meia Street-Paunoh Avenue intersection shall be channelized and signalized meeting with the requirements of the Department of Public Works. These improvements together with other improvements required by the Department of Public Works based upon a current Traffic Impact Analysis Report (dated December 1989) shall be provided [prior to the opening of the golf course-s] in conjunction with final subdivision approval of the first increment, [whichever occurs first] or as otherwise provided by Chapter 23 (Subdivision Control);

D. To ensure that the goals and policies of the Housing Element of the General Plan are implemented, the applicant shall comply with the requirements of Chapter 11, Article I, Hawaii County Code relating to Affordable Housing Policy. This requirement shall be approved by the County Housing Agency prior to final subdivision approval. [sever the occurrence of the County Housing Agency upon the recommendation of the Office of Housing and Community Development, that the applicant's affordable housing requirements, if any, have been fulfilled prior to the issuance of final subdivision approval];

E. A drainage system shall be installed in accordance with the requirements of the Department of Public Works and other affected agencies;

F. Comply with all applicable County, State and Federal laws, rules, regulations and requirements [including conditions of Use Permit No. 71];

G. [Should the council adopt a Unified Impact Fee Ordinance setting forth criteria for the imposition of fees on the assessment of impact fees, conditions included herein may, at the developer's election, be satisfied by performance in accordance with the requirements of the Unified Impact Fee Ordinance;

G. An annual progress report shall be submitted to the Planning Director prior to the anniversary of the effective date of the change of zone. The report shall address the status of the development and the compliance with the conditions of approval. This condition shall remain in effect until all of the conditions of approval have been completed and the Planning Director acknowledges that further reports are not required;

H. An extension of time for the performance of conditions within the ordinance may be granted by the Planning Director upon the following circumstances:
The non-performance is the result of conditions that could not have been foreseen or are beyond the control of the applicant, successors or assigns, and that are not the result of their fault or negligence;

1. Granting of the time extension would not be contrary to the General Plan or Zoning Code;

2. Granting of the time extension would not be contrary to the original reasons for the granting of the change of zone;

3. The time extension granted shall be for a period not to exceed the period originally granted for performance (in a condition to be performed within one year may be extended for up to one additional year); and

4. If the applicant should require an additional extension of time, the Planning Director shall submit the applicant's request to the County Council for appropriate action.

Further;

Restrictive covenants in the deeds of all proposed lots within the property shall give notice that the terms of the zoning ordinance prohibit the construction of a second dwelling unit and condominium property regimes on each 1-acre lot. This restriction may be removed by amendment of this ordinance by the County Council. The owner of the property may also, in addition, impose private covenants restricting the number of dwellings. A copy of the proposed covenants shall be recorded with the State Bureau of Conveyances shall be submitted to the Planning Director for review and approval prior to the issuance of Final Subdivision Approval. A copy of the recorded document shall be filed with the Planning Department upon its receipt from the Bureau of Conveyances.

Before final subdivision approval, applicant must obtain reclassification of the RA-1a zoned area from the State Land Use Commission to the Rural or Urban district. Prior to the submittal of plans for a grading or any associated permit for a golf course to the County for review and approval, the applicant shall consult with the Waikoloa Villages Association and the County Council relative to the timing and propriety of such a use. This condition, except for the consultation requirement for any golf course, may be waived by the Planning Director after consultation with Corporation Counsel, if an appellate judicial decision or substantive change to Chapter 205, Hawaii Revised Statutes, clearly establishes the legality of this project in the Agricultural State Land Use district, including the residential uses of the lots.

The applicant shall make its fair share contribution to mitigate the potential regional impacts of the property with respect to parks and recreation, fire, police, solid waste disposal facilities and roads. The fair share contribution shall be initially based on the representations contained within the change of zone application and may be increased or reduced proportionally if the lot counts are adjusted. The fair share contribution shall become due and payable prior to receipt of Final Plan Approval or within five years from the effective date of this amended change of zone ordinance, whichever occurs first. The fair share contribution for each lot shall be based on a maximum density for each lot as

determined by the zoning resulting from this change of zone. The fair share contribution in a form of cash, land, facilities or any combination thereof shall be determined by the County Council. The fair share contribution may be adjusted annually beginning three years after the effective date of the amendment to the ordinance, based on the percentage change in the Honolulu Consumer Price Index (HICPI). The fair share contribution shall have a maximum combined value of \$9,997.21 per single-family residential unit. Based upon the applicant's representation of intent to develop a total of one hundred and seventy five (175) single-family residential units, the indicated total of fair share contribution is \$1,749,461.75 for the single-family residential units. However, the total amount shall be increased or reduced in proportion with the actual number of units according to the calculation and payment provisions set forth in this condition. The fair share contribution per single-family residential unit shall be allocated as follows:

- \$4,817.93 per single-family residential unit for one hundred and seventy five (175) single-family residential units for an indicated total of \$843,137.75 to the County to support park and recreational improvements and facilities;
- \$232.42 per single-family residential unit for the one hundred and seventy five (175) single-family residential units for an indicated total of \$40,673.50 to the County to support police facilities;
- \$459.06 per single-family residential unit for one hundred and seventy five (175) single-family residential units for an indicated total of \$80,335.50 to the County to support fire facilities;
- \$200.98 per single-family residential unit for the one hundred and seventy five (175) single-family residential units for an indicated total of \$35,171.50 to the County to support solid waste facilities;
- \$4,280.82 per single-family residential unit for the one hundred and seventy five (175) single-family residential units for an indicated total of \$749,143.50 to the County to support road and traffic improvements;

In lieu of paying the fair share contribution, the applicant may contribute land and/or construct improvements/facilities related to parks and recreation, fire, police, solid waste disposal facilities and roads within the region impacted by the proposed development, subject to the review and recommendation of the Planning Director, upon consultation with the appropriate agencies and approval of the County Council:

- I. Should the Council adopt a Unified Impact Fees Ordinance setting forth criteria for imposition of excision or the assessment of impact fees, conditions included herein shall be credited towards the requirements of the Unified Impact Fees Ordinance;
- K. An annual progress report shall be submitted to the Planning Director prior to the anniversary of the effective date of the change of zone. The report shall address the status of the development and the compliance with the conditions of approval. This condition shall remain in effect until all of the conditions of approval have been complied with and the Planning Director acknowledges that further reports are not required;
- L. Should any of the conditions not be met or substantially complied with in a timely fashion, the Director (shall) may initiate rezoning of the area to its original or more appropriate designation.

SECTION 2. Material to be deleted is bracketed and material to be added is underscored.

SECTION 3. In the event that any portion of this ordinance is declared invalid, such invalidity shall not affect the other parts of this ordinance.

SECTION 4. This ordinance shall take effect upon its approval.

INTRODUCED BY:


COUNCIL MEMBER, COUNTY OF HAWAII

INTRODUCED BY:


COUNCIL MEMBER, COUNTY OF HAWAII

Kona, Hawaii
Date of Introduction: November 22, 2005
Date of 1st Reading: November 22, 2005
Date of 2nd Reading: December 7, 2005
Effective Date: December 15, 2005

REFERENCE: Com. 230.9



DEPARTMENT OF WATER SUPPLY • COUNTY OF HAWAII

345 KEOHANO, STREET, SUITE 20 • HILO, HAWAII 96720

TELEPHONE (808) 961-8850 • FAX (808) 961-8857

December 8, 2006

Mr. Chester Koga
R. M. Towill Corporation
420 Waiakamilo Road, #411
Honolulu, HI 96817

**DRAFT ENVIRONMENTAL IMPACT STATEMENT
APPLICANT - WAIKOLOA MAUKA, LLC
PROJECT: WAIKOLOA HIGHLANDS - RESIDENTIAL SUBDIVISION
TAX MAP KEY 6-8-002-016 (PORTION)**

We have reviewed the subject Draft Environmental Impact Statement and have the following comments.

As the applicant has indicated that water will be provided via a private water system, we have no objection to the proposed application.

Pursuant to Section 23-84 of the Hawaii County Code regulating subdivisions, the following minimum requirements must be complied with for subdivision approval:

1. Provide a water system designed to deliver water at adequate pressure and volume under peak-flow and fire-flow conditions in accordance with the Water System Standards, State of Hawaii, and the Rules and Regulations of the Department of Water Supply. The water system shall include, but not be limited to, the installation of the necessary distribution pipelines, fire hydrants, and service laterals.
2. Submit construction plans to our Department for review and approval.
3. Pay a fee of four-tenths of one percent of the estimated cost for the construction of the water system, but not less than \$50,000, to cover the costs for plan review, testing, and inspection.

Should there be any questions, please contact Mr. Finn McCall of our Water Resources and Planning Branch at 961-8070, extension 255.

Sincerely yours,

Milton D. Pavao, P.E.
Manager

FM:sc0

copy - Waikoloa Mauka, LLC
Planning Department
State Land Use Commission, State of Hawaii
Office of Environmental Quality Control

... *Water brings progress...*

The Department of Water Supply is an Equal Opportunity provider and employer. To file a complaint of discrimination, write: USDA, Director, Office of Civil Rights, Room 326-N, William Building, 1401 1st Independence Avenue, SW, Washington DC 20250-9410. Or call (202) 720-3884 (voice) and 1200

420 Waiakamilo Road
Suite 411
Honolulu Hawaii 96817-4750
Telephone 808 942 1133
Fax 808 942 1937
eMail rmc@hawaii.com



R. M. TOWILL CORPORATION

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January 31, 2007

Mr. Milton D. Pavao, P.E., Manager
Department of Water Supply
County of Hawaii
345 Keoluana Street, Suite 20
Hilo, Hawaii 96720

Dear Mr. Pavao:

Draft Environmental Impact Statement
Waikoloa Highlands Residential Subdivision
South Kohala, Hawaii
Tax Map Key: (3) 6-8-002, Portion of 16

This letter acknowledges your letter of December 8, 2006. We would like to offer the following responses to your comments.

As stated in the Draft EIS, water service will be provided to each lot in the subdivision by the West Hawaii Utility Company. We have included additional information on the water system in Final EIS that includes:

1. The water system will be developed in accordance with the Water System Standards of the State of Hawaii and the Department of Water Supply.
2. Construction plans will be submitted to your office when they become available.
3. Payment of a fee of four-tenths of one percent of the estimated costs for the construction of the water system, but not less than \$50 to cover the costs of plan review, testing and inspection.

Please contact the undersigned if you have additional questions.

Sincerely,

Chester Koga, AICP
Project Coordinator

Cc: IUC, Waikoloa Mauka, LLC



County of Hawaii

DEPARTMENT OF ENVIRONMENTAL MANAGEMENT

25 Aupunani Street, Room 310 • Hilo, Hawaii 96720-4332
(808) 941-2600 • Fax: (808) 941-2606
email: dmf@dmhawaii.net

Barbara Bell
Director
Nicholas Ho
Deputy Director

Harry Kim
Mayor

November 27, 2006

Mr. Kevin Kellow, Manager
Waikoloa Maui, LLC
120 Aspen Oak Lane
Glendale, CA 91207

Subject: Waikoloa Highlands – Residential Subdivision
TMK-6-8-002:016 (portion)
Draft Environmental Impact Statement

Dear Mr. Kellow,

Following are our comments regarding the subject Draft EIS:

- 1) The Department's Solid Waste Management Plan Guidelines were incompletely reproduced as part of your Draft EIS document. The second page of the Solid Waste Management Plan Guidelines was not included. The complete document has been enclosed.
 - 2) We are disappointed that you did not comply with our request to prepare a Solid Waste Management Plan. To say that "The future homeowners of this subdivision will develop its solid waste management plan along with the development of recycling program," is not a satisfactory response. Please submit a comprehensive plan that addresses the items in the Guidelines.
- At a minimum, all projects in Hawai'i County must adhere to the following requirements:
- Commercial operations, State and Federal agencies, religious entities and non-profit organizations may not use transfer stations for disposal.
 - Aggregates and any other construction/demolition waste should be responsibly reused to its fullest extent.
 - Ample and equal room should be provided for rubbish and recycling.

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9/25/06



County of Hawaii

DEPARTMENT OF ENVIRONMENTAL MANAGEMENT

25 Aupunani Street, Room 310 • Hilo, Hawaii 96720-4332
(808) 941-2600 • Fax: (808) 941-2606

Barbara Bell
Director
Michael Dransky P.E.
Solid Waste Division Chief

Harry Kim
Mayor

June 6, 2006

**SOLID WASTE MANAGEMENT PLAN
Guidelines**

INTENT AND PURPOSE

This is to establish guidelines for reviewing solid waste management plans, for which special conditions are placed on developments. The solid waste management plan will be used to: (1) encourage recycling and recycling programs, (2) predict the waste generated by the proposed development to anticipate the loading on County transfer stations, landfills and recycling facilities, and (3) predict the additional traffic being generated because of waste and recycling transfers.

REPORT

The consultant's report will contain the following:

1. Description of the project and the potential waste it may be generating; i.e. analysis of anticipated waste volume and composition. This includes waste generated during the construction and operational phases. Greenwastes will be included in this report for both construction grubbing and future operational landscape maintenance.
2. Description and location of the possible sites for waste disposal or recycling. We will not allow the use of the County transfer stations for any commercial development; commercial development as defined under the policies of the Department of Environmental Management, Solid Waste Division.
3. Since the Department of Environmental Management promotes recycling, indicate onsite source separation facilities by waste stream; i.e. source separation bins of glass, metal, plastic, cardboard, aluminum, etc. Provide ample and equal space for rubbish and recycling.
4. Identification of the proposed disposal site and transportation methods for the various components of the waste disposal and recycling system, including the number of truck traffic and the route that truck will be using to transport the waste and recycled materials.



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Honolulu, Hawaii 96817-4960
Telephone 808 842 1133
Fax 808 842 1927
email rm@towillhawaii.com

Solid Waste Management Plan Guidelines
Page 2 of 2

5. The report will include any impacts in County waste and recycling facilities, and the appropriate mitigation measures. All recommendations and mitigation measures will be addressed.
6. Description of the waste reduction component that analyzes techniques to be employed to achieve a reduction goal.
7. Analysis will be based on the highest potential use or zoning of the development.

REQUIREMENTS AND CONDITIONS

1. A solid waste management plan will be done for all commercial developments, as defined under the policies of the Department of Environmental Management, Solid Waste Division.
2. We will require the developer to provide or resolve all recommendations and mitigation measures as outlined in this report, besides any conditions placed on the applicant by the Department of Environmental Management.
3. A licensed environmental or civil engineer will draft and certify the solid waste management plan.

CONCUR:

Barbara Bell
DIRECTOR

10/13/03
Revised 06/06/06

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January 31, 2007

Ms. Barbara Bell, Director
Department of Environmental Management
County of Hawaii
25 Aupuni Street, Room 210
Hilo, Hawaii 96720

Dear Ms. Bell:

Draft Environmental Impact Statement
Waikoloa Highlands Residential Subdivision
South Kohala, Hawaii
Tax Map Key: (3) 6-8-002, Portion of 16

This letter acknowledges your letter of November 27, 2006 relating to the subject project. We offer the following responses to your inquiries:

1. We acknowledge receipt of your Departments Solid Waste Management Guidelines which will be included in the Final EIS.
2. We will develop a Solid Waste Management Plan and submit it for your review and approval prior to receipt of final subdivision approval. This Plan will include recycling and other waste reduction efforts. We will continue our discussions with your Department on the development of the Solid Waste Management Plan. We are also aware of the efforts of the Waikoloa Village Association to develop a waste management plan and will be in discussion with them to determine if there are mutually beneficial actions that can be taken.
3. We do not anticipate that construction material - aggregate and rocks - will be disposed off-site from this project.

Please contact the undersigned if you have additional questions.

Sincerely,

Chester Kogis, AICP
Project Coordinator

Cc: LUC, Waikoloa Mauna, LLC

Mr. Chester Koga
November 6, 2006
Page 2

Darryl J. Oliveira
Fire Chief
Olson P. I. Honda
Deputy Fire Chief



County of Hawaii

FIRE DEPARTMENT
25 August Street • Suite 103 • Hilo, Hawaii 96720
(808) 941-4287 • Fax (808) 941-4296

Barry Kim
Mayor

November 6, 2006

Mr. Chester Koga
R.M. Towill Corporation
420 Walkamalo Road, Suite 411
Honolulu, Hawaii 96817-4941

**SUBJECT: DRAFT ENVIRONMENTAL IMPACT STATEMENT FOR
WAIKOLOA HIGHLANDS - RESIDENTIAL SUBDIVISION, SOUTH KOHALA
DISTRICT, TMK: (3) 6-8-002-016 (PORTION)**

In regards to the above-mentioned draft environmental impact statement, the following shall be in accordance:

Fire apparatus access roads shall be in accordance with UFC Section 10.207:

"Fire Apparatus Access Roads

"Sec. 10.207. (a) General. Fire apparatus access roads shall be provided and maintained in accordance with the provisions of this section.

"(b) Where Required. Fire apparatus access roads shall be required for every building hereafter constructed when any portion of an exterior wall of the first story is located more than 150 feet from fire department vehicle access as measured by an unobstructed route around the exterior of the building.

"EXCEPTIONS: 1. When buildings are completely protected with an approved automatic fire sprinkler system, the provisions of this section may be modified.

"2. When access roadways cannot be installed due to topography, waterways, nonnegotiable grades or other similar conditions, the chief may require additional fire protection as specified in Section 10.301 (b).



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"3. When there are not more than two Group R, Division 3 or Group M Occupancies, the requirements of this section may be modified, provided, in the opinion of the chief, fire-fighting or rescue operations would not be impaired.

"More than one fire apparatus road may be required when it is determined by the chief that access by a single road may be impaired by vehicle congestion, condition of terrain, climatic conditions or other factors that could limit access.

"For high-piled combustible storage, see Section 81.109.

"(c) Width. The unobstructed width of a fire apparatus access road shall meet the requirements of the appropriate county jurisdiction.

"(d) Vertical Clearance. Fire apparatus access roads shall have an unobstructed vertical clearance of not less than 13 feet 6 inches.

"EXCEPTION: Upon approval vertical clearance may be reduced, provided such reduction does not impair access by fire apparatus and approved signs are installed and maintained indicating the established vertical clearance.

"(e) Permissible Modifications. Vertical clearances or widths required by this section may be increased when, in the opinion of the chief, vertical clearances or widths are not adequate to provide fire apparatus access.

"(f) Surface. Fire apparatus access roads shall be designed and maintained to support the imposed loads of fire apparatus and shall be provided with a surface so as to provide all-weather driving capabilities." (20 tons)

"(g) Turning Radius. The turning radius of a fire apparatus access road shall be as approved by the chief." (45 feet)

"(h) Turnarounds. All dead-end fire apparatus access roads in excess of 150 feet in length shall be provided with approved provisions for the turning around of fire apparatus.

"(i) Bridges. When a bridge is required to be used as access under this section, it shall be constructed and maintained in accordance with the applicable sections of the Building Code and using designed live loading sufficient to carry the imposed loads of fire apparatus.

"(j) Grade. The gradient for a fire apparatus access road shall not exceed the maximum approved by the chief." (15%)

Mr. Chester Koga
November 6, 2006
Page 3

"(k) Obstruction. The required width of any fire apparatus access road shall not be obstructed in any manner, including parking of vehicles. Minimum required widths and clearances established under this section shall be maintained at all times.

"(l) Signs. When required by the fire chief, approved signs or other approved notices shall be provided and maintained for fire apparatus access roads to identify such roads and prohibit the obstruction thereof or both."

Water supply shall be in accordance with UFC Section 10.301(c):

"(c) Water Supply. An approved water supply capable of supplying required fire flow for fire protection shall be provided to all premises upon which buildings or portions of buildings are hereafter constructed, in accordance with the respective county water requirements. There shall be provided, when required by the chief, on-site fire hydrants and mains capable of supplying the required fire flow.

"Water supply may consist of reservoirs, pressure tanks, elevated tanks, water mains or other fixed systems capable of providing the required fire flow.

"The location, number and type of fire hydrants connected to a water supply capable of delivering the required fire flow shall be protected as set forth by the respective county water requirements. All hydrants shall be accessible to the fire department apparatus by roadways meeting the requirements of Section 10.207.


DARRYL OLIVEIRA
Fire Chief

PBW:pc

CC: Waikoloa Mauka, LLC, Kevin Kallow
State Land Use Commission, Anthony Ching

420 Waialae Road
Suite 411
Honolulu, Hawaii 96817-4950
Telephone 808 842 1133
Fax 808 842 1197
email rmc@hawaii.towill.com



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Surveying
Construction Management

January 31, 2007

Chief Darryl Oliveira
Fire Department
County of Hawaii
25 Auunui Street, Suite 101
Hilo, Hawaii 96720

Dear Chief Oliveira:

Draft Environmental Impact Statement
Waikoloa Highlands Residential Subdivision
South Kohala, Hawaii
Tax Map Key: (3) 6-8-002, Portion of 16

This letter acknowledges your letter of November 22, 2006 relating to the subject project. We offer the following responses to your inquiries.

We have reviewed the comments and note that the proposed project will be developed in accordance with UFC Section 10.207 relating to fire apparatus access.

In addition, the project will be developed in accordance with UFC Section 10.301(c) relating to water supply.

Please contact the undersigned if you have additional questions.

Sincerely,


Chester Koga, AICP
Project Coordinator

Cc: LUC, Waikoloa Mauka LLC

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eMail rmt@towill-hawaii.com

Lawrence K. Mahuna
Public Chief
Harry S. Kabojiri
Deputy Public Chief



County of Hawaii
POLICE DEPARTMENT
349 Kapuni Street • Hilo, Hawaii 96720-3998
(808) 935-3311 • Fax (808) 961-3389

Harry Kim
Mayor

November 15, 2006

Mr. Kevin Kellow
Manager
Waikoloa Mauna, LLC
120 Aspen Oak Lane
Glendale, California 91207

Reference: Waikoloa Highlands - Residential Subdivision
Tax Map Key: (3) 6-8-002:016 (portion)

Dear Mr. Kellow:

Staff has reviewed the Draft Environmental Impact statement for the Waikoloa Highlands - Residential Subdivision and has the following comments. Development of this area will:

1. Create an increase in motor vehicle traffic that will have an effect on adjacent subdivisions. The increase in motor vehicle traffic will potentially increase the amount of motor vehicle collisions that occur in the area, which in turn will adversely affect the vehicular traffic of commuters traveling to/from places of employment that use the Waikoloa Road as their route of travel. In addition to commuter traffic, the Waikoloa Road is also used by trucking companies, delivery businesses, tourists, and other motorists extensively.
2. Calls for police service will increase in direct proportion to the increase in population in this area. Due to the location of the major population areas in that portion of the district, police response to calls for service may be delayed due to the increase.

Sincerely,

LAWRENCE K. MARIUNA
POLICE CHIEF
DEWEK D. PACHECO
ASSISTANT CHIEF
AREA II OPERATIONS

LB

cc: Mr. Anthony Ching, State Land Use Commission
Mr. Chester Koga, R.M. Towill Corporation

"Hawaii's County is an Equal Opportunity Provider and Employer"

January 31, 2007

Chief Lawrence K. Mahuna
Police Department, County of Hawai'i
349 Kapi'olani Street
Hilo, Hawai'i 96720

Dear Chief Mahuna:

Draft Environmental Impact Statement
Waikoloa Highlands Residential Subdivision
South Kohala, Hawai'i
Tax Map Key: (3) 6-8-002, Portion of 16

This letter acknowledges your letter of November 15, 2006 relating to the subject project. We offer the following responses to your inquiries:

1. Regarding increase in traffic. We acknowledge that the proposed project will increase the overall volume of traffic on the streets and roads in the area. To mitigate the impact resulting from this project, the developer will be upgrading the intersection at Waikoloa Road and Paniolo Avenue. The proposed improvements will assist traffic movement through this important intersection.
2. Increases in service call. We further acknowledge that with the general increase in population in the area, the Police Department will be faced with additional calls for service. In order to mitigate this impact and as provided by Ordinance 05-157, the developer will be paying an impact fee to the County of Hawai'i for police services and facilities.

Should you have questions, please contact the undersigned.

Sincerely,

Chester Koga
Chester Koga, AICP

Cc: LUC, Waikoloa Mauna LLC



Mauna Kea Soil & Water Conservation District

December 6, 2007

R.M. Towill Corporation
420 Waiakamilo Rd., #411
Honolulu, HI 96817

Dear Sirs,

The Mauna Kea Soil & Water Conservation District has reviewed the Draft Environmental Impact Statement for the proposed Waikoloa Highlands Residential Subdivision and after checking with area engineers find the references to drainage mitigation does not deal with the increase cumulative run off effects on down stream properties, particularly the flood proven Puako community. The narrative only deals with the conveyance off-site and no mitigation to down-stream communities are dealt. The Mauna Kea SWCD encourages the ahupuaa approach to watersheds and their components.

Sincerely,

WPHB for Pete Hendricks

Pete Hendricks, Chair, Mauna Kea Soil & Water Conservation District

PO Box 2975 Kamuela, HI 96743 808-885-6602 FAX 808-885-4420

420 Waiakamilo Road
Suite 411
Honolulu, Hawaii 96817-0950
Telephone 808 885 1133
Fax 808 885 1937
email rmtowill@rmtowill.com



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January 31, 2007

Mr. Pete Hendricks, Chair
Mauna Kea Soil and Water Conservation District
P.O. Box 2975
Kamuela, Hawaii 96743

Dear Mr. Hendricks:

Draft Environmental Impact Statement
Waikoloa Highlands Residential Subdivision
South Kohala, Hawaii
Tax Map Key: (3) 6-8-002, Portion of 16

This letter acknowledges your letter of December 6, 2006. We would like to offer the following response to your comment relating to potential drainage impacts.

We would like to state at the outset that the proposed development will not increase flood flows down stream of the project as we are required by County of Hawaii regulations to retain or detain the flows caused by the increase of impervious surfaces or through modifications of the drainageways. The analysis conducted for this project does take into account the drainage requirements of the entire watershed which can be likened to an ahupua'a. The proposed project, however, will not be correcting deficiencies in the drainageways that were preexisting.

Please contact the undersigned if you have additional questions.

Sincerely,

Chester Koga

Chester Koga, AICP
Project Coordinator

Cc: LUC, Waikoloa Mauna LLC

Chester Koga

From: Ron Thiel [rthiel@co.hawaii.hi.us]
Sent: Tuesday, January 09, 2007 12:46 PM
To: Chester Koga
Cc: McClure, Bruce
Subject: Waikaloa-Paniolo Intersection



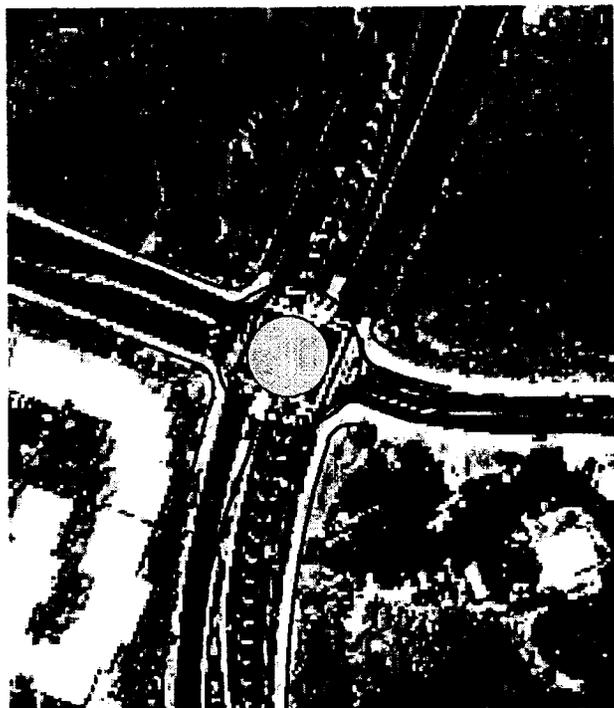
Waikaloa-Paniolo Intersection ...



Waikaloa-Paniolo Intersection ...

this intersection. Thanks for the information. Here are some pictures of potential improvements at





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APPENDIX O

**Correspondence from County of Hawai'i
Planning Department, February 8, 2007, relating to Amendment to Change of
Zone Ordinance 05-157.**

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Harry Kim
Mayor



County of Hawaii
PLANNING DEPARTMENT

101 Pauahi Street, Suite 3 • Hilo, Hawaii 96720-3043
(808) 961-8288 • FAX (808) 961-8742

Christopher J. Yuen
Director
Brad Kurokawa, ASLA
LEED® AP
Deputy Director

Mr. Sidney Fuke
Page 2
February 8, 2007

February 8, 2007

Mr. Sidney Fuke
100 Pauahi Street, Suite 212
Hilo, HI 96720

Dear Mr. Fuke:

Change of Zone (REZ 678)
Applicant: Waikoloa Mauka, LLC
Request: Amendment to Change of Zone Ordinance No. 05-157
(Conditions B, C and I)
Tax Map Key: 6-8-2;portion 16 and 6-8-3;portion 32

This is to acknowledge receipt of your request to amend Change of Zone Ordinance No. 05-157 on January 26, 2007. Enclosed is your receipt for the filing fee.

Please be informed, that in accordance with the Hawaii County Zoning Code, Chapter 25-2-4, within ten (10) days after the request has been filed with this office, you are required to notify all owners and lessees with a recorded interest in property within 500 feet of the perimeter boundary of the entire property that your request has been filed with the Planning Department.

In addition, upon notice by our department that the hearing date has been set, you are required to again notify all owners and lessees with a recorded interest in property within 500 feet. This second notice shall be served within ten (10) days after receiving notice of the hearing date and not less than ten (10) days prior to the hearing.

Both notices shall include the following information:

- 1) Name of the applicant;
- 2) Precise location of the property, including tax map key identification, location map and/or site plan;
- 3) Nature of the request and the proposed use of the property;

- 4) Date on which the request was filed with the director or the commission;
- 5) Date, time and place the public hearing will be held to consider the request (to be included in the second notice); and
- 6) Contact name and phone number should there be any questions.

Please also inform the owner that the request is also available at the Planning Department for public review.

Prior to the date of the hearing, the applicant is required to file with the Commission an affidavit or other similar proof of mailing of said notices.

Please be further advised that in accordance with Chapter 25 (Zoning Code), Article 2, Division 1, Section 25-2-12, Hawaii County Code 1983 (2005 Edition) and/or Planning Commission Rules of Practice and Procedure, within ten (10) days from your receipt of this letter, you shall post a sign on the subject property. The sign shall include:

- 1) The nature of the request;
- 2) The proposed use of the property;
- 3) The size of the property;
- 4) The tax map key(s) of the property;
- 5) That the public may contact the Planning Department for additional information; and
- 6) The address and telephone number of the Planning Department.

The sign shall be not less than nine square feet and not more than twelve square feet in area, with letters not less than one inch high. No pictures, drawings, or promotional materials shall be permitted on the sign.

The sign shall be posted at or near the property boundary adjacent to a public road bordering the property and shall be readable from said public road. If more than one public road borders the property, the applicant shall post the sign to be visible from the more heavily traveled public road.

The sign shall, in all other respects, be in compliance with Chapter 3 (Signs), Hawaii County Code 1983 (2005 edition).



SidneyFuke, Planning Consultant

100 Pauahi Street, Suite 212 • Hilo, Hawaii 96720
Telephone: (808) 969-1522 • Fax: (808) 969-7966
E-mail: sid.fuke@verizon.net

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Environmental Reports

January 26, 2007

Mr. Sidney Fuke
Page 3
February 8, 2007

The applicant shall file an affidavit with the Planning Department not more than five (5) days after posting the sign stating that a sign has been posted, and that the applicant will not remove the sign until the request has been granted, denied, or withdrawn. A photograph of the sign in place shall accompany the affidavit.

The sign shall remain posted until the request has been granted, denied, or withdrawn. The applicant shall remove the sign promptly after such action.

According to the Zoning Code, Chapter 25, Hawaii County Code, the Planning Director has 120 days in which to provide a recommendation to the Planning Commission. The Commission's review process consists of a public hearing. After such hearing is conducted, the request and the Commission's recommendation will be forwarded to the County Council which has final authority to grant any changes of zone.

We will notify you as to the date, time and place of the public hearing as soon as it has been scheduled.

Should you have any questions regarding the above, please do not hesitate to contact Norman Hayashi of this department at 961-8288, x205.

Sincerely,


CHRISTOPHER J. YUEN
Planning Director

Enclosure
Loretokomachao@yahoo.com

Mr. Christopher Yuen, Director
Planning Department
COUNTY OF HAWAII
101 Pauahi Street
Hilo, HI 96720

Dear Mr. Yuen:

**RE: Amendment to Ord. No. 05 157 – Waikoloa Mauka, LLC
TMK: 6-8-02; Portion of 16 and 6-8-03; Portion of 32**

The property owner and applicant, Waikoloa Mauka, LLC, is requesting two sets of amendments to zoning. The first relates to conditions B and C of the rezoning Ordinance No. 05 157 relating to the nature of improvements at the intersection of Paniolo Avenue/Pua Melia Street and Waikoloa Road as well as the number of accesses to Waikoloa Road. The other is to make clear that the recreational portion of the applicant's impact fee can be used for a multi-use community center.

General Background

In 1990, the former owners of the subject property, Waikolos Development Company, requested and received rezoning approval (Ordinance No. 90 160) for approximately 761 acres of land from Unplanned (U) and Multiple-family Residential (RM-1.5) to Residential-Agriculture (RA-1a) and Open (O). This action allowed the development of a golf course residential subdivision consisting of 400 1-acre sized lots. The approval was subject to a number of conditions, including development timetable.

In 1995, conditions B and C of Ordinance No. 90 160 were amended. The amendments (Ordinance No. 95 51) required that final subdivision approval of no less than 175 lots be secured within a 5-year period. It further required the construction of channelized improvements at the intersection of Waikoloa Road and Pua Melia Street/Paniolo Avenue before June 30, 1996, as well as the construction of traffic signalization improvements when the number of lots exceeded 350 or as may be required by the Department of Public Works.

Pursuant to the above ordinance and its amendment, tentative subdivision approval was initially granted in 1993 and subsequently amended on March 3, 1994. The channelization improvements were completed in 1996. As allowed by the rezoning ordinance, an administrative time extension was granted by the Planning Director on May 9, 2000 to secure final subdivision approval. This extension was to March 21, 2005.

On January 5, 2005, the former owner requested an amendment to Condition B of Ordinance No. 95 51, which would allow final subdivision approval to be secured before March 21, 2015. During the time the request was being considered by the County Council, the applicant purchased the subject property on or about September 2005. The applicant proceeded to address the Council's concerns, which resulted in the approval of Ordinance No. 05 157, a copy of which is attached.

Nature of Request

In proceeding to finalize the subdivision, the applicant elected to abandon plans for the golf course. To some extent, this decision was designed to address the Waikoloa Village Association's concern over having another golf course in this area at this time. Accordingly, revised subdivision plans were submitted to the County Planning Department reflecting the project being developed into a 398-lot subdivision with natural open space to replace the planned golf course. The project would be developed in two phases, the first consisting of 149 lots and the remaining 249 lots. A copy of the revised subdivision map is enclosed.

Conditions B and C required signalized improvements at the intersection of Waikoloa Road with Pua Melia Street/Panolo Avenue. The applicant is prepared to make said improvements. However, based on discussions with some area residents, the area councilperson (Pete Hoffmann), and the Director of Department of Public Works (Bruce McClure), it appeared that a "roundabout" instead of signalized intersection may be more appropriate.

Please note that Condition B requires the submittal of the signalized plans in conjunction with the on-site infrastructural plans. The latter has been completed and submitted to the County for review, whereas the completion of the former plans are now being suspended, pending a decision on the type of improvements. In that regard, the applicant is requesting that while this condition be so amended to allow for such an option, it also requests that a determination be made within a reasonable period so as not to hold up the applicant's development schedule and that the applicant - because of the potential delay - to bond said improvements.

Additionally, Condition C limits the project to only one access along Waikoloa Road, which is planned for the *makai* end of the project site. Another access is planned at Pua Melia Street. However, those accesses effectively would service only the lower portion of the project. In the event of an emergency, the *mauka* area may have difficulty getting out of the subdivision. While the concern for limiting access along Waikoloa Road is understandable, it should be noted that the project's frontage stretches more than a mile. The distance between the two planned accesses would still be in excess of a mile

of each other. As such, having another access should not impede normal traffic flow along Waikoloa Road.

As such, the applicant respectfully requests amendments to Conditions B and C of Ordinance No. 05 157 to accomplish the above. A suggested language could be as follows:

"B. Final subdivision approval for not less than 175 lots shall be secured within ten (10) years from the effective date of this new amendment. Plans for [infrastructural improvements, including] the off-site intersectoral roadway improvements required in Condition C, shall be submitted no later than six months after a determination of the type of improvements (i.e., signalized or roundabout) is made by the director of the Department of Public Works [shall be submitted in conjunction with construction drawings for final subdivision approval for any portion of the subject property]. The applicant shall install and dedicate the [traffic signalization] intersectoral improvements required in Condition C prior to the Final Subdivision Approval for more than 350 lots of twenty acres or less, or sooner in the event the warrants for such installation are justified by the director of public works. In lieu of actual construction of infrastructural improvements required herein, [except for Condition C.] the applicant may enter into an agreement with the County to assure the County that the infrastructural improvements will be constructed together with the appropriate bond, surety, or other security deemed acceptable to the Planning Director and the Corporation Counsel. Upon execution of such agreement and/or filing of the security with the County, final subdivision approval for the subject property or portions thereof shall be granted prior to the actual construction of required infrastructural improvements.

"C. Access shall meet with the requirements of the Department of Public Works. Direct access to Waikoloa Road shall be limited to [one roadway] ~~two roadways~~ from the project site. Waikoloa Road-Pua Melia Street-Panolo Avenue intersection shall be channelized and signalized or improved by a "roundabout" system meeting with the requirements of the Department of Public Works. These improvements together with other improvements required by the Department of Public Works based upon a current Traffic Impact Analysis Report shall be provided in conjunction with final subdivision approval of the first increment or as otherwise provided by Chapter 23 (Subdivision Control)."

The applicant has been working with the community and another developer to identify pressing community facility needs wherein its impact fees could be utilized to facilitate construction of these needed facilities. One of the identified needs has been a multi-use community center. In that regard, the applicant is proposing that the recreational portion



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STATE OF HAWAII

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of the impact fee outlined in Condition I be expanded and/or made clear to allow consideration for a multi-use community center.

Accordingly, the applicant requests that the recreational assessment portion Condition I be amended as follows:

"In lieu of paying the fair share contribution, the applicant may contribute land and/or construct improvements/facilities related to parks and recreation, which may include a multi-purpose community center, fire, police, solid waste disposal facilities and roads within the region impacted by the proposed development, subject to the review and recommendation of the Planning Director, upon consultation with the appropriate agencies, and approval of the County Council."

In the event your office believes the requests to be reasonable, the applicant has no objections to alternative language to accomplish the applicant's objective. This objectives, in sum, are to a) allow consideration for a roundabout instead of a signalized intersection, while giving the applicant sufficient time to prepare these plans and bond these improvements; b) allow another access from Waikoloa Road; and c) allow consideration for the applicant to participate in the construction of a community facility to satisfy its recreational impact fee obligation.

Pursuant to the Zoning Code requirements, please find enclosed 20 copies of this letter request, with enclosures; list of surrounding property owners within 500 feet of the subject property; and the filing fee of \$250.

Should you have any questions on this matter, please feel free to contact me. Thank you very much.

Sincerely,

SIDNEY M. FUKU
Planning Consultant

Enclosures
Copy - Waikoloa Mauka, LLC w/ enclosures

AN ORDINANCE AMENDING ORDINANCE NO. 95 51 AMENDING ORDINANCE NO. 90-160, WHICH RECLASSIFIED LANDS FROM AN UNPLANNED (U) AND MULTIPLE FAMILY RESIDENTIAL (RM-1.5) TO OPEN (O) AND RESIDENTIAL-AGRICULTURAL (RA-1a) AT WAIKOLOA, SOUTH KOHALA, HAWAII, COVERED BY TAX MAP KEY 6-8-02:PORTION OF 16 AND 6-8-03:PORTION OF 32.

BE IT ORDAINED BY THE COUNCIL OF THE COUNTY OF HAWAII:

SECTION 1. Ordinance No. 95 51 is amended as follows:

SECTION 3. This change in district classification is conditioned upon the following.

A. The applicant, successors or its assigns shall be responsible for complying with all of the stated conditions of approval;

B. Final subdivision approval for not less than 175 lots shall be secured within (five (5)) years from the effective date of this new amendment. Plans for infrastructure improvements, including off-site roadway improvements required by Condition C, shall be submitted in conjunction with construction drawings for final subdivision approval for any portion of the subject property. [Prior to June 30, 1996, retraction of the channelization improvements to the Waikoloa/Pua Mele/Panolo Avenue intersection (including acceleration/deceleration and left turn storage lanes and pavement and shoulder widening) meeting with the requirements of the Department of Public Works, shall be completed and dedicated to the county. In addition, the applicant shall install and dedicate the traffic signalization improvements required in Condition C prior to the Final Subdivision Approval for more than 350 lots of twenty acres or less, or sooner in the event the warrants for such installation are justified by the [chief engineer]director of public works. In lieu of actual construction of infrastructural

improvements required herein, except for Condition C, the applicant may enter into an agreement with the County to assure the County that the infrastructural improvements will be constructed together with the appropriate bond, surety, or other security deemed acceptable to the Planning Director and the Corporation Counsel. Upon execution of such agreement and/or filing of the security with the County, final subdivision approval for the subject property or portions thereof shall be granted prior to the actual construction of required infrastructural improvements.

C. Access shall meet with the requirements of the Department of Public Works. Direct access to Waikoloa Road shall be limited to one roadway from the project site. Waikoloa Road-Puu Meia Street-Paniolo Avenue intersection shall be channelized and signalized meeting with the requirements of the Department of Public Works. These improvements together with other improvements required by the Department of Public Works based upon a current Traffic Impact Analysis Report [dated December 1989] shall be provided [prior to the opening of the golf course or] in conjunction with final subdivision approval of the first increment, [whichever occurs first] or as otherwise provided by Chapter 23 (Subdivision Control);

D. To ensure that the goals and policies of the Housing Element of the General Plan are implemented, the applicant shall comply with the requirements of Chapter 11, Article 1, Hawaii County Code relating to Affordable Housing Policy. This requirement shall be approved by the County Housing Agency prior to final subdivision approval. [secure the concurrence of the County Housing Agency upon the recommendation of the Office of Housing and Community Development; that the applicant's affordable housing requirements, if any, have been fulfilled prior to the issuance of final subdivision approval];

E. A drainage system shall be installed in accordance with the requirements of the Department of Public Works and other affected agencies.

F. Comply with all applicable County, State and Federal laws, rules, regulations and requirements [including conditions of Use Permit No. 77];

G. [Should the council adopt a Unified Impact Fees Ordinance setting forth criteria for the imposition of exactions or the assessment of impact fees, conditions included herein may, at the developer's election, be satisfied by performance in accordance with the requirements of the Unified Impact Fees Ordinance;

G. An annual progress report shall be submitted to the Planning Director prior to the anniversary of the effective date of the change of zone. The report shall address the status of the development and the compliance with the conditions of approval. [The non-performance is the result of conditions that could not have been foreseen or are beyond the control of the applicant, successors or assigns; and that are not the result of their fault or negligence]

H. An extension of time for the performance of conditions within the ordinance may be granted by the Planning Director upon the following circumstances:

1. The non-performance is the result of conditions that could not have been foreseen or are beyond the control of the applicant, successors or assigns; and that are not the result of their fault or negligence;

2. Granting of the time extension would not be contrary to the General Plan or Zoning Code;

3. Granting of the time extension would not be contrary to the original reasons for the granting of the change of zone;

4. The time extension granted shall be for a period not to exceed the period originally granted for performance (i.e., a condition to be performed within one year may be extended for up to one additional year); and

5. If the applicant should require an additional extension of time, the Planning Director shall submit the applicant's request to the County Council for appropriate action.

Further;

determined by the zoning resulting from this change of zone. The fair share contribution in a form of cash, land, facilities or any combination thereof shall be determined by the County Council. The fair share contribution may be adjusted annually beginning three years after the effective date of the amendment to the ordinance, based on the percentage change in the Honolulu Consumer Price Index (HCPD). The fair share contribution shall have a maximum combined value of \$9,991.21 per single-family residential unit. Based upon the applicant's representation of intent to develop a total of one hundred and seventy five (175) single-family residential units, the indicated total of fair share contribution is \$1,748,461.75 for the single-family residential units. However, the total amount shall be increased or reduced in proportion with the actual number of units according to the calculation and payment provisions set forth in this condition. The fair share contribution per single-family residential unit shall be allocated as follows:

- \$4,817.93 per single-family residential unit for one hundred and seventy five (175) single-family residential units for an indicated total of \$843,137.75 to the County to support park and recreational improvements and facilities;
- \$232.42 per single-family residential unit for the one hundred and seventy five (175) single-family residential units for an indicated total of \$40,673.50 to the County to support police facilities;
- \$459.06 per single-family residential unit for one hundred and seventy five (175) single-family residential units for an indicated total of \$80,335.50 to the County to support fire facilities;
- \$200.98 per single-family residential unit for the one hundred and seventy five (175) single-family residential units for an indicated total of \$35,171.50 to the County to support solid waste facilities;
- \$4,280.82 per single-family residential unit for the one hundred and seventy five (175) single-family residential units for an indicated total of \$749,143.50 to the County to support road and traffic improvements;

Restrictive covenants in the deeds of all proposed lots within the property shall give notice that the terms of the zoning ordinance prohibit the construction of a second dwelling unit and condominium property regimes on each 1-acre lot. This restriction may be removed by amendment of this ordinance by the County Council. The owner of the property may also, in addition, impose private covenants restricting the number of dwellings. A copy of the proposed covenant(s) to be recorded with the State Bureau of Conveyances shall be submitted to the Planning Director for review and approval prior to the issuance of Final Subdivision Approval. A copy of the recorded document shall be filed with the Planning Department upon its receipt from the Bureau of Conveyances. Before final subdivision approval, applicant must obtain reclassification of the RA-1a zoned area from the State Land Use Commission to the Rural or Urban district. Prior to the submittal of plans for a grading or any associated permit for a golf course to the County for review and approval, the applicant shall consult with the Waikoloa Village Association and the County Council relative to the timing and propriety of such a use. This condition, except for the consultation requirement for any golf course, may be waived by the Planning Director, after consultation with Corporation Counsel, if an appellate judicial decision, or substantive change to Chapter 205, Hawaii Revised Statutes, clearly establishes the legality of this project in the Agricultural State Land Use district, including the residential uses of the lots.

The applicant shall make its fair share contribution to mitigate the potential regional impacts of the property with respect to parks and recreation, fire, police, solid waste disposal facilities and roads. The fair share contribution shall be initially based on the representations contained within the change of zone application and may be increased or reduced proportionally if the lot counts are adjusted. The fair share contribution shall become due and payable prior to receipt of Final Plan Approval or within five years from the effective date of this amended change of zone ordinance, whichever occurs first. The fair share contribution for each lot shall be based on a maximum density for each lot as

H.

I.

In lieu of paying the fair share contribution, the applicant may contribute land and/or construct improvements/facilities related to parks and recreation, fire police, solid waste disposal facilities and roads within the region impacted by the proposed development, subject to the review and recommendation of the Planning Director, upon consultation with the appropriate agencies and approval of the County Council;

J. Should the Council adopt a Unified Impact Fees Ordinance setting forth criteria for imposition of exaction or the assessment of impact fees, conditions included herein shall be credited towards the requirements of the Unified Impact Fees Ordinance;

K. An annual progress report shall be submitted to the Planning Director prior to the anniversary of the effective date of the change of zone. The report shall address the status of the development and the compliance with the conditions of approval. This condition shall remain in effect until all of the conditions of approval have been complied with and the Planning Director acknowledges that further reports are not required;

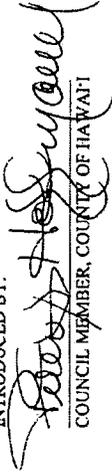
L. Should any of the conditions not be met or substantially complied with in a timely fashion, the Director ~~(shall)~~ may initiate rezoning of the area to its original or more appropriate designation.

SECTION 2. Material to be deleted is bracketed and material to be added is underscored.

SECTION 3. In the event that any portion of this ordinance is declared invalid, such invalidity shall not affect the other parts of this ordinance.

SECTION 4. This ordinance shall take effect upon its approval.

INTRODUCED BY:


COUNCIL MEMBER, COUNTY OF HAWAII

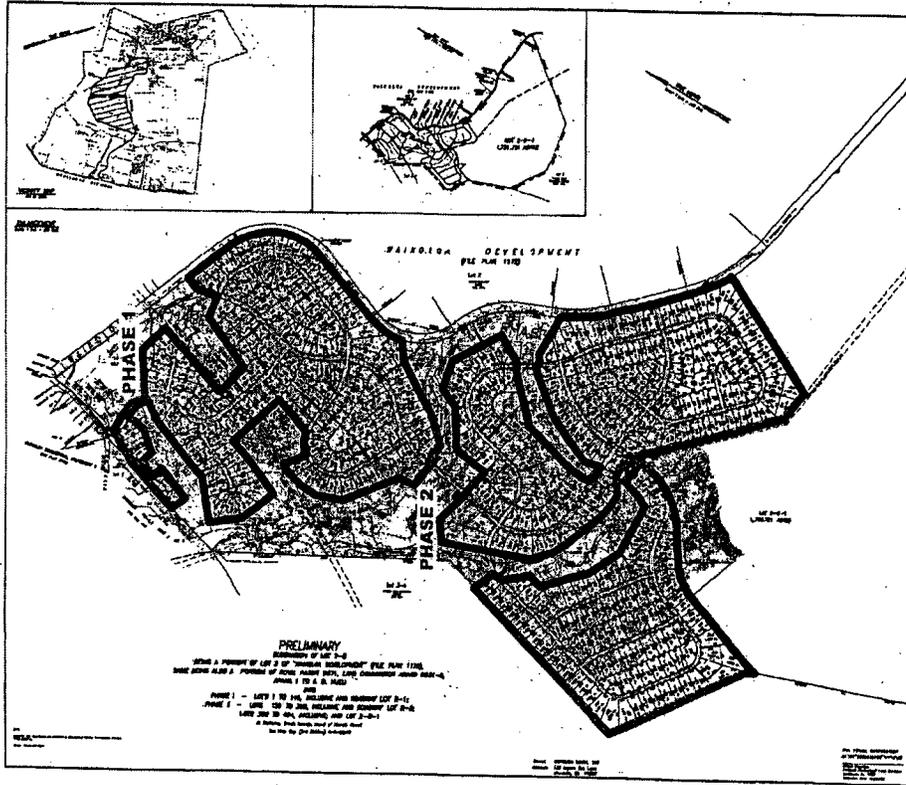
INTRODUCED BY:


COUNCIL MEMBER, COUNTY OF HAWAII

_____, Kona, Hawai'i
Date of Introduction: November 22, 2005
Date of 1st Reading: November 22, 2005
Date of 2nd Reading: December 7, 2005
Effective Date: December 15, 2005

REFERENCE: Comm. 230.9

Waikoloa Highlands
 TMAK (3) 6-5-002016 (portion)
 Waikoloa, South Kohala, Hawaii



SUBDIVISION PLAN

OFFICE OF THE COUNTY CLERK
 County of Hawaii

Kona, Hawaii

(Draft 3)

Introduced By: Pete Hoffmann/K. Angel Pilago
 Date Introduced: November 22, 2005
 First Reading: November 22, 2005
 Published: December 4, 2005

REMARKS:

Second Reading: December 7, 2005

To Mayor: December 9, 2005
 Returned: December 15, 2005
 Effective: December 15, 2005
 Published: December 22, 2005

REMARKS:

	ROLL CALL VOTE			
	AYES	NOES	ABS	EX
Arakaki	X			
Higa	X			
Hoffmann	X			
Holschuh	X			
Ireda	X			
Isbell	X			
Jacobson		X		
Pilago	X			
Saferik	X			
	B	1	0	0

	ROLL CALL VOTE			
	AYES	NOES	ABS	EX
Arakaki	X			
Higa	X			
Hoffmann	X			
Holschuh	X			
Ireda	X			
Isbell	X			
Jacobson		X		
Pilago	X			
Saferik	X			
	8	1	0	0

I DO HEREBY CERTIFY that the foregoing BILL was adopted by the County Council published as indicated above.

APPROVED AS TO
 FORM AND LEGALITY:

[Signature]
 DEPUTY CORPORATION COUNSEL
 COUNTY OF HAWAII

Date:

12/15/05

[Signature]
 COUNCIL CHAIRMAN

[Signature]
 COUNTY CLERK

Bill No.: 89 (Draft 3)

Reference: C-230.9/PC-44

Ord No.: 05 157

Approved/Disapproved this 15th day

of December, 2005

[Signature]
 MAYOR COUNTY OF HAWAII

Harry Kim
Mayor



County of Hawaii
PLANNING DEPARTMENT

101 Pauahi Street, Suite 3 • Hilo, Hawaii 96720-3043
(808) 961-8288 • FAX (808) 961-8742

Christopher J. Yuen
Director
Brad Kurokawa, ASLA
LEED® AP
Deputy Director

Mr. Sidney Fuke
Page 2
February 8, 2007

February 8, 2007

Mr. Sidney Fuke
100 Pauahi Street, Suite 212
Hilo, HI 96720

Dear Mr. Fuke:

Change of Zone (REZ 678)
Applicant: Waikoloa Mauka, LLC
Request: Amendment to Change of Zone Ordinance No. 05-157
(Conditions B, C and I)
Tax Map Key: 6-8-2;portion 16 and 6-8-3;portion 32

This is to acknowledge receipt of your request to amend Change of Zone Ordinance No. 05-157 on January 26, 2007. Enclosed is your receipt for the filing fee.

Please be informed, that in accordance with the Hawaii County Zoning Code, Chapter 25-2-4, within ten (10) days after the request has been filed with this office, you are required to notify all owners and lessees with a recorded interest in property within 500 feet of the perimeter boundary of the entire property that your request has been filed with the Planning Department.

In addition, upon notice by our department that the hearing date has been set, you are required to again notify all owners and lessees with a recorded interest in property within 500 feet. This second notice shall be served within ten (10) days after receiving notice of the hearing date and not less than ten (10) days prior to the hearing.

Both notices shall include the following information:

- 1) Name of the applicant;
- 2) Precise location of the property, including tax map key identification, location map and/or site plan;
- 3) Nature of the request and the proposed use of the property;

- 4) Date on which the request was filed with the director or the commission;
- 5) Date, time and place the public hearing will be held to consider the request (to be included in the second notice); and
- 6) Contact name and phone number should there be any questions.

Please also inform the owner that the request is also available at the Planning Department for public review.

Prior to the date of the hearing, the applicant is required to file with the Commission an affidavit or other similar proof of mailing of said notices.

Please be further advised that in accordance with Chapter 25 (Zoning Code), Article 2, Division 1, Section 25-2-12, Hawaii County Code 1983 (2005 Edition) and/or Planning Commission Rules of Practice and Procedure, within ten (10) days from your receipt of this letter, you shall post a sign on the subject property. The sign shall include:

- 1) The nature of the request;
- 2) The proposed use of the property;
- 3) The size of the property;
- 4) The tax map key(s) of the property;
- 5) That the public may contact the Planning Department for additional information; and
- 6) The address and telephone number of the Planning Department.

The sign shall be not less than nine square feet and not more than twelve square feet in area, with letters not less than one inch high. No pictures, drawings, or promotional materials shall be permitted on the sign.

The sign shall be posted at or near the property boundary adjacent to a public road bordering the property and shall be readable from said public road. If more than one public road borders the property, the applicant shall post the sign to be visible from the more heavily traveled public road.

The sign shall, in all other respects, be in compliance with Chapter 3 (Signs), Hawaii County Code 1983 (2005 edition).



SidneyFuke, Planning Consultant

100 Pauahi Street, Suite 212 • Hilo, Hawaii 96720
Telephone: (808) 969-1522 • Fax: (808) 969-7966
E-mail: sid.fuke@verizon.net

Planning • Zoning
Subdivisions • Land Use Permits
Environmental Reports

January 26, 2007

Mr. Sidney Fuke
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February 8, 2007

The applicant shall file an affidavit with the Planning Department not more than five (5) days after posting the sign stating that a sign has been posted, and that the applicant will not remove the sign until the request has been granted, denied, or withdrawn. A photograph of the sign in place shall accompany the affidavit.

The sign shall remain posted until the request has been granted, denied, or withdrawn. The applicant shall remove the sign promptly after such action.

According to the Zoning Code, Chapter 25, Hawaii County Code, the Planning Director has 120 days in which to provide a recommendation to the Planning Commission. The Commission's review process consists of a public hearing. After such hearing is conducted, the request and the Commission's recommendation will be forwarded to the County Council which has final authority to grant any changes of zone.

We will notify you as to the date, time and place of the public hearing as soon as it has been scheduled.

Should you have any questions regarding the above, please do not hesitate to contact Norman Hayashi of this department at 961-8288, x205.

Sincerely,


CHRISTOPHER J. YUEN

Planning Director

Enclosure

Lovetokomaha01@yahoo.com

Mr. Christopher Yuen, Director
Planning Department
COUNTY OF HAWAII
101 Pauahi Street
Hilo, HI 96720

Dear Mr. Yuen:

**RE: Amendment to Ord. No. 05 157 – Waikoloa Mauka, LLC
TMK: 6-8-02: Portion of 16 and 6-8-03: Portion of 32**

The property owner and applicant, Waikoloa Mauka, LLC, is requesting two sets of amendments to zoning. The first relates to conditions B and C of the rezoning Ordinance No. 05 157 relating to the nature of improvements at the intersection of Paniolo Avenue/Pua Meia Street and Waikoloa Road as well as the number of accesses to Waikoloa Road. The other is to make clear that the recreational portion of the applicant's impact fee can be used for a multi-use community center.

General Background

In 1990, the former owners of the subject property, Waikolos Development Company, requested and received rezoning approval (Ordinance No. 90 160) for approximately 761 acres of land from Unplanned (U) and Multiple-family Residential (RM-1.5) to Residential-Agriculture (RA-1a) and Open (O). This action allowed the development of a golf course residential subdivision consisting of 400 1-acre sized lots. The approval was subject to a number of conditions, including development timetable.

In 1995, conditions B and C of Ordinance No. 90 160 were amended. The amendments (Ordinance No. 95 51) required that final subdivision approval of no less than 175 lots be secured within a 5-year period. It further required the construction of channelized improvements at the intersection of Waikoloa Road and Pua Meia Street/Paniolo Avenue before June 30, 1996, as well as the construction of traffic signalization improvements when the number of lots exceeded 350 or as may be required by the Department of Public Works.

Pursuant to the above ordinance and its amendment, tentative subdivision approval was initially granted in 1993 and subsequently amended on March 3, 1994. The channelization improvements were completed in 1996. As allowed by the rezoning ordinance, an administrative time extension was granted by the Planning Director on May 9, 2000 to secure final subdivision approval. This extension was to March 21, 2005.

On January 5, 2005, the former owner requested an amendment to Condition B of Ordinance No. 95 51, which would allow final subdivision approval to be secured before March 21, 2015. During the time the request was being considered by the County Council, the applicant purchased the subject property on or about September 2005. The applicant proceeded to address the Council's concerns, which resulted in the approval of Ordinance No. 05 157, a copy of which is attached.

Nature of Request

In proceeding to finalize the subdivision, the applicant elected to abandon plans for the golf course. To some extent, this decision was designed to address the Waikoloa Village Association's concern over having another golf course in this area at this time. Accordingly, revised subdivision plans were submitted to the County Planning Department reflecting the project being developed into a 398-lot subdivision with natural open space to replace the planned golf course. The project would be developed in two phases, the first consisting of 149 lots and the remaining 249 lots. A copy of the revised subdivision map is enclosed.

Conditions B and C required signalized improvements at the intersection of Waikoloa Road with Pua Melia Street/Panolo Avenue. The applicant is prepared to make said improvements. However, based on discussions with some area residents, the area councilperson (Pete Hoffmann), and the Director of Department of Public Works (Bruce McClure), it appeared that a "roundabout" instead of signalized intersection may be more appropriate.

Please note that Condition B requires the submittal of the signalized plans in conjunction with the on-site infrastructural plans. The latter has been completed and submitted to the County for review, whereas the completion of the former plans are now being suspended, pending a decision on the type of improvements. In that regard, the applicant is requesting that while this condition be so amended to allow for such an option, it also requests that a determination be made within a reasonable period so as not to hold up the applicant's development schedule and that the applicant - because of the potential delay - to bond said improvements.

Additionally, Condition C limits the project to only one access along Waikoloa Road, which is planned for the *makai* end of the project site. Another access is planned at Pua Melia Street. However, those accesses effectively would service only the lower portion of the project. In the event of an emergency, the *mauka* area may have difficulty getting out of the subdivision. While the concern for limiting access along Waikoloa Road is understandable, it should be noted that the project's frontage stretches more than a mile. The distance between the two planned accesses would still be in excess of a mile

of each other. As such, having another access should not impede normal traffic flow along Waikoloa Road.

As such, the applicant respectfully requests amendments to Conditions B and C of Ordinance No. 05 157 to accomplish the above. A suggested language could be as follows:

"B. Final subdivision approval for not less than 175 lots shall be secured within ten (10) years from the effective date of this new amendment. Plans for [infrastructural improvements, including] the off-site intersectoral roadway improvements required in Condition C, shall be submitted no later than six months after a determination of the type of improvements (i.e., signalized or roundabout) is made by the director of the Department of Public Works [shall be submitted in conjunction with construction drawings for final subdivision approval for any portion of the subject property]. The applicant shall install and dedicate the [traffic signalization] intersectoral improvements required in Condition C prior to the Final Subdivision Approval for more than 350 lots of twenty acres or less, or sooner in the event the warrants for such installation are justified by the director of public works. In lieu of actual construction of infrastructural improvements required herein, [except for Condition C.] the applicant may enter into an agreement with the County to assure the County that the infrastructural improvements will be constructed together with the appropriate bond, surety, or other security deemed acceptable to the Planning Director and the Corporation Counsel. Upon execution of such agreement and/or filing of the security with the County, final subdivision approval for the subject property or portions thereof shall be granted prior to the actual construction of required infrastructural improvements.

"C. Access shall meet with the requirements of the Department of Public Works. Direct access to Waikoloa Road shall be limited to [one roadway] TWO ROADWAYS from the project site. Waikoloa Road-Pua Melia Street-Panolo Avenue intersection shall be channelized and signalized or improved by a "roundabout" system meeting with the requirements of the Department of Public Works. These improvements together with other improvements required by the Department of Public Works based upon a current Traffic Impact Analysis Report shall be provided in conjunction with final subdivision approval of the first increment or as otherwise provided by Chapter 23 (Subdivision Control)."

The applicant has been working with the community and another developer to identify pressing community facility needs wherein its impact fees could be utilized to facilitate construction of these needed facilities. One of the identified needs has been a multi-use community center. In that regard, the applicant is proposing that the recreational portion



COUNTY OF HAWAII

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Mr. Christopher Yuen, Director
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of the impact fee outlined in Condition I be expanded and/or made clear to allow consideration for a multi-use community center.

Accordingly, the applicant requests that the recreational assessment portion Condition I be amended as follows:

"In lieu of paying the fair share contribution, the applicant may contribute land and/or construct improvements/facilities related to parks and recreation, which may include a multi-purpose community center, fire, police, solid waste disposal facilities and roads within the region impacted by the proposed development, subject to the review and recommendation of the Planning Director, upon consultation with the appropriate agencies, and approval of the County Council."

In the event your office believes the requests to be reasonable, the applicant has no objections to alternative language to accomplish the applicant's objective. This objectives, in sum, are to a) allow consideration for a roundabout instead of a signalized intersection, while giving the applicant sufficient time to prepare these plans and bond these improvements; b) allow another access from Waikoloa Road; and c) allow consideration for the applicant to participate in the construction of a community facility to satisfy its recreational impact fee obligation.

Pursuant to the Zoning Code requirements, please find enclosed 20 copies of this letter request, with enclosures; list of surrounding property owners within 500 feet of the subject property; and the filing fee of \$250.

Should you have any questions on this matter, please feel free to contact me. Thank you very much.

Sincerely,

SIDNEY M. FUKU
Planning Consultant

Enclosures
Copy - Waikoloa Mauka, LLC w/ enclosures

AN ORDINANCE AMENDING ORDINANCE NO. 95 51 AMENDING ORDINANCE NO. 90-160, WHICH RECLASSIFIED LANDS FROM AN UNPLANNED (U) AND MULTIPLE FAMILY RESIDENTIAL (RM-1.5) TO OPEN (O) AND RESIDENTIAL-AGRICULTURAL (RA-1a) AT WAIKOLOA, SOUTH KOHALA, HAWAII, COVERED BY TAX MAP KEY 6-8-02:PORTION OF 16 AND 6-8-03:PORTION OF 32.

BE IT ORDAINED BY THE COUNCIL OF THE COUNTY OF HAWAII:

SECTION 1. Ordinance No. 95 51 is amended as follows:

SECTION 3. This change in district classification is conditioned upon the following.

A. The applicant, successors or its assigns shall be responsible for complying with all of the stated conditions of approval;

B. Final subdivision approval for not less than 175 lots shall be secured within (five (5)) years from the effective date of this new amendment. Plans for infrastructure improvements, including off-site roadway improvements required by Condition C, shall be submitted in conjunction with construction drawings for final subdivision approval for any portion of the subject property. [Prior to June 30, 1996, retraction of the channelization improvements to the Waikoloa/Pua Mele/Panolo Avenue intersection (including acceleration/deceleration and left turn storage lanes and pavement and shoulder widening) meeting with the requirements of the Department of Public Works, shall be completed and dedicated to the county. In addition, the applicant shall install and dedicate the traffic signalization improvements required in Condition C prior to the Final Subdivision Approval for more than 350 lots of twenty acres or less, or sooner in the event the warrants for such installation are justified by the [chief engineer/director of public works. In lieu of actual construction of infrastructural

improvements required herein, except for Condition C, the applicant may enter into an agreement with the County to assure the County that the infrastructural improvements will be constructed together with the appropriate bond, surety, or other security deemed acceptable to the Planning Director and the Corporation Counsel. Upon execution of such agreement and/or filing of the security with the County, final subdivision approval for the subject property or portions thereof shall be granted prior to the actual construction of required infrastructural improvements.

C. Access shall meet with the requirements of the Department of Public Works. Direct access to Waikoloa Road shall be limited to one roadway from the project site. Waikoloa Road-Puu Meia Street-Paniolo Avenue intersection shall be channelized and signalized meeting with the requirements of the Department of Public Works. These improvements together with other improvements required by the Department of Public Works based upon a current Traffic Impact Analysis Report [dated December 1989] shall be provided [prior to the opening of the golf course or] in conjunction with final subdivision approval of the first increment, [whichever occurs first] or as otherwise provided by Chapter 23 (Subdivision Control);

D. To ensure that the goals and policies of the Housing Element of the General Plan are implemented, the applicant shall comply with the requirements of Chapter 11, Article 1, Hawaii County Code relating to Affordable Housing Policy. This requirement shall be approved by the County Housing Agency prior to final subdivision approval. [secure the concurrence of the County Housing Agency upon the recommendation of the Office of Housing and Community Development; that the applicant's affordable housing requirements, if any, have been fulfilled prior to the issuance of final subdivision approval];

E. A drainage system shall be installed in accordance with the requirements of the Department of Public Works and other affected agencies.

F. Comply with all applicable County, State and Federal laws, rules, regulations and requirements [including conditions of Use Permit No. 77];

G. [Should the council adopt a Unified Impact Fees Ordinance setting forth criteria for the imposition of exactions or the assessment of impact fees, conditions included herein may, at the developer's election, be satisfied by performance in accordance with the requirements of the Unified Impact Fees Ordinance;

G. An annual progress report shall be submitted to the Planning Director prior to the anniversary of the effective date of the change of zone. The report shall address the status of the development and the compliance with the conditions of approval. [The non-performance is the result of conditions that could not have been foreseen or are beyond the control of the applicant, successors or assigns; and that are not the result of their fault or negligence]

H. An extension of time for the performance of conditions within the ordinance may be granted by the Planning Director upon the following circumstances:

1. The non-performance is the result of conditions that could not have been foreseen or are beyond the control of the applicant, successors or assigns; and that are not the result of their fault or negligence;

2. Granting of the time extension would not be contrary to the General Plan or Zoning Code;

3. Granting of the time extension would not be contrary to the original reasons for the granting of the change of zone;

4. The time extension granted shall be for a period not to exceed the period originally granted for performance (i.e., a condition to be performed within one year may be extended for up to one additional year); and

5. If the applicant should require an additional extension of time, the Planning Director shall submit the applicant's request to the County Council for appropriate action.

Further;

determined by the zoning resulting from this change of zone. The fair share contribution in a form of cash, land, facilities or any combination thereof shall be determined by the County Council. The fair share contribution may be adjusted annually beginning three years after the effective date of the amendment to the ordinance, based on the percentage change in the Honolulu Consumer Price Index (HCPD). The fair share contribution shall have a maximum combined value of \$9,991.21 per single-family residential unit. Based upon the applicant's representation of intent to develop a total of one hundred and seventy five (175) single-family residential units, the indicated total of fair share contribution is \$1,748,461.75 for the single-family residential units. However, the total amount shall be increased or reduced in proportion with the actual number of units according to the calculation and payment provisions set forth in this condition. The fair share contribution per single-family residential unit shall be allocated as follows:

- \$4,817.93 per single-family residential unit for one hundred and seventy five (175) single-family residential units for an indicated total of \$843,137.75 to the County to support park and recreational improvements and facilities;
- \$232.42 per single-family residential unit for the one hundred and seventy five (175) single-family residential units for an indicated total of \$40,673.50 to the County to support police facilities;
- \$459.06 per single-family residential unit for one hundred and seventy five (175) single-family residential units for an indicated total of \$80,335.50 to the County to support fire facilities;
- \$200.98 per single-family residential unit for the one hundred and seventy five (175) single-family residential units for an indicated total of \$35,171.50 to the County to support solid waste facilities;
- \$4,280.82 per single-family residential unit for the one hundred and seventy five (175) single-family residential units for an indicated total of \$749,143.50 to the County to support road and traffic improvements;

Restrictive covenants in the deeds of all proposed lots within the property shall give notice that the terms of the zoning ordinance prohibit the construction of a second dwelling unit and condominium property regimes on each 1-acre lot. This restriction may be removed by amendment of this ordinance by the County Council. The owner of the property may also, in addition, impose private covenants restricting the number of dwellings. A copy of the proposed covenant(s) to be recorded with the State Bureau of Conveyances shall be submitted to the Planning Director for review and approval prior to the issuance of Final Subdivision Approval. A copy of the recorded document shall be filed with the Planning Department upon its receipt from the Bureau of Conveyances. Before final subdivision approval, applicant must obtain reclassification of the RA-1a zoned area from the State Land Use Commission to the Rural or Urban district. Prior to the submittal of plans for a grading or any associated permit for a golf course to the County for review and approval, the applicant shall consult with the Waikoloa Village Association and the County Council relative to the timing and propriety of such a use. This condition, except for the consultation requirement for any golf course, may be waived by the Planning Director, after consultation with Corporation Counsel, if an appellate judicial decision, or substantive change to Chapter 205, Hawaii Revised Statutes, clearly establishes the legality of this project in the Agricultural State Land Use district, including the residential uses of the lots.

The applicant shall make its fair share contribution to mitigate the potential regional impacts of the property with respect to parks and recreation, fire, police, solid waste disposal facilities and roads. The fair share contribution shall be initially based on the representations contained within the change of zone application and may be increased or reduced proportionally if the lot counts are adjusted. The fair share contribution shall become due and payable prior to receipt of Final Plan Approval or within five years from the effective date of this amended change of zone ordinance, whichever occurs first. The fair share contribution for each lot shall be based on a maximum density for each lot as

H.

I.

In lieu of paying the fair share contribution, the applicant may contribute land and/or construct improvements/facilities related to parks and recreation, fire police, solid waste disposal facilities and roads within the region impacted by the proposed development, subject to the review and recommendation of the Planning Director, upon consultation with the appropriate agencies and approval of the County Council;

J. Should the Council adopt a Unified Impact Fees Ordinance setting forth criteria for imposition of exaction or the assessment of impact fees, conditions included herein shall be credited towards the requirements of the Unified Impact Fees Ordinance;

K. An annual progress report shall be submitted to the Planning Director prior to the anniversary of the effective date of the change of zone. The report shall address the status of the development and the compliance with the conditions of approval. This condition shall remain in effect until all of the conditions of approval have been complied with and the Planning Director acknowledges that further reports are not required;

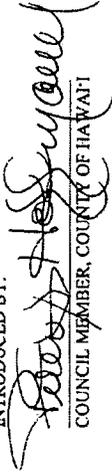
L. Should any of the conditions not be met or substantially complied with in a timely fashion, the Director ~~(shall)~~ may initiate rezoning of the area to its original or more appropriate designation.

SECTION 2. Material to be deleted is bracketed and material to be added is underscored.

SECTION 3. In the event that any portion of this ordinance is declared invalid, such invalidity shall not affect the other parts of this ordinance.

SECTION 4. This ordinance shall take effect upon its approval.

INTRODUCED BY:


COUNCIL MEMBER, COUNTY OF HAWAII

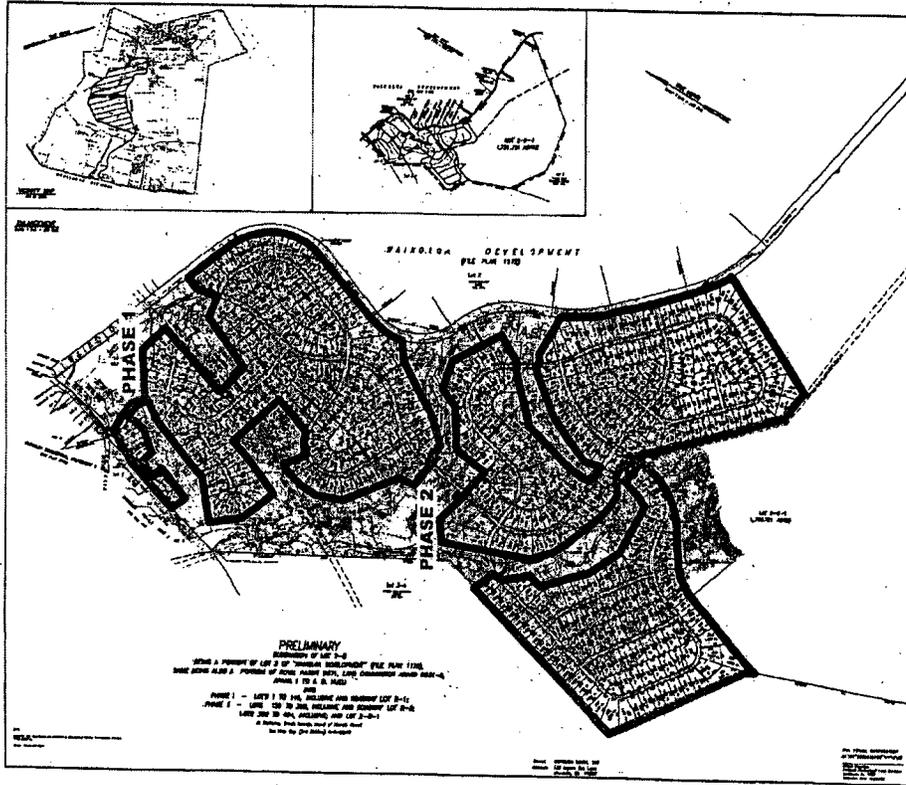
INTRODUCED BY:


COUNCIL MEMBER, COUNTY OF HAWAII

_____, Kona, Hawaii
Date of Introduction: November 22, 2005
Date of 1st Reading: November 22, 2005
Date of 2nd Reading: December 7, 2005
Effective Date: December 15, 2005

REFERENCE: Comm. 230.9

Waikoloa Highlands
 TMAK (3) 6-5-002016 (portion)
 Waikoloa, South Kohala, Hawaii



SUBDIVISION PLAN

OFFICE OF THE COUNTY CLERK
 County of Hawaii

Kona, Hawaii

(Draft 3)

Introduced By: Pete Hoffmann/K. Angel Pilago
 Date Introduced: November 22, 2005
 First Reading: November 22, 2005
 Published: December 4, 2005

REMARKS:

Second Reading: December 7, 2005

To Mayor: December 9, 2005
 Returned: December 15, 2005
 Effective: December 15, 2005
 Published: December 22, 2005

REMARKS:

	ROLL CALL VOTE			
	AYES	NOES	ABS	EX
Arakaki	X			
Higa	X			
Hoffmann	X			
Holschuh	X			
Ireda	X			
Isbell	X			
Jacobson		X		
Pilago	X			
Saferik	X			
	B	1	0	0

	ROLL CALL VOTE			
	AYES	NOES	ABS	EX
Arakaki	X			
Higa	X			
Hoffmann	X			
Holschuh	X			
Ireda	X			
Isbell	X			
Jacobson		X		
Pilago	X			
Saferik	X			
	8	1	0	0

I DO HEREBY CERTIFY that the foregoing BILL was adopted by the County Council published as indicated above.

APPROVED AS TO
 FORM AND LEGALITY:

[Signature]
 DEPUTY CORPORATION COUNSEL
 COUNTY OF HAWAII

Date:

12/15/05

[Signature]
 COUNCIL CHAIRMAN

[Signature]
 COUNTY CLERK

Bill No.: 89 (Draft 3)

Reference: C-230.9/PC-44

Ord No.: 05 157

Approved/Disapproved this 15th day

of December, 2005

[Signature]
 MAYOR COUNTY OF HAWAII

Harry Kim
Mayor



County of Hawaii
PLANNING DEPARTMENT

101 Pauahi Street, Suite 3 • Hilo, Hawaii 96720-3043
(808) 961-8288 • FAX (808) 961-8742

Christopher J. Yuen
Director
Brad Kurokawa, ASLA
LEED® AP
Deputy Director

Mr. Sidney Fuke
Page 2
February 8, 2007

February 8, 2007

Mr. Sidney Fuke
100 Pauahi Street, Suite 212
Hilo, HI 96720

Dear Mr. Fuke:

Change of Zone (REZ 678)
Applicant: Waikoloa Mauka, LLC
Request: Amendment to Change of Zone Ordinance No. 05-157
(Conditions B, C and I)
Tax Map Key: 6-8-2:portion 16 and 6-8-3:portion 32

This is to acknowledge receipt of your request to amend Change of Zone Ordinance No. 05-157 on January 26, 2007. Enclosed is your receipt for the filing fee.

Please be informed, that in accordance with the Hawaii County Zoning Code, Chapter 25-2-4, within ten (10) days after the request has been filed with this office, you are required to notify all owners and lessees with a recorded interest in property within 500 feet of the perimeter boundary of the entire property that your request has been filed with the Planning Department.

In addition, upon notice by our department that the hearing date has been set, you are required to again notify all owners and lessees with a recorded interest in property within 500 feet. This second notice shall be served within ten (10) days after receiving notice of the hearing date and not less than ten (10) days prior to the hearing.

Both notices shall include the following information:

- 1) Name of the applicant;
- 2) Precise location of the property, including tax map key identification, location map and/or site plan;
- 3) Nature of the request and the proposed use of the property;

- 4) Date on which the request was filed with the director or the commission;
- 5) Date, time and place the public hearing will be held to consider the request (to be included in the second notice); and
- 6) Contact name and phone number should there be any questions.

Please also inform the owner that the request is also available at the Planning Department for public review.

Prior to the date of the hearing, the applicant is required to file with the Commission an affidavit or other similar proof of mailing of said notices.

Please be further advised that in accordance with Chapter 25 (Zoning Code), Article 2, Division 1, Section 25-2-12, Hawaii County Code 1983 (2005 Edition) and/or Planning Commission Rules of Practice and Procedure, within ten (10) days from your receipt of this letter, you shall post a sign on the subject property. The sign shall include:

- 1) The nature of the request;
- 2) The proposed use of the property;
- 3) The size of the property;
- 4) The tax map key(s) of the property;
- 5) That the public may contact the Planning Department for additional information; and
- 6) The address and telephone number of the Planning Department.

The sign shall be not less than nine square feet and not more than twelve square feet in area, with letters not less than one inch high. No pictures, drawings, or promotional materials shall be permitted on the sign.

The sign shall be posted at or near the property boundary adjacent to a public road bordering the property and shall be readable from said public road. If more than one public road borders the property, the applicant shall post the sign to be visible from the more heavily traveled public road.

The sign shall, in all other respects, be in compliance with Chapter 3 (Signs), Hawaii County Code 1983 (2005 edition).



SidneyFuke, Planning Consultant

100 Pauahi Street, Suite 212 • Hilo, Hawaii 96720
Telephone: (808) 969-1522 • Fax: (808) 969-7966
E-mail: sid.fuke@verizon.net

Planning • Zoning
Subdivisions • Land Use Permits
Environmental Reports

January 26, 2007

Mr. Sidney Fuke
Page 3
February 8, 2007

The applicant shall file an affidavit with the Planning Department not more than five (5) days after posting the sign stating that a sign has been posted, and that the applicant will not remove the sign until the request has been granted, denied, or withdrawn. A photograph of the sign in place shall accompany the affidavit.

The sign shall remain posted until the request has been granted, denied, or withdrawn. The applicant shall remove the sign promptly after such action.

According to the Zoning Code, Chapter 25, Hawaii County Code, the Planning Director has 120 days in which to provide a recommendation to the Planning Commission. The Commission's review process consists of a public hearing. After such hearing is conducted, the request and the Commission's recommendation will be forwarded to the County Council which has final authority to grant any changes of zone.

We will notify you as to the date, time and place of the public hearing as soon as it has been scheduled.

Should you have any questions regarding the above, please do not hesitate to contact Norman Hayashi of this department at 961-8288, x205.

Sincerely,


CHRISTOPHER J. YUEN

Planning Director

Enclosure
Loretto@hawaii.gov

Mr. Christopher Yuen, Director
Planning Department
COUNTY OF HAWAII
101 Pauahi Street
Hilo, HI 96720

Dear Mr. Yuen:

**RE: Amendment to Ord. No. 05 157 – Waikoloa Mauka, LLC
TMK: 6-8-02; Portion of 16 and 6-8-03; Portion of 32**

The property owner and applicant, Waikoloa Mauka, LLC, is requesting two sets of amendments to zoning. The first relates to conditions B and C of the rezoning Ordinance No. 05 157 relating to the nature of improvements at the intersection of Paniolo Avenue/Pua Meia Street and Waikoloa Road as well as the number of accesses to Waikoloa Road. The other is to make clear that the recreational portion of the applicant's impact fee can be used for a multi-use community center.

General Background

In 1990, the former owners of the subject property, Waikolos Development Company, requested and received rezoning approval (Ordinance No. 90 160) for approximately 761 acres of land from Unplanned (U) and Multiple-family Residential (RM-1.5) to Residential-Agriculture (RA-1a) and Open (O). This action allowed the development of a golf course residential subdivision consisting of 400 1-acre sized lots. The approval was subject to a number of conditions, including development timetable.

In 1995, conditions B and C of Ordinance No. 90 160 were amended. The amendments (Ordinance No. 95 51) required that final subdivision approval of no less than 175 lots be secured within a 5-year period. It further required the construction of channelized improvements at the intersection of Waikoloa Road and Pua Meia Street/Paniolo Avenue before June 30, 1996, as well as the construction of traffic signalization improvements when the number of lots exceeded 350 or as may be required by the Department of Public Works.

Pursuant to the above ordinance and its amendment, tentative subdivision approval was initially granted in 1993 and subsequently amended on March 3, 1994. The channelization improvements were completed in 1996. As allowed by the rezoning ordinance, an administrative time extension was granted by the Planning Director on May 9, 2000 to secure final subdivision approval. This extension was to March 21, 2005.

On January 5, 2005, the former owner requested an amendment to Condition B of Ordinance No. 95 51, which would allow final subdivision approval to be secured before March 21, 2015. During the time the request was being considered by the County Council, the applicant purchased the subject property on or about September 2005. The applicant proceeded to address the Council's concerns, which resulted in the approval of Ordinance No. 05 157, a copy of which is attached.

Nature of Request

In proceeding to finalize the subdivision, the applicant elected to abandon plans for the golf course. To some extent, this decision was designed to address the Waikoloa Village Association's concern over having another golf course in this area at this time. Accordingly, revised subdivision plans were submitted to the County Planning Department reflecting the project being developed into a 398-lot subdivision with natural open space to replace the planned golf course. The project would be developed in two phases, the first consisting of 149 lots and the remaining 249 lots. A copy of the revised subdivision map is enclosed.

Conditions B and C required signalized improvements at the intersection of Waikoloa Road with Pua Melia Street/Panolo Avenue. The applicant is prepared to make said improvements. However, based on discussions with some area residents, the area councilperson (Pete Hoffmann), and the Director of Department of Public Works (Bruce McClure), it appeared that a "roundabout" instead of signalized intersection may be more appropriate.

Please note that Condition B requires the submittal of the signalized plans in conjunction with the on-site infrastructural plans. The latter has been completed and submitted to the County for review, whereas the completion of the former plans are now being suspended, pending a decision on the type of improvements. In that regard, the applicant is requesting that while this condition be so amended to allow for such an option, it also requests that a determination be made within a reasonable period so as not to hold up the applicant's development schedule and that the applicant - because of the potential delay - to bond said improvements.

Additionally, Condition C limits the project to only one access along Waikoloa Road, which is planned for the *makai* end of the project site. Another access is planned at Pua Melia Street. However, those accesses effectively would service only the lower portion of the project. In the event of an emergency, the *mauka* area may have difficulty getting out of the subdivision. While the concern for limiting access along Waikoloa Road is understandable, it should be noted that the project's frontage stretches more than a mile. The distance between the two planned accesses would still be in excess of a mile

of each other. As such, having another access should not impede normal traffic flow along Waikoloa Road.

As such, the applicant respectfully requests amendments to Conditions B and C of Ordinance No. 05 157 to accomplish the above. A suggested language could be as follows:

"B. Final subdivision approval for not less than 175 lots shall be secured within ten (10) years from the effective date of this new amendment. Plans for [infrastructural improvements, including] the off-site intersectoral roadway improvements required in Condition C, shall be submitted no later than six months after a determination of the type of improvements (i.e., signalized or roundabout) is made by the director of the Department of Public Works [shall be submitted in conjunction with construction drawings for final subdivision approval for any portion of the subject property]. The applicant shall install and dedicate the [traffic signalization] intersectoral improvements required in Condition C prior to the Final Subdivision Approval for more than 350 lots of twenty acres or less, or sooner in the event the warrants for such installation are justified by the director of public works. In lieu of actual construction of infrastructural improvements required herein, [except for Condition C.] the applicant may enter into an agreement with the County to assure the County that the infrastructural improvements will be constructed together with the appropriate bond, surety, or other security deemed acceptable to the Planning Director and the Corporation Counsel. Upon execution of such agreement and/or filing of the security with the County, final subdivision approval for the subject property or portions thereof shall be granted prior to the actual construction of required infrastructural improvements.

"C. Access shall meet with the requirements of the Department of Public Works. Direct access to Waikoloa Road shall be limited to [one roadway] ~~two roadways~~ from the project site. Waikoloa Road-Pua Melia Street-Panolo Avenue intersection shall be channelized and signalized or improved by a "roundabout" system meeting with the requirements of the Department of Public Works. These improvements together with other improvements required by the Department of Public Works based upon a current Traffic Impact Analysis Report shall be provided in conjunction with final subdivision approval of the first increment or as otherwise provided by Chapter 23 (Subdivision Control)."

The applicant has been working with the community and another developer to identify pressing community facility needs wherein its impact fees could be utilized to facilitate construction of these needed facilities. One of the identified needs has been a multi-use community center. In that regard, the applicant is proposing that the recreational portion



COUNTY OF HAWAII

STATE OF HAWAII

Mr. Christopher Yuen, Director
January 26, 2007
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BILL NO. 89
Draft 3

ORDINANCE NO. 05 157

of the impact fee outlined in Condition I be expanded and/or made clear to allow consideration for a multi-use community center.

Accordingly, the applicant requests that the recreational assessment portion Condition I be amended as follows:

"In lieu of paying the fair share contribution, the applicant may contribute land and/or construct improvements/facilities related to parks and recreation, which may include a multi-purpose community center, fire, police, solid waste disposal facilities and roads within the region impacted by the proposed development, subject to the review and recommendation of the Planning Director, upon consultation with the appropriate agencies, and approval of the County Council."

In the event your office believes the requests to be reasonable, the applicant has no objections to alternative language to accomplish the applicant's objective. This objectives, in sum, are to a) allow consideration for a roundabout instead of a signalized intersection, while giving the applicant sufficient time to prepare these plans and bond these improvements; b) allow another access from Waikoloa Road; and c) allow consideration for the applicant to participate in the construction of a community facility to satisfy its recreational impact fee obligation.

Pursuant to the Zoning Code requirements, please find enclosed 20 copies of this letter request, with enclosures; list of surrounding property owners within 500 feet of the subject property; and the filing fee of \$250.

Should you have any questions on this matter, please feel free to contact me. Thank you very much.

Sincerely,

SIDNEY M. FUKU
Planning Consultant

Enclosures
Copy - Waikoloa Mauka, LLC w/ enclosures

AN ORDINANCE AMENDING ORDINANCE NO. 95 51 AMENDING ORDINANCE NO. 90-160, WHICH RECLASSIFIED LANDS FROM AN UNPLANNED (U) AND MULTIPLE FAMILY RESIDENTIAL (RM-1.5) TO OPEN (O) AND RESIDENTIAL-AGRICULTURAL (RA-1a) AT WAIKOLOA, SOUTH KOHALA, HAWAII, COVERED BY TAX MAP KEY 6-8-02:PORTION OF 16 AND 6-8-03:PORTION OF 32.

BE IT ORDAINED BY THE COUNCIL OF THE COUNTY OF HAWAII:

SECTION 1. Ordinance No. 95 51 is amended as follows:

SECTION 3. This change in district classification is conditioned upon the following.

A. The applicant, successors or its assigns shall be responsible for complying with all of the stated conditions of approval;

B. Final subdivision approval for not less than 175 lots shall be secured within (five (5)) years from the effective date of this new amendment. Plans for infrastructure improvements, including off-site roadway improvements required by Condition C, shall be submitted in conjunction with construction drawings for final subdivision approval for any portion of the subject property. [Prior to June 30, 1996, retraction of the echanneization improvements to the Waikoloa/Pua Mele/Panolo Avenue intersection (including acceleration/deceleration and left turn storage lanes and pavement and shoulder widening) meeting with the requirements of the Department of Public Works, shall be completed and dedicated to the county. In addition, the applicant shall install and dedicate the traffic signalization improvements required in Condition C prior to the Final Subdivision Approval for more than 350 lots of twenty acres or less, or sooner in the event the warrants for such installation are justified by the [chief engineer]director of public works. In lieu of actual construction of infrastructural

improvements required herein, except for Condition C, the applicant may enter into an agreement with the County to assure the County that the infrastructural improvements will be constructed together with the appropriate bond, surety, or other security deemed acceptable to the Planning Director and the Corporation Counsel. Upon execution of such agreement and/or filing of the security with the County, final subdivision approval for the subject property or portions thereof shall be granted prior to the actual construction of required infrastructural improvements.

C. Access shall meet with the requirements of the Department of Public Works. Direct access to Waikoloa Road shall be limited to one roadway from the project site. Waikoloa Road-Puu Meia Street-Paniolo Avenue intersection shall be channelized and signalized meeting with the requirements of the Department of Public Works. These improvements together with other improvements required by the Department of Public Works based upon a current Traffic Impact Analysis Report [dated December 1989] shall be provided [prior to the opening of the golf course or] in conjunction with final subdivision approval of the first increment, [whichever occurs first] or as otherwise provided by Chapter 23 (Subdivision Control);

D. To ensure that the goals and policies of the Housing Element of the General Plan are implemented, the applicant shall comply with the requirements of Chapter 11, Article 1, Hawaii County Code relating to Affordable Housing Policy. This requirement shall be approved by the County Housing Agency prior to final subdivision approval. [secure the concurrence of the County Housing Agency upon the recommendation of the Office of Housing and Community Development; that the applicant's affordable housing requirements, if any, have been fulfilled prior to the issuance of final subdivision approval];

E. A drainage system shall be installed in accordance with the requirements of the Department of Public Works and other affected agencies.

F. Comply with all applicable County, State and Federal laws, rules, regulations and requirements [including conditions of Use Permit No. 77];

G. [Should the council adopt a Unified Impact Fees Ordinance setting forth criteria for the imposition of exactions or the assessment of impact fees, conditions included herein may, at the developer's election, be satisfied by performance in accordance with the requirements of the Unified Impact Fees Ordinance;

G. An annual progress report shall be submitted to the Planning Director prior to the anniversary of the effective date of the change of zone. The report shall address the status of the development and the compliance with the conditions of approval. [The non-performance is the result of conditions that could not have been foreseen or are beyond the control of the applicant, successors or assigns; and that are not the result of their fault or negligence]

H. An extension of time for the performance of conditions within the ordinance may be granted by the Planning Director upon the following circumstances:

1. The non-performance is the result of conditions that could not have been foreseen or are beyond the control of the applicant, successors or assigns; and that are not the result of their fault or negligence;

2. Granting of the time extension would not be contrary to the General Plan or Zoning Code;

3. Granting of the time extension would not be contrary to the original reasons for the granting of the change of zone;

4. The time extension granted shall be for a period not to exceed the period originally granted for performance (i.e., a condition to be performed within one year may be extended for up to one additional year); and

5. If the applicant should require an additional extension of time, the Planning Director shall submit the applicant's request to the County Council for appropriate action.

Further;

determined by the zoning resulting from this change of zone. The fair share contribution in a form of cash, land, facilities or any combination thereof shall be determined by the County Council. The fair share contribution may be adjusted annually beginning three years after the effective date of the amendment to the ordinance, based on the percentage change in the Honolulu Consumer Price Index (HCPD). The fair share contribution shall have a maximum combined value of \$9,991.21 per single-family residential unit. Based upon the applicant's representation of intent to develop a total of one hundred and seventy five (175) single-family residential units, the indicated total of fair share contribution is \$1,748,461.75 for the single-family residential units. However, the total amount shall be increased or reduced in proportion with the actual number of units according to the calculation and payment provisions set forth in this condition. The fair share contribution per single-family residential unit shall be allocated as follows:

- \$4,817.93 per single-family residential unit for one hundred and seventy five (175) single-family residential units for an indicated total of \$843,137.75 to the County to support park and recreational improvements and facilities;
- \$232.42 per single-family residential unit for the one hundred and seventy five (175) single-family residential units for an indicated total of \$40,673.50 to the County to support police facilities;
- \$459.06 per single-family residential unit for one hundred and seventy five (175) single-family residential units for an indicated total of \$80,335.50 to the County to support fire facilities;
- \$200.98 per single-family residential unit for the one hundred and seventy five (175) single-family residential units for an indicated total of \$35,171.50 to the County to support solid waste facilities;
- \$4,280.82 per single-family residential unit for the one hundred and seventy five (175) single-family residential units for an indicated total of \$749,143.50 to the County to support road and traffic improvements;

Restrictive covenants in the deeds of all proposed lots within the property shall give notice that the terms of the zoning ordinance prohibit the construction of a second dwelling unit and condominium property regimes on each 1-acre lot. This restriction may be removed by amendment of this ordinance by the County Council. The owner of the property may also, in addition, impose private covenants restricting the number of dwellings. A copy of the proposed covenant(s) to be recorded with the State Bureau of Conveyances shall be submitted to the Planning Director for review and approval prior to the issuance of Final Subdivision Approval. A copy of the recorded document shall be filed with the Planning Department upon its receipt from the Bureau of Conveyances. Before final subdivision approval, applicant must obtain reclassification of the RA-1a zoned area from the State Land Use Commission to the Rural or Urban district. Prior to the submittal of plans for a grading or any associated permit for a golf course to the County for review and approval, the applicant shall consult with the Waikoloa Village Association and the County Council relative to the timing and propriety of such a use. This condition, except for the consultation requirement for any golf course, may be waived by the Planning Director, after consultation with Corporation Counsel, if an appellate judicial decision, or substantive change to Chapter 205, Hawaii Revised Statutes, clearly establishes the legality of this project in the Agricultural State Land Use district, including the residential uses of the lots.

The applicant shall make its fair share contribution to mitigate the potential regional impacts of the property with respect to parks and recreation, fire, police, solid waste disposal facilities and roads. The fair share contribution shall be initially based on the representations contained within the change of zone application and may be increased or reduced proportionally if the lot counts are adjusted. The fair share contribution shall become due and payable prior to receipt of Final Plan Approval or within five years from the effective date of this amended change of zone ordinance, whichever occurs first. The fair share contribution for each lot shall be based on a maximum density for each lot as

H.

I.

In lieu of paying the fair share contribution, the applicant may contribute land and/or construct improvements/facilities related to parks and recreation, fire police, solid waste disposal facilities and roads within the region impacted by the proposed development, subject to the review and recommendation of the Planning Director, upon consultation with the appropriate agencies and approval of the County Council;

J. Should the Council adopt a Unified Impact Fees Ordinance setting forth criteria for imposition of exaction or the assessment of impact fees, conditions included herein shall be credited towards the requirements of the Unified Impact Fees Ordinance;

K. An annual progress report shall be submitted to the Planning Director prior to the anniversary of the effective date of the change of zone. The report shall address the status of the development and the compliance with the conditions of approval. This condition shall remain in effect until all of the conditions of approval have been complied with and the Planning Director acknowledges that further reports are not required;

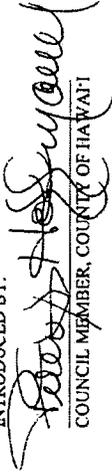
L. Should any of the conditions not be met or substantially complied with in a timely fashion, the Director ~~(shall)~~ may initiate rezoning of the area to its original or more appropriate designation.

SECTION 2. Material to be deleted is bracketed and material to be added is underscored.

SECTION 3. In the event that any portion of this ordinance is declared invalid, such invalidity shall not affect the other parts of this ordinance.

SECTION 4. This ordinance shall take effect upon its approval.

INTRODUCED BY:


COUNCIL MEMBER, COUNTY OF HAWAII

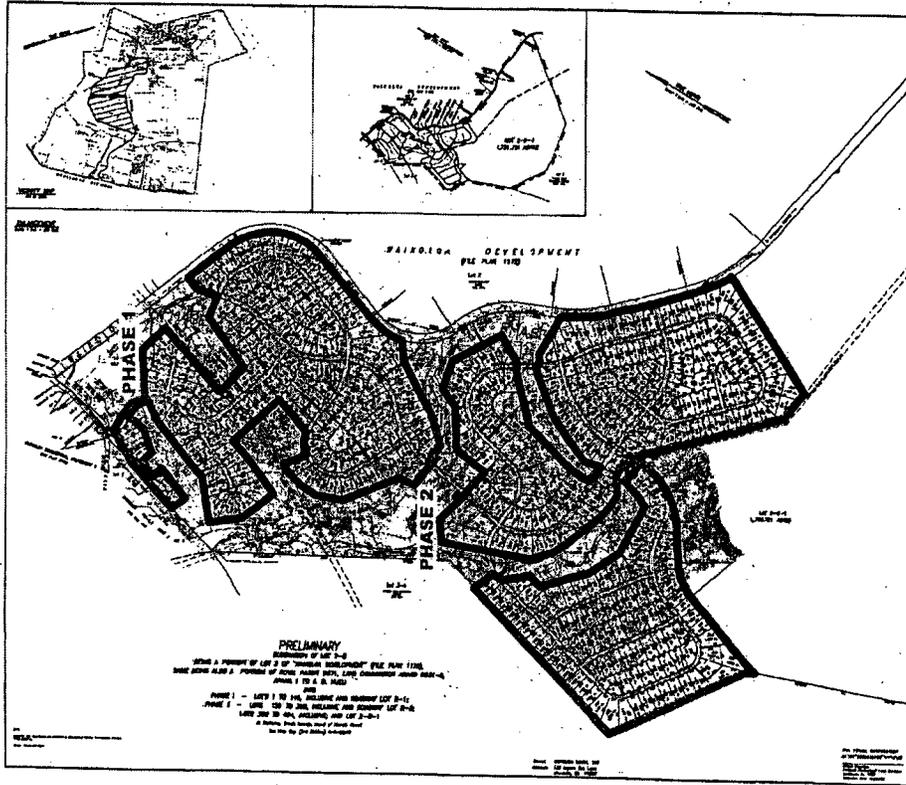
INTRODUCED BY:


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_____, Kona, Hawai'i
Date of Introduction: November 22, 2005
Date of 1st Reading: November 22, 2005
Date of 2nd Reading: December 7, 2005
Effective Date: December 15, 2005

REFERENCE: Comm. 230.9

Waikoloa Highlands
 TMAK (3) 6-5-002016 (portion)
 Waikoloa, South Kohala, Hawaii



SUBDIVISION PLAN

OFFICE OF THE COUNTY CLERK

County of Hawaii
 Kona, Hawaii

(Draft 3)

Introduced By: Pete Hoffmann/K. Angel Pilago
 Date Introduced: November 22, 2005
 First Reading: November 22, 2005
 Published: December 4, 2005

REMARKS

Second Reading: December 7, 2005

To Mayor: December 9, 2005
 Returned: December 15, 2005
 Effective: December 15, 2005
 Published: December 22, 2005

REMARKS

	ROLL CALL VOTE			
	AYES	NOES	ABS	EX
Arakaki	X			
Higa	X			
Hoffmann	X			
Holschuh	X			
Ireda	X			
Isbell	X			
Jacobson		X		
Pilago	X			
Saferik	X			
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	ROLL CALL VOTE			
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Ireda	X			
Isbell	X			
Jacobson		X		
Pilago	X			
Saferik	X			
	8	1	0	0

I DO HEREBY CERTIFY that the foregoing BILL was adopted by the County Council published as indicated above.

APPROVED AS TO
 FORM AND LEGALITY:

[Signature]
 DEPUTY CORPORATION COUNSEL
 COUNTY OF HAWAII

Date

12/15/05

[Signature]
 COUNCIL CHAIRMAN

[Signature]
 COUNTY CLERK

Bill No: 89 (Draft 3)

Reference: C-230.9/PC-44

Ord No: 05 157

Approved/Disapproved this 15th day

of December, 2005

[Signature]
 MAYOR COUNTY OF HAWAII

Harry Kim
Mayor



County of Hawaii
PLANNING DEPARTMENT

101 Pauahi Street, Suite 3 • Hilo, Hawaii 96720-3043
(808) 961-8288 • FAX (808) 961-8742

Christopher J. Yuen
Director
Brad Kurokawa, ASLA
LEED® AP
Deputy Director

Mr. Sidney Fuke
Page 2
February 8, 2007

February 8, 2007

Mr. Sidney Fuke
100 Pauahi Street, Suite 212
Hilo, HI 96720

Dear Mr. Fuke:

Change of Zone (REZ 678)
Applicant: Waikoloa Mauka, LLC
Request: Amendment to Change of Zone Ordinance No. 05-157
(Conditions B, C and I)
Tax Map Key: 6-8-2;portion 16 and 6-8-3;portion 32

This is to acknowledge receipt of your request to amend Change of Zone Ordinance No. 05-157 on January 26, 2007. Enclosed is your receipt for the filing fee.

Please be informed, that in accordance with the Hawaii County Zoning Code, Chapter 25-2-4, within ten (10) days after the request has been filed with this office, you are required to notify all owners and lessees with a recorded interest in property within 500 feet of the perimeter boundary of the entire property that your request has been filed with the Planning Department.

In addition, upon notice by our department that the hearing date has been set, you are required to again notify all owners and lessees with a recorded interest in property within 500 feet. This second notice shall be served within ten (10) days after receiving notice of the hearing date and not less than ten (10) days prior to the hearing.

Both notices shall include the following information:

- 1) Name of the applicant;
- 2) Precise location of the property, including tax map key identification, location map and/or site plan;
- 3) Nature of the request and the proposed use of the property;

- 4) Date on which the request was filed with the director or the commission;
- 5) Date, time and place the public hearing will be held to consider the request (to be included in the second notice); and
- 6) Contact name and phone number should there be any questions.

Please also inform the owner that the request is also available at the Planning Department for public review.

Prior to the date of the hearing, the applicant is required to file with the Commission an affidavit or other similar proof of mailing of said notices.

Please be further advised that in accordance with Chapter 25 (Zoning Code), Article 2, Division 1, Section 25-2-12, Hawaii County Code 1983 (2005 Edition) and/or Planning Commission Rules of Practice and Procedure, within ten (10) days from your receipt of this letter, you shall post a sign on the subject property. The sign shall include:

- 1) The nature of the request;
- 2) The proposed use of the property;
- 3) The size of the property;
- 4) The tax map key(s) of the property;
- 5) That the public may contact the Planning Department for additional information; and
- 6) The address and telephone number of the Planning Department.

The sign shall be not less than nine square feet and not more than twelve square feet in area, with letters not less than one inch high. No pictures, drawings, or promotional materials shall be permitted on the sign.

The sign shall be posted at or near the property boundary adjacent to a public road bordering the property and shall be readable from said public road. If more than one public road borders the property, the applicant shall post the sign to be visible from the more heavily traveled public road.

The sign shall, in all other respects, be in compliance with Chapter 3 (Signs), Hawaii County Code 1983 (2005 edition).



SidneyFuke, Planning Consultant

100 Pauahi Street, Suite 212 • Hilo, Hawaii 96720
Telephone: (808) 969-1522 • Fax: (808) 969-7966
E-mail: sid.fuke@verizon.net

Planning • Zoning
Subdivision • Land Use Permits
Environmental Reports

January 26, 2007

Mr. Sidney Fuke
Page 3
February 8, 2007

The applicant shall file an affidavit with the Planning Department not more than five (5) days after posting the sign stating that a sign has been posted, and that the applicant will not remove the sign until the request has been granted, denied, or withdrawn. A photograph of the sign in place shall accompany the affidavit.

The sign shall remain posted until the request has been granted, denied, or withdrawn. The applicant shall remove the sign promptly after such action.

According to the Zoning Code, Chapter 25, Hawaii County Code, the Planning Director has 120 days in which to provide a recommendation to the Planning Commission. The Commission's review process consists of a public hearing. After such hearing is conducted, the request and the Commission's recommendation will be forwarded to the County Council which has final authority to grant any changes of zone.

We will notify you as to the date, time and place of the public hearing as soon as it has been scheduled.

Should you have any questions regarding the above, please do not hesitate to contact Norman Hayashi of this department at 961-8288, x205.

Sincerely,


CHRISTOPHER J. YUEN

Planning Director

Enclosure
Loretokomachai@yahoo.com

Mr. Christopher Yuen, Director
Planning Department
COUNTY OF HAWAII
101 Pauahi Street
Hilo, HI 96720

Dear Mr. Yuen:

**RE: Amendment to Ord. No. 05 157 – Waikoloa Mauka, LLC
TMK: 6-8-02; Portion of 16 and 6-8-03; Portion of 32**

The property owner and applicant, Waikoloa Mauka, LLC, is requesting two sets of amendments to zoning. The first relates to conditions B and C of the rezoning Ordinance No. 05 157 relating to the nature of improvements at the intersection of Paniolo Avenue/Pua Meia Street and Waikoloa Road as well as the number of accesses to Waikoloa Road. The other is to make clear that the recreational portion of the applicant's impact fee can be used for a multi-use community center.

General Background

In 1990, the former owners of the subject property, Waikolos Development Company, requested and received rezoning approval (Ordinance No. 90 160) for approximately 761 acres of land from Unplanned (U) and Multiple-family Residential (RM-1.5) to Residential-Agriculture (RA-1a) and Open (O). This action allowed the development of a golf course residential subdivision consisting of 400 1-acre sized lots. The approval was subject to a number of conditions, including development timetable.

In 1995, conditions B and C of Ordinance No. 90 160 were amended. The amendments (Ordinance No. 95 51) required that final subdivision approval of no less than 175 lots be secured within a 5-year period. It further required the construction of channelized improvements at the intersection of Waikoloa Road and Pua Meia Street/Paniolo Avenue before June 30, 1996, as well as the construction of traffic signalization improvements when the number of lots exceeded 350 or as may be required by the Department of Public Works.

Pursuant to the above ordinance and its amendment, tentative subdivision approval was initially granted in 1993 and subsequently amended on March 3, 1994. The channelization improvements were completed in 1996. As allowed by the rezoning ordinance, an administrative time extension was granted by the Planning Director on May 9, 2000 to secure final subdivision approval. This extension was to March 21, 2005.

On January 5, 2005, the former owner requested an amendment to Condition B of Ordinance No. 95 51, which would allow final subdivision approval to be secured before March 21, 2015. During the time the request was being considered by the County Council, the applicant purchased the subject property on or about September 2005. The applicant proceeded to address the Council's concerns, which resulted in the approval of Ordinance No. 05 157, a copy of which is attached.

Nature of Request

In proceeding to finalize the subdivision, the applicant elected to abandon plans for the golf course. To some extent, this decision was designed to address the Waikoloa Village Association's concern over having another golf course in this area at this time. Accordingly, revised subdivision plans were submitted to the County Planning Department reflecting the project being developed into a 398-lot subdivision with natural open space to replace the planned golf course. The project would be developed in two phases, the first consisting of 149 lots and the remaining 249 lots. A copy of the revised subdivision map is enclosed.

Conditions B and C required signalized improvements at the intersection of Waikoloa Road with Pua Melia Street/Panolo Avenue. The applicant is prepared to make said improvements. However, based on discussions with some area residents, the area councilperson (Pete Hoffmann), and the Director of Department of Public Works (Bruce McClure), it appeared that a "roundabout" instead of signalized intersection may be more appropriate.

Please note that Condition B requires the submittal of the signalized plans in conjunction with the on-site infrastructural plans. The latter has been completed and submitted to the County for review, whereas the completion of the former plans are now being suspended, pending a decision on the type of improvements. In that regard, the applicant is requesting that while this condition be so amended to allow for such an option, it also requests that a determination be made within a reasonable period so as not to hold up the applicant's development schedule and that the applicant - because of the potential delay - to bond said improvements.

Additionally, Condition C limits the project to only one access along Waikoloa Road, which is planned for the *makai* end of the project site. Another access is planned at Pua Melia Street. However, those accesses effectively would service only the lower portion of the project. In the event of an emergency, the *mauka* area may have difficulty getting out of the subdivision. While the concern for limiting access along Waikoloa Road is understandable, it should be noted that the project's frontage stretches more than a mile. The distance between the two planned accesses would still be in excess of a mile

of each other. As such, having another access should not impede normal traffic flow along Waikoloa Road.

As such, the applicant respectfully requests amendments to Conditions B and C of Ordinance No. 05 157 to accomplish the above. A suggested language could be as follows:

"B. Final subdivision approval for not less than 175 lots shall be secured within ten (10) years from the effective date of this new amendment. Plans for [infrastructural improvements, including] the off-site intersectoral roadway improvements required in Condition C, shall be submitted no later than six months after a determination of the type of improvements (i.e., signalized or roundabout) is made by the director of the Department of Public Works [shall be submitted in conjunction with construction drawings for final subdivision approval for any portion of the subject property]. The applicant shall install and dedicate the [traffic signalization] intersectoral improvements required in Condition C prior to the Final Subdivision Approval for more than 350 lots of twenty acres or less, or sooner in the event the warrants for such installation are justified by the director of public works. In lieu of actual construction of infrastructural improvements required herein, [except for Condition C.] the applicant may enter into an agreement with the County to assure the County that the infrastructural improvements will be constructed together with the appropriate bond, surety, or other security deemed acceptable to the Planning Director and the Corporation Counsel. Upon execution of such agreement and/or filing of the security with the County, final subdivision approval for the subject property or portions thereof shall be granted prior to the actual construction of required infrastructural improvements.

"C. Access shall meet with the requirements of the Department of Public Works. Direct access to Waikoloa Road shall be limited to [one roadway] TWO ROADWAYS from the project site. Waikoloa Road-Pua Melia Street-Panolo Avenue intersection shall be channelized and signalized or improved by a "roundabout" system meeting with the requirements of the Department of Public Works. These improvements together with other improvements required by the Department of Public Works based upon a current Traffic Impact Analysis Report shall be provided in conjunction with final subdivision approval of the first increment or as otherwise provided by Chapter 23 (Subdivision Control)."

The applicant has been working with the community and another developer to identify pressing community facility needs wherein its impact fees could be utilized to facilitate construction of these needed facilities. One of the identified needs has been a multi-use community center. In that regard, the applicant is proposing that the recreational portion



COUNTY OF HAWAII

STATE OF HAWAII

Mr. Christopher Yuen, Director
January 26, 2007
Page 4

BILL NO. 89
Draft 3

ORDINANCE NO. 05 157

of the impact fee outlined in Condition I be expanded and/or made clear to allow consideration for a multi-use community center.

Accordingly, the applicant requests that the recreational assessment portion Condition I be amended as follows:

"In lieu of paying the fair share contribution, the applicant may contribute land and/or construct improvements/facilities related to parks and recreation, which may include a multi-purpose community center, fire, police, solid waste disposal facilities and roads within the region impacted by the proposed development, subject to the review and recommendation of the Planning Director, upon consultation with the appropriate agencies, and approval of the County Council."

In the event your office believes the requests to be reasonable, the applicant has no objections to alternative language to accomplish the applicant's objective. This objectives, in sum, are to a) allow consideration for a roundabout instead of a signalized intersection, while giving the applicant sufficient time to prepare these plans and bond these improvements; b) allow another access from Waikoloa Road; and c) allow consideration for the applicant to participate in the construction of a community facility to satisfy its recreational impact fee obligation.

Pursuant to the Zoning Code requirements, please find enclosed 20 copies of this letter request, with enclosures; list of surrounding property owners within 500 feet of the subject property; and the filing fee of \$250.

Should you have any questions on this matter, please feel free to contact me. Thank you very much.

Sincerely,

SIDNEY M. FUKU
Planning Consultant

Enclosures
Copy - Waikoloa Mauka, LLC w/ enclosures

AN ORDINANCE AMENDING ORDINANCE NO. 95 51 AMENDING ORDINANCE NO. 90-160, WHICH RECLASSIFIED LANDS FROM AN UNPLANNED (U) AND MULTIPLE FAMILY RESIDENTIAL (RM-1.5) TO OPEN (O) AND RESIDENTIAL-AGRICULTURAL (RA-1a) AT WAIKOLOA, SOUTH KOHALA, HAWAII, COVERED BY TAX MAP KEY 6-8-02:PORTION OF 16 AND 6-8-03:PORTION OF 32.

BE IT ORDAINED BY THE COUNCIL OF THE COUNTY OF HAWAII:

SECTION 1. Ordinance No. 95 51 is amended as follows:

SECTION 3. This change in district classification is conditioned upon the following.

A. The applicant, successors or its assigns shall be responsible for complying with all of the stated conditions of approval;

B. Final subdivision approval for not less than 175 lots shall be secured within (five (5)) years from the effective date of this new amendment. Plans for infrastructure improvements, including off-site roadway improvements required by Condition C, shall be submitted in conjunction with construction drawings for final subdivision approval for any portion of the subject property. [Prior to June 30, 1996, retraction of the channelization improvements to the Waikoloa/Pua Mele/Panolo Avenue intersection (including acceleration/deceleration and left turn storage lanes and pavement and shoulder widening) meeting with the requirements of the Department of Public Works, shall be completed and dedicated to the county. In addition, the applicant shall install and dedicate the traffic signalization improvements required in Condition C prior to the Final Subdivision Approval for more than 350 lots of twenty acres or less, or sooner in the event the warrants for such installation are justified by the [chief engineer]director of public works. In lieu of actual construction of infrastructural

improvements required herein, except for Condition C, the applicant may enter into an agreement with the County to assure the County that the infrastructural improvements will be constructed together with the appropriate bond, surety, or other security deemed acceptable to the Planning Director and the Corporation Counsel. Upon execution of such agreement and/or filing of the security with the County, final subdivision approval for the subject property or portions thereof shall be granted prior to the actual construction of required infrastructural improvements.

C. Access shall meet with the requirements of the Department of Public Works. Direct access to Waikoloa Road shall be limited to one roadway from the project site. Waikoloa Road-Puu Meia Street-Paniolo Avenue intersection shall be channelized and signalized meeting with the requirements of the Department of Public Works. These improvements together with other improvements required by the Department of Public Works based upon a current Traffic Impact Analysis Report [dated December 1989] shall be provided [prior to the opening of the golf course or] in conjunction with final subdivision approval of the first increment, [whichever occurs first] or as otherwise provided by Chapter 23 (Subdivision Control);

D. To ensure that the goals and policies of the Housing Element of the General Plan are implemented, the applicant shall comply with the requirements of Chapter 11, Article 1, Hawaii County Code relating to Affordable Housing Policy. This requirement shall be approved by the County Housing Agency prior to final subdivision approval. [secure the concurrence of the County Housing Agency upon the recommendation of the Office of Housing and Community Development; that the applicant's affordable housing requirements, if any, have been fulfilled prior to the issuance of final subdivision approval];

E. A drainage system shall be installed in accordance with the requirements of the Department of Public Works and other affected agencies.

F. Comply with all applicable County, State and Federal laws, rules, regulations and requirements [including conditions of Use Permit No. 77];

G. [Should the council adopt a Unified Impact Fees Ordinance setting forth criteria for the imposition of exactions or the assessment of impact fees, conditions included herein may, at the developer's election, be satisfied by performance in accordance with the requirements of the Unified Impact Fees Ordinance;

G. An annual progress report shall be submitted to the Planning Director prior to the anniversary of the effective date of the change of zone. The report shall address the status of the development and the compliance with the conditions of approval. [The non-performance is the result of conditions that could not have been foreseen or are beyond the control of the applicant, successors or assigns; and that are not the result of their fault or negligence]

H. An extension of time for the performance of conditions within the ordinance may be granted by the Planning Director upon the following circumstances:

1. The non-performance is the result of conditions that could not have been foreseen or are beyond the control of the applicant, successors or assigns; and that are not the result of their fault or negligence;

2. Granting of the time extension would not be contrary to the General Plan or Zoning Code;

3. Granting of the time extension would not be contrary to the original reasons for the granting of the change of zone;

4. The time extension granted shall be for a period not to exceed the period originally granted for performance (i.e., a condition to be performed within one year may be extended for up to one additional year); and

5. If the applicant should require an additional extension of time, the Planning Director shall submit the applicant's request to the County Council for appropriate action.

Further;

determined by the zoning resulting from this change of zone. The fair share contribution in a form of cash, land, facilities or any combination thereof shall be determined by the County Council. The fair share contribution may be adjusted annually beginning three years after the effective date of the amendment to the ordinance, based on the percentage change in the Honolulu Consumer Price Index (HCPD). The fair share contribution shall have a maximum combined value of \$9,991.21 per single-family residential unit. Based upon the applicant's representation of intent to develop a total of one hundred and seventy five (175) single-family residential units, the indicated total of fair share contribution is \$1,748,461.75 for the single-family residential units. However, the total amount shall be increased or reduced in proportion with the actual number of units according to the calculation and payment provisions set forth in this condition. The fair share contribution per single-family residential unit shall be allocated as follows:

- \$4,817.93 per single-family residential unit for one hundred and seventy five (175) single-family residential units for an indicated total of \$843,137.75 to the County to support park and recreational improvements and facilities;
- \$232.42 per single-family residential unit for the one hundred and seventy five (175) single-family residential units for an indicated total of \$40,673.50 to the County to support police facilities;
- \$459.06 per single-family residential unit for one hundred and seventy five (175) single-family residential units for an indicated total of \$80,335.50 to the County to support fire facilities;
- \$200.98 per single-family residential unit for the one hundred and seventy five (175) single-family residential units for an indicated total of \$35,171.50 to the County to support solid waste facilities;
- \$4,280.82 per single-family residential unit for the one hundred and seventy five (175) single-family residential units for an indicated total of \$749,143.50 to the County to support road and traffic improvements;

Restrictive covenants in the deeds of all proposed lots within the property shall give notice that the terms of the zoning ordinance prohibit the construction of a second dwelling unit and condominium property regimes on each 1-acre lot. This restriction may be removed by amendment of this ordinance by the County Council. The owner of the property may also, in addition, impose private covenants restricting the number of dwellings. A copy of the proposed covenant(s) to be recorded with the State Bureau of Conveyances shall be submitted to the Planning Director for review and approval prior to the issuance of Final Subdivision Approval. A copy of the recorded document shall be filed with the Planning Department upon its receipt from the Bureau of Conveyances. Before final subdivision approval, applicant must obtain reclassification of the RA-1a zoned area from the State Land Use Commission to the Rural or Urban district. Prior to the submittal of plans for a grading or any associated permit for a golf course to the County for review and approval, the applicant shall consult with the Waikoloa Village Association and the County Council relative to the timing and propriety of such a use. This condition, except for the consultation requirement for any golf course, may be waived by the Planning Director, after consultation with Corporation Counsel, if an appellate judicial decision, or substantive change to Chapter 205, Hawaii Revised Statutes, clearly establishes the legality of this project in the Agricultural State Land Use district, including the residential uses of the lots.

The applicant shall make its fair share contribution to mitigate the potential regional impacts of the property with respect to parks and recreation, fire, police, solid waste disposal facilities and roads. The fair share contribution shall be initially based on the representations contained within the change of zone application and may be increased or reduced proportionally if the lot counts are adjusted. The fair share contribution shall become due and payable prior to receipt of Final Plan Approval or within five years from the effective date of this amended change of zone ordinance, whichever occurs first. The fair share contribution for each lot shall be based on a maximum density for each lot as

H.

I.

In lieu of paying the fair share contribution, the applicant may contribute land and/or construct improvements/facilities related to parks and recreation, fire police, solid waste disposal facilities and roads within the region impacted by the proposed development, subject to the review and recommendation of the Planning Director, upon consultation with the appropriate agencies and approval of the County Council;

J. Should the Council adopt a Unified Impact Fees Ordinance setting forth criteria for imposition of exaction or the assessment of impact fees, conditions included herein shall be credited towards the requirements of the Unified Impact Fees Ordinance;

K. An annual progress report shall be submitted to the Planning Director prior to the anniversary of the effective date of the change of zone. The report shall address the status of the development and the compliance with the conditions of approval. This condition shall remain in effect until all of the conditions of approval have been complied with and the Planning Director acknowledges that further reports are not required;

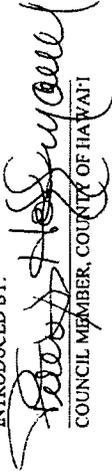
L. Should any of the conditions not be met or substantially complied with in a timely fashion, the Director ~~(shall)~~ may initiate rezoning of the area to its original or more appropriate designation.

SECTION 2. Material to be deleted is bracketed and material to be added is underscored.

SECTION 3. In the event that any portion of this ordinance is declared invalid, such invalidity shall not affect the other parts of this ordinance.

SECTION 4. This ordinance shall take effect upon its approval.

INTRODUCED BY:


COUNCIL MEMBER, COUNTY OF HAWAII

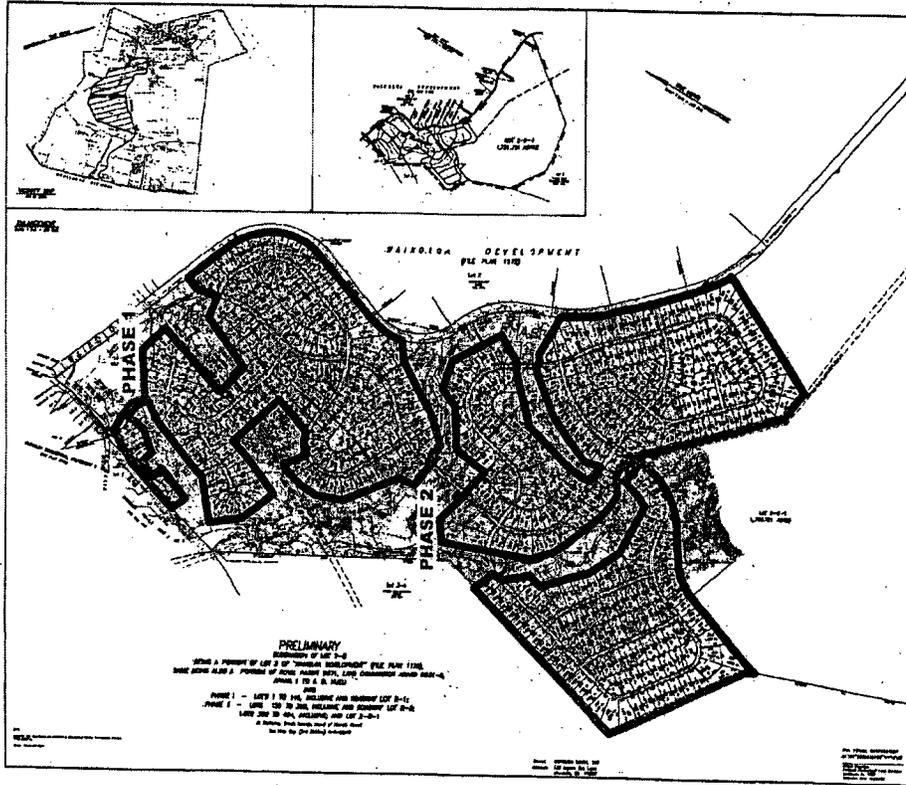
INTRODUCED BY:


COUNCIL MEMBER, COUNTY OF HAWAII

_____, Kona, Hawaii
Date of Introduction: November 22, 2005
Date of 1st Reading: November 22, 2005
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Effective Date: December 15, 2005

REFERENCE: Comm. 230.9

Waikoloa Highlands
 TMAK (3) 6-5-002016 (portion)
 Waikoloa, South Kohala, Hawaii



SUBDIVISION PLAN

OFFICE OF THE COUNTY CLERK

County of Hawaii
 Kona, Hawaii

(Draft 3)

Introduced By: Pete Hoffmann/K. Angel Pilago
 Date Introduced: November 22, 2005
 First Reading: November 22, 2005
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REMARKS

Second Reading: December 7, 2005

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REMARKS

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Arakaki	X			
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Pilago	X			
Saferik	X			
	B	1	0	0

	ROLL CALL VOTE			
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Isbell	X			
Jacobson		X		
Pilago	X			
Saferik	X			
	8	1	0	0

I DO HEREBY CERTIFY that the foregoing BILL was adopted by the County Council published as indicated above.

APPROVED AS TO
 FORM AND LEGALITY:

[Signature]
 DEPUTY CORPORATION COUNSEL
 COUNTY OF HAWAII

Date

12/15/05

[Signature]
 COUNCIL CHAIRMAN

[Signature]
 COUNTY CLERK

Bill No: 89 (Draft 3)

Reference: C-230.9/PC-44

Ord No: 05 157

Approved/Disapproved this 15th day

of December, 2005

[Signature]
 MAYOR COUNTY OF HAWAII

**FINAL
ENVIRONMENTAL IMPACT STATEMENT**

**WAIKOLOA HIGHLANDS
State Land Use Boundary Amendment
South Kohala District, Island of Hawai'i
TMK: (3) 6-8-002: Portion of Parcel 016)**

May 2007

PETITIONER:
Waikoloa Mauka, LLC
~~120 Aspen Oak Lane~~
431 N. Brand Boulevard Suite 201
Glendale, CA 91203-91203

This Final EIS and all ancillary documents were prepared under my direction, and to the best of my knowledge fully addresses the content requirements of Chapter 11-200, Hawai'i Administrative Rules, and Chapter 343, Hawai'i Revised Statutes.



Kevin C. Kellow, Manager

June 13, 2007

Date

ACCEPTING AUTHORITY:
State Land Use Commission
State of Hawai'i

PREPARED BY:
R.M. Towill Corporation
420 Waiakamilo Road, Suite 411
Honolulu, Hawai'i 96817-4941
1-20709-0P

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EXECUTIVE SUMMARY

(Editing notes: New material is underscored while changed or deleted materials are delineated by ~~strike-through~~.)

This ~~Draft~~ Final Environmental Impact Statement (“~~D~~FFEIS”) has been prepared in support of the Land Use District Boundary Amendment (“LUDBA”) petition for the Waikoloa Highlands project. The LUDBA petition has been submitted to the State Land Use Commission (“SLUC”) by the Waikoloa Mauka, LLC (“Petitioner”) to reclassify the project area from the ~~Agriculture State Agricultural~~ to the Rural District.

PROPOSED ACTION

The Petitioner proposes to subdivide and construct infrastructure improvements for a 398-lot subdivision near Waikoloa Village, South Kohala District, Island of Hawai‘i. The ~~744.40~~ 731.581-acre project site is identified as TMK (3) 6-8-002:016 (por.).

During the initial phases of project design, a 12.819-acre area of the project parcel was intended to be used for drainage improvements to handle additional stormwater that would be generated from the proposed project. However, after further examination of infrastructure requirements, it was determined that sufficient drainage improvements could be handled within a 731.581-acre area of the property. The 12.819-acre area is now removed from the project.

The area designated for reclassification in the LUBDA petition is 731.581 acres. ~~The project area includes 12.819 acres of land that is impacted by drainage improvements.~~ The rural residential lots will be a minimum of one-acre per lot.

ALTERNATIVES CONSIDERED

Alternatives to the proposed action that were considered included no action; alternative layouts for a low density residential subdivision; golf course with residential estate lots; and redesignation of the site to the State Urban District.

The No Action alternative, which would retain the property in its current undeveloped state, was rejected because it would not meet the project objective to develop a high quality, low-density, rural residential subdivision in the Waikoloa area.

Alternatives layouts for a similar rural residential subdivision were considered, including smaller (half-acre) and larger minimum lot sizes. These were determined to be less preferable than the proposed action in accommodating existing drainageways and providing a unified circulation network.

~~Golf~~ A golf course with residential estate lots is allowed under the current zoning, and was proposed for the site by the previous owner. However, this concept would require the development of a non-potable water system for golf course irrigation, as well as more intensive earthwork. This alternative was rejected as a viable alternative.

Redesignating the project area from the State Agricultural to the Urban District was an option, but ~~deemed~~ was determined to be inappropriate because of the site's location outside the Waikoloa Village core area. Rather, the project site is considered a transition area between the Waikoloa Village urban areas and surrounding agricultural areas.

PROJECT IMPACTS AND MITIGATION

Physical Environment

The project will not adversely impact site topography. Some minor grading will be required to construct the project roadways and infrastructure. The distance between the project site and upwind residential uses should minimize construction-period air and noise impacts. Dust control measures will be employed during construction. In the long-term, there will ~~not be a~~ be no significant degradation of air quality or noise impacts due to increased traffic.

Biological Resources

There are no plant or animal species on the site currently listed as endangered, threatened, or proposed for listing. Potential impacts to nocturnally flying Hawaiian Petrels and Newell's Shearwaters will be mitigated by shielding the subdivision street lights to reduce the potential for bird collisions with man-made structures. This mitigation measure also complies with the Hawaii County Code which requires lowering ambient glare for the astronomical observatories located on Mauna Kea.

Social and Built Environment

Social Impact

Waikoloa Highlands is one of six major residential projects in-development in Waikoloa. Based on an anticipated selling price for the Waikoloa Highlands lots ranging from \$768,600 to \$1,058,400, and based on current construction costs, families will need annual incomes in the range of \$192,000 to \$264,000. This project will bring to Waikoloa Village a segment of the population that is not highly represented there today based on census data for the area. The Social Impact Assessment concluded that this will create a more balanced community with a wider range of incomes, interests, experiences, and contributions to the community's fabric. The average daily de facto population at build-out of the project ~~was~~ is projected at 1,068 persons, including 907 full-time residents. The developer has assumed that the buyers of the lots will be full-time owner occupants at build out of approximately 40 percent.

Economic and Fiscal Impact

The development of the Waikoloa Highlands subdivision over a ten year build-out period and its ongoing operation will result in the creation of direct, indirect and induced jobs on the Big Island

and throughout the state. Both the Social Impact Assessment (SMS Research, 2006) and the Market Study (The Hallstrom Group, 2006) projected the number of jobs created by the project.

SMS Research has estimated that direct jobs will equal some 2,011 person-years of employment. The project will also support some 3,280 indirect and induced person-years of employment. In total approximately 5,291 person-years of employment will be created through the infrastructure and single-family home construction.

The Hallstrom Group estimated that direct jobs created by the construction and ongoing use and maintenance of the subdivision will equal 2,296 person years both on- and off-site. On a stabilized basis, home and unit maintenance will support about 40 full-time equivalent on-site jobs and contribute to another 16 off-site jobs.

State tax revenues generated by the project were estimated to be anywhere from \$33.4 million (SMS, Research 2006) to \$41.5 million- (The Hallstrom Group, 2006) over the ten-year project build-out period. County property tax revenues were estimated by SMS to be \$600,000 to \$750,000 annually (or \$6 to 7.5 million over the initial 10 year period), and by Hallstrom to total \$24.4 million during the first ten years, and \$3.5 million per year thereafter.

Despite the differing revenue projections, both the SMS and Hallstrom data support the conclusion that State and County tax revenues will far exceed public costs of services. That is, the project would have a positive fiscal impact on both the State and Hawai'i County governments.

Market Study

The Market Study conducted for the project (The Hallstrom Group, 2006) concluded that the property is well-suited for the proposed subdivision and will provide currently unavailable purchase opportunities for residents and second-home buyers in the village. Complete market absorption of the 398 house lots was estimated to require four to six years from the commencement of presale offerings.

Archaeological and Cultural Impact

The project will have no effect on archaeological resources. Previous studies have identified and confirmed one archaeological feature on the site, a modest wall segment, for which no further treatment was recommended. Cultural Surveys Hawai'i ~~recently verified~~ confirmed verbally with the SHPD that no further study or documentation was required. Written confirmation is pending from the SHPD.

Visual Impact

The creation of a rural subdivision will alter the visual environment, and views from Waikoloa Road toward Pu'u Hīna'i. Adverse visual impacts will be mitigated by setbacks, ~~landscaping,~~ and ample open space throughout the property. The development will not obstruct views of Pu'u Hīna'i or obstruct or alter views toward Mauna Kea from Waikoloa Road.

Transportation and Utilities

The subdivision will include an internal spine road with two access points off Waikoloa Road. While the project will increase traffic volumes, there will be no change in levels of service on Waikoloa Road. In the short term, the installation of traffic signals by the Petitioner at the intersection of Waikoloa Road, Pua Melia Street and Paniolo Avenue will mitigate poor levels of service during peak hours. Traffic signals and the addition of right-turn lanes will provide adequate intersection capacity for peak hour traffic at project build out. As traffic volumes increase due to other developments in the Waikoloa area, construction of a second eastbound left-turn lane will mitigate conditions. The additional east bound 2025 traffic generated (50 and 30 vehicles AM and PM, respectively, during peak hours) will not impact the intersection at Mamalahoa Highway because it will still be operating under capacity. West bound 2025 traffic generated (110 and 45 vehicles, AM and PM, respectively, during peak hours) will add to the already congested intersection at Queen Ka'ahumanu Highway. The 14 percent AM and 10 percent PM increases in traffic volume attributable to the project will have a cumulative impact at the intersection. Mitigation, through the installation of a second left turn lane, when required, will be coordinated with the Department of Transportation (DOT).

The County of Hawai'i has requested the consideration of a round-about at the intersection of Waikoloa Road, Paniolo Avenue and Pua Melia Road. This proposal is currently under review by the County as an amendment to Ordinance 05-157. An analysis of the intersection was performed and was found to be an acceptable alternative. If the County Council votes to approve this new proposal, then the applicant will proceed with the round-about improvement. However, if the decision to proceed with the round-about is not made before final subdivision is approved, the applicant will proceed to bond the project with the proposed signalization and roadway re-striping.

On-site drainage improvements will consist of thirty-five drywells, which will be used to dispose of any increase in roadways surface flows. ~~Flows~~ Storm flows not disposed of using drywells or detention basins will be directed through the subdivision using roadway culverts. There will be no increase in off-site flows or adverse drainage impact off-site. Best Management Practices will be used during construction to minimize erosion and prevent sediments from leaving the project site.

Water service will be provided by the private West Hawai'i Utility Company (WHUC). The Petitioner is currently negotiating the cost for the water service and the cost sharing of the off-site transmission and storage. The Waikoloa Water Master Plan recommends development of a new potable water well at an upper elevation to accommodate the Waikoloa Highlands development. The proposed well, however, will be developed by WHUC to serve this project as well as other projects in the area.

There will be no significant impacts to existing electrical or telecommunication systems. The Petitioner will comply with utility company rules and regulations to insure compatibility with existing systems. Individual Wastewater Systems, constructed by each homeowner, are proposed for the individual residential lots. No adverse impacts ~~on~~ to groundwater or surface water are anticipated.

Public Facilities and Services

The anticipated increase in population may increase the need for police and fire protection services. The Petitioner will continue to keep the County Police and Fire Departments informed of its plans to ensure adequate service. Mitigation to address impacts to public services will be met by the developer through the payment of impact fees to the County of Hawai'i as prescribed in Ordinance 05-157 (see additional discussion in Section 2.2.6, Development Costs). In the interim, alternatives such as securing the services of a private security company, installing an entry gate to the community, and/or instituting neighborhood security watches will be considered by the developer to promote and maintain public safety. The installation of fire breaks around the homes will be recommended to new homeowners to reduce the risk to dwellings that are constructed. This action will be done in consultation with the Fire Department.

The Department of Education (DOE) has indicated that the Waikoloa Highlands project will have ~~an~~ some impact on area schools through additional students that will be added to the existing school's population. The DOE, however, has indicated that no new schools will be required due to the small number of additional students. The DOE provided the Petitioner with information on how the Petitioner can mitigate potential impacts to schools through the payment of fees and/or the provision of land. The Petitioner is continuing to work with the DOE to mitigate the project's impact on school facilities.

SECONDARY AND CUMULATIVE IMPACTS

Secondary Impacts

Secondary impacts that are anticipated include: a potential increase in retail sales in Waikoloa Village; a decrease in available agricultural land; and changes to the landscape from open space to developed land.

Increase in retail sales. It is anticipated that there will be increased retail sales at the Waikoloa Village Shopping area as a result of increased population. This will also increase the demand on retail services available at the shopping area, such as grocery, personal services, and dining. The proposed project does not anticipate the provision of commercial-retail facilities within the project area. The landowner owns property to the north of the subject project that is currently zoned for retail-commercial uses, however, the owner does not have any plans to develop this site at the present time.

Decrease in available agricultural land. The proposed project will have the effect of decreasing the availability of agricultural lands in the area. Recent agricultural activities were limited to pastures. The area has not been known for intensive agriculture primarily due to the poor soil composition, mostly rock and the low rainfall. Development of intensive agriculture would require the development of new water sources.

Change in the landscape. The principal change in the landscape will be from a pastoral to a more rural setting. Where open space now occurs, there will be residences. This change however, is anticipated to be similar to the experience with other projects within the Waikoloa region.

However, because the planned subdivision will be comprised of larger 1-acre lots, the area is expected to more readily maintain an open space and rural setting.

Cumulative Impacts

The proposed project will add an additional 398 residential units and approximately 1,068 persons to the Waikoloa Village housing stock and population. This document discloses the anticipated project demand on services that are currently available including roadways, schools and parks.

Cumulative impacts that are anticipated include: increased water demand (approximately 400,000 gallons per day); additional traffic on Waikoloa Road (an additional 50 eastbound and 110 westbound trips would be generated during the AM peak, and 85 eastbound and 45 westbound trips would be generated during the PM peak); additional demand on public services, e.g. police, fire, schools, solid waste, and parks use based on an increase in population by 1,068 persons; and an increase in housing stock by 398 units.

A. Water Demand. The basic design assumptions for the Waikoloa Highlands drinking water system are as follows:

Future water demand for the Waikoloa area, including the Waikoloa Highlands project, is estimated at 16.34 mgd. Combined with the Waimea, Lalamilo, and Puako areas, water demand from the Waimea Aquifer is projected to be 33 mgd, which would require transporting water from the Anaehoomalu Aquifer to support the Waimea Aquifer. This would result in a projected demand for the Anaehoomalu Aquifer of 15-16 mgd, which is well below the sustainable yield of 30 mgd from this aquifer.

According to an update of the hydrologic capacity of the area there is sufficient water resource capacity to meet project demand of 1,000 gallons per day (gpd) per lot, or approximately 400,000 gpd for the project (1,000 gpd x approximately 400 lots). (WWSI 2007).

The developer is currently in negotiation with the West Hawai'i Utility Company (WHUC) to determine the water allocation, and the facilities development charge for the source well(s), storage, and transmission facilities.

In addition to the facilities development charge, a water distribution network will be required to distribute water within the project. The cost of the distribution network will be paid for by the developer and will include the installation of storage facilities (a water reservoir or tank), water lines, and appurtenances providing water to each of the 398 metered lots.

Potential for adverse impacts to the water resources of the area are not anticipated based on the availability of developable water for the proposed project. The potential for long-term cumulative impacts to regional water resources will be addressed with the developer's proposal to encourage conservation practices to preserve and prolong the long-term capacity of the Waimea and Anaehoomalu Aquifers.

Each of the proposed lots will have one lateral water line with two meters, one to monitor domestic use and the other to monitor irrigation use. The individual homeowners will be assessed differently for domestic water and irrigation water. Water uses for the project will be limited to 1,000 gpd per lot. If the water use is above the 1,000 gpd limit, restrictions may be imposed such as a special water use assessment to reduce demand and waste. This proposal would conserve water, reduce wasteful practices, and encourage the use and planting of drought-tolerant vegetation.

B. Traffic Impact. Traffic on all roadways in the area is anticipated to increase as development continues with several projects. The Traffic Impact Assessment Report (TIAR) included estimated traffic generated by these projects, that are expected to be completed by 2010. A summary of these projects include:

- Kilohana Kai (currently under construction): Assumes completion and full occupancy of 200 single-family detached dwelling units.
- Wehilani at Waikoloa (referred to in the traffic impact analysis as “Sunset Ridge”): Assumes project completion and a new bridge over Auwaiakeakua Gulch and linking roadways west of the existing Waikoloa Village, which will provide an alternative route for traffic from the existing Waikoloa Village via Hulu Street.
- Partial completion and occupancy of two projects located beyond the existing north end of Paniolo Avenue: the County of Hawai‘i workforce housing project and Waikoloa Heights, for a total of 480 dwelling units.

The TIAR noted that other projects, including the infill of existing undeveloped property, are not expected to generate significant traffic volume. The new bridge over Auwaiakeakua Gulch is part of the ongoing Wehilani development that has access directly to Waikoloa Road, but will also relieve traffic on Paniolo Avenue. Future (2010) peak hour conditions at the study intersection were projected. Even with the creation of dedicated right turn lanes, the change in traffic volumes are anticipated to result in over-capacity conditions at the intersection of Waikoloa Road, Pua Melia Street, and Paniolo Avenue. Traffic signals would be warranted for four hours of an average day, using projections based on the peak hour traffic assignments and the hourly distribution from the traffic counts. The use of traffic signals will distribute the delays to all movements and help to mitigate the over-capacity condition.

Further development of the County workforce housing project and Waikoloa Heights is expected beyond 2010, and other projects may also be proposed and developed. Therefore, the traffic assignments for 2010 were increased at an average rate of 2.5 percent per year to account for expected continued growth.

The TIAR estimated future (2025) traffic conditions with the project. Project traffic was distributed to local destinations within Waikoloa Village and onto Waikoloa Road in proportion to existing turning movements at the study intersection. The analysis found that while the overall intersection Level of Service (LOS) can be maintained within an acceptable range, the high volume left turn movement (westbound and southbound) will experience very long delays and LOS E conditions. The projected volumes and predicted LOS are identified in the TIAR, and are provided in this FEIS, in Table 3-5, Waikoloa Road Levels of Service.

C. Schools. DOE reports that based on population projections and the number of housing units planned that the project is estimated to contribute 24 additional elementary school students, 9 middle school students, and 7 high school students. Based on this projection, the DOE has determined that no additional schools will be needed. According to discussions with Heidi Meeker, DOE, the DOE will request that the Land Use Commission impose a school fair-share condition similar to conditions that the Land Use Commission has imposed on other recent developments. Discussions with the DOE are continuing to determine how the Petitioner will mitigate the project's impact on school facilities and study identify its fair share requirements.

D. Population Increase. The Social and Economic Impact Analysis (SMS Research, 2006) examined the social impacts of the proposed Waikoloa Highlands project. The average de facto population at build out of the project is projected to be 1,068 persons, including 907 full time residents. Although the project will have minimal regional impact, its presence will be felt in the nearby village of Waikoloa.

Waikoloa was originally intended to be a town of much larger size, designed as a complete community. After a relatively slow growth period in its first 30 years, current proposals may push the Village to its original intentions.

If only half of the proposed plans were to become reality, Waikoloa would more than double in size. As a community significantly off the coastline, it is unlikely that Waikoloa would develop into a community dominated by tourism investment. Rather it will, in all likelihood, develop into a diverse community whose members work throughout the region, from Kamuela to Kailua-Kona, both in and out of the visitor industry. As a mid-point between the established community of Kamuela and the bustling coastline, Waikoloa will probably continue with a suburban character, perhaps with a more defined town center offering a wider array of commercial and public services.

The lots of Waikoloa Highlands are not a unique product to the region. Similar lots have been and are available in various parts of Kamuela and along the coast. The proposed project will not change the regional pattern of growth or significantly affect the character of the region.

The Hallstrom Group study also concurred that during the project's estimated ten-year build-out, a number of construction, equipment operator, and specialty trade jobs will be created, both on and off-site. The Hallstrom Group estimated that construction of the subdivision and its ongoing use and maintenance will create between 92 and 265 positions annually, totaling some 2,296 "worker/years" of employment on the Big Island during the first decade. Of this, 1,445 worker/years (average of 145 positions) would be direct construction oriented jobs, 195 would be ongoing maintenance/operating positions, and 656 would be off-site worker requirements. Associated wages during this ten-year build out period are estimated at \$113.1 million. (Hallstrom Group, May 2006).

After completion of the homes, there will be significant additional employment positions created. These include landscape, service, maintenance and renovation service jobs. The Hallstrom Group estimated that home and unit maintenance will support about 40 full-time equivalent on-site jobs and contribute to another 16 jobs offsite, with total wages of \$1.6 million annually. (Ibid).

The project's public fiscal impacts were also examined by both SMS Research and The Hallstrom Group. Although projections of public revenues differed, both concluded that the project would result in positive fiscal benefits to the State and County governments.

The SMS Social and Economic Impact Analysis projected new State and County tax revenues. The study noted that no major new commitment of County or State funds is needed to support this project. Construction spending of \$340.3 million was estimated to result in \$12.8 million in direct state tax revenues. Over a ten-year period, it was estimated that the project will generate \$33.4 million in state tax revenues. (SMS Research, 2006).

E. Increased Housing Stock. There are five major projects in development, approved or proposed in the Waikoloa Village area totaling approximately 2,133 units. These projects are: Wehilani (756 units), 17th Fairway (27 units), Sunset Ridge (120 units), Kilohana Kai (230 units), and a County of Hawai'i project for workforce housing (1,000 units). Combined with the approximately 2,400 existing units in the Waikoloa Village area there would be a total of 4,533 units. (SMS Research 2006).

The proposed Waikoloa Highlands is not anticipated to significantly impact the existing community fabric of Waikoloa Village. If homes were built and occupied on every lot in Waikoloa Highlands, the project alone would increase the current size of the village by 23 percent. However, in the context of development of other projects, the impact of the Highlands project would contribute only be 9 percent (398 units divided by 4,533 units). While the increased units will result in increased demand for traffic and public services, as some Waikoloa residents noted in interviews, the Highlands development would help to support the current resident pleas for additional services. (SMS Research 2006).

F. Mitigation of Impacts. In each instance where impacts are anticipated, mitigation measures are identified and include the proposed use of traffic signals at the intersection of Waikoloa Road and Paniolo Avenue, and the provision of affordable housing in accordance with Ordinance 05-157, calling for the assessment of impact fees for the provision of public services such as affordable housing, parks, roadways, police service, fire service and solid waste. In addition, the Petitioner is continuing to discuss this project with the DOE to determine and provide a fair share contribution to meet public educational requirements. No further adverse cumulative impacts to the region and environmental resources of the region are anticipated.

CONSISTENCY WITH LAND USE PLANS, POLICIES AND CONTROLS

The proposed project is consistent with the Hawai'i State Plan and Functional Plans. The site is currently in the State Agricultural District, but is not considered highly productive and is only marginally suitable for intensive agricultural use such as truck crops and orchards. The surrounding land uses are primarily low-scale residential and commercial areas, and not in active agricultural production. A petition for a LUBDA for the property has been filed with the SLUC, requesting redesignation from the Agricultural District to the Rural District.

The project is consistent with the County General Plan, which identify the site as "Rural" and "Open" on the current LUPAG map. In 1995, the County rezoned the property to the Open (O)

and Residential-Agricultural (RA-1a) zoning districts. The proposed subdivision is consistent with these designations.

UNRESOLVED ISSUES

Potable Water

Discussions with WHUC (~~Waikoloa Water Company~~) to negotiate the cost of the project's water service, source development, and the cost-sharing of the off-site transmission and storage are ongoing. ~~Also under discussion is the provision and location of a new upper elevation well to support the project. Although the negotiated cost for the water supply is pending, sufficient water resources are available for development of the project.~~

Schools

Discussions with the DOE regarding project impacts on area schools ~~and appropriate mitigation are ongoing~~. have determined that the proposed project will not require the development of new schools. Discussion concerning appropriate mitigation to address educational requirements are ongoing to identify a fair and equitable solution. To date, mitigation measures that were discussed includes the provision of developable land, or in lieu fees calculated on a per-student basis. The For example, the Petitioner has proposed land across Waikoloa Road on the Waikoloa Village side for use by the DOE. However, in order for this land to be fully utilized, infrastructure, including water, wastewater, and drainage systems must be identified, cost estimated, and then developed.

Affordable Housing

Discussions are ongoing with the County regarding compliance with Hawai'i County Code and Ordinance ~~95-157~~ 05-157, which requires that the Petitioner earn affordable housing credits equal to 20 percent of the number of units or lots. The Petitioner is committed to meeting its affordable housing requirement per Ordinance ~~95-157~~ 05-157, by providing land on an adjoining parcel of land that is fully entitled for multifamily use. The parcel is identified by Tax Map Key (3) 6-8-03, parcel 31 and is located west of the project area. but the method is yet undetermined. To date, discussions with the County have centered on providing affordable housing on a site located west of the subject project, in an area designated for multi-family residential units.

Relocation of Transmission Line

The Petitioner has proposed relocation of the existing 69 KV transmission lines that traverse the project area. Hawai'i Electric and Light Company (HELCO) has agreed in principle, but has requested that additional studies be conducted. Discussions are ongoing with HELCO to determine an appropriate course of action.

SUMMARY OF DRAFT EIS COMMENTS AND RESPONSES

A table summarizing the written comments received from the DEIS, the responses prepared, and the FEIS page numbers referencing the responses, as appropriate, ~~are~~ is provided in Table ES-1, Summary of Draft EIS Comments and Responses.

Table ES-1: Summary of Draft EIS Comments and Responses
Waikoloa Highlands Final Environmental Impact Statement (DEIS)

May 17, 2007

<u>Commenting Party/Itemized Comments</u>	<u>Date of Letter</u>	<u>Summary of Response</u>	<u>FEIS Reference and Page No.</u>
1. <u>Anthony J.H. Ching, Executive Officer</u> <u>State Land Use Commission</u>	<u>10/31/2006</u>		
A. <u>Include figure identifying the location of the 12.819 acres impacted by drainage improvements in the area. Confirm is the area is a portion of TMK: 6-8-003: 032 and make changes to the EIS to include the TMK as appropriate.</u>		<u>The 12.819 acres located at the northernmost portion of the subject property at the intersection of Waikoloa Road and Pua Melia Road is not required and will be excluded from this project. This parcel is designed as Tax Map Key: (3) 6-8-002, portion of parcel 016. The 12.819-acre area is now removed from this project. The new project acreage and petition area comprises 731.358 acres. This change will be reflected in the Final EIS.</u>	<u>-Section 1.3 Proposed Action and Location, Page 1-2</u> <u>-Figures 1-Project Location, Page 1-3; 2-Site Plan, Page 1-5; and 3-Tax Map, Page 1-6.</u>
B. <u>The Executive Summary of the FEIS should include a discussion of the project impact and mitigation to include cumulative and secondary impacts.</u>		<u>The Executive Summary has been revised to include this information.</u>	<u>Executive Summary, Secondary and Cumulative Impacts, Page ES-5.</u>
C. <u>Clarify in Section 1.2 which state or county lands may be impacted by the project. Indicate if the project requires any public lands of funds.</u>		<u>Section 1.2 includes this information as: (1) the intersection of Waikoloa Road and Paniolo Drive where traffic signals will be installed and the intersection will be re-stripped; (2) a new intersection proposed along Pua Melia Road; and (3) a new intersection proposed where turn-lanes will be installed on Waikoloa Road, east of Paniolo Avenue. Section 1.2, will also include a statement to clarify that state or county funds will not be required to complete the roadway improvements.</u>	<u>Section 1.2 Purpose of This Final Environmental Impact Statement, Page 1-2.</u>
D. <u>Clarify the phasing and development timetable. Approximately how long will Phase 2 take to complete.</u>		<u>Section 2.2.2 Phasing Plan includes this information. Phase 1 is scheduled to last approximately 8-10 months with Phase 2 scheduled to commence upon completion of Phase 1. Phase 2 construction activities will last approximately 8 - 10 months, with completion anticipated by Fall 2009 or early 2010.</u>	<u>Section 2.2.2 Phasing Plan, Page 2-3.</u>
E. <u>Resolve the inconsistency regarding the golf course in Section 2.5 Golf Course with Residential Estate Lots, that indicates this alternative will not be developed, and in Section 4.1.2 State Land Use Classification, that indicates that a golf course may be proposed. If a golf course is proposed the environmental impacts and mitigation measures must be disclosed.</u>		<u>The golf course identified in the DEIS was cited in error and is not a part of the proposed project based on major additional infrastructure requirements and the uncertain market for another new golf course in the region. The golf course will not be developed and will be removed as a proposed part of the project from the FEIS.</u>	<u>Section 4.1.2 State Land Use Classification, starting on Page 4-4.</u>

<u>Commenting Party/Itemized Comments</u>	<u>Date of Letter</u>	<u>Summary of Response</u>	<u>FEIS Reference and Page No.</u>
F. <u>Identify the landowner of a large cinder quarry at the base of Puu Hinai and the approximate date the quarry operations were terminated.</u>		<u>Pu'u Hīna'i is owned by Waikoloa Mauka, LLC. The Draft EIS reported incorrectly that the quarry operations were terminated. The quarry is currently permitted by Special Use Permit No. SP70-85, and is operated by Deluz Trucking and Gravel, LLC. An amendment to the permit was approved by the LUC on January 9, 2006 which extended the life of the permit from December 11, 2005 to December 11, 2010. This information will be provided in the Final EIS, Section 3.2.3, Topography.</u>	<u>Section 3.2.3 Topography, Page 3-2.</u>
G. <u>Include a figure in the FEIS that depicts the location, acreage and unit count of the proposed affordable housing. Describe why this was not integrated into the project layout.</u>		<u>A new figure will be provided in the Final EIS identifying Tax Map Key (3) 6-8-003: parcel 031, comprising 3.710 acres, as the location for an affordable housing parcel. The selection of the affordable housing site was based on the underlying 1-acre zoning of the planned Waikoloa Highlands project, and the developer's ownership of other nearby property that possessed the necessary zoning for affordable housing uses.</u> <u>In summary, this represents 20 percent of the planned 398 units of the project in accordance with Section 11-4, HCC; and (2) the location of the parcel is within 15 miles of the project site in accordance with Section 11-5, HCC.</u>	<u>-Figure 3-Tax Map, Page 1-6.</u> <u>-Section 3.7.3, Affordable Housing, Page 3-63.</u> <u>-Section 4.2.5, County Affordable Housing (Hawai'i County Code, Chapter 11, Article 1), page 4-12 and 4-13.</u>
H. <u>Include a figure in the FEIS depicting the Underground Injection Control (UIC) line in relation to the petition area. The FEIS should discuss the relationship of the UIC line to the project and how it may impact underground injection disposal of stormwater and/or wastewater.</u>		<u>A figure delineating the HIC line has been provided in the FEIS. Discussion concerning potential for impacts to the UIC line are provided in Section 3.5.5, Wastewater.</u>	<u>-Figure 20-Underground Injection Control Line, Page 3-54</u> <u>-Section 3.5.5, Wastewater, Page 3-53.</u>
I. <u>The FEIS should include an estimate of "soft costs" including impact fees and fair-share contributions with the projected development cost to more accurately portray what the total development costs to the project might equal.</u>		<u>An estimate of the project's soft costs will be provided in the Final EIS, Table 2-3, Additional Costs. Table 2-3, will identify the impact fees and fair-share contributions that can be quantified at this time.</u>	<u>Table 2-3, Additional Costs, Page 2-7.</u>
J. <u>Provide a figure in the FEIS depicting the potential location of the new upper elevation well, under consideration as an optional water source. The location of this well may dictate that this item be included in the scope of the FEIS. However, no further discussion (other than a statement) may be necessary if the location and development of the drinking water source is construed to be another separate project.</u>		<u>The development of off-site improvements is the responsibility of West Hawai'i Utility Company (WHUC), a Public Utilities Commission regulated utility company, who will designate the specific locations of well(s) and reservoirs. Although the specific locations of these well(s) and reservoirs are not known by the project developer, information that is known includes the approximate elevation of the reservoirs so that sufficient pressure can be provided to meet water system requirements. The Final EIS, Appendix A, Waikoloa Water Master Plan, 1991, identifies these water storage elevations at 1,300 feet and 1,800 feet relative to mean sea level (msl).</u>	<u>-Section 3.5.3, Drinking Water, Pages 3-49 to 3-52.</u> <u>-Figure 19, Water Distribution Plan, Page 3-51.</u> <u>-Appendix J, Waikoloa Highlands Water Distribution System, September 2006.</u>

Commenting Party/Itemized Comments	Date of Letter	Summary of Response	FEIS Reference and Page No.
<p>K. <u>Include a figure in the FEIS demonstrating the potential location and acreage of the school site across Waikoloa Road on the Waikoloa Village side, which is under consideration by the petitioner and the DOE.</u></p>		<p>The DEIS, Section 3.6.4, Schools, previously indicated that approximately 3-acres of developable land would be considered to meet school educational requirements. This proposal has since been revised based on a change in the formula used by the DOE to estimate school enrolment. DOE reports that based on the number of units planned that the proposed Waikoloa Highlands project will contribute 24 additional elementary school students, 9 middle school students, and 7 high school students. The DOE has determined that no additional schools will be needed based on this projection. The petitioner is continuing to discuss their fair-share requirement with the DOE and as required, will contribute their fair-share to mitigate the potential for adverse impacts on the provision of public educational services.</p>	<p>-Section 3.6.4, Schools Pages 3-60 to 3-62. -Section 3.7.2, Schools, Page 3-62.</p>
<p>L. <u>The statement made by Ms. Maigret, SHPD, April 17, 2006, indicates it is her inclination "that additional work is not necessary...", and reads as a tentative approval which will require review and sign-off by Ms. Maigret's supervisor. However, on page 3-34, the DEIS states that SHPD recently "confirmed that additional work is not necessary..."</u> <u>Note that page 15 of the Cultural Impact Assessment (Appdx. F) states that "...recent consultation with the SHPD (4/17/06) has indicated that no further work is necessary." Please provide documentation to evidence this confirmation from SHPD.</u></p>		<p>We have requested a clarification of the requirements of the SHPD and will forward their response to the LUC upon our receipt. We are aware that Ms. Mary Anne Maigret, Hawai'i Island Archaeologist, has since left the SHPD and her assignments have been temporarily transferred. We are in communication with the SHPD and intend to provide documentation concerning this item as soon as possible.</p>	<p>Section 3.4.5, Archaeological, Historic and Cultural Resources, Page 3-36.</p>
<p>M. <u>Please add a figure to the FEIS to describe the locations of the proposed on-site reservoirs. Please also clarify how reservoir water levels will be maintained in an area with low annual rainfall (in relation to a relatively high mean annual evapotranspiration rate) and where soil permeability ranges from moderate to rapid.</u></p>		<p>Proposed reservoirs (tanks) to serve this project are located off-site on property owned by the applicant. The general location of the proposed reservoirs will be provided in the Final FEIS, in Figure 19, Water Distribution Plan, as well as in Appendix J, Waikoloa Highlands Water Distribution System, September 2006. The water source for this project will be from the West Hawai'i Utilities well field number 2 and 3. The approximately 400,000 gallons per day of water required for this project will be stored in covered tanks that will minimize water losses through evaporation.</p>	<p>Figure 19, Water Distribution Plan, Page 3-51. Appendix J, Waikoloa Highlands Water Distribution System, Sept. 2006.</p>

Commenting Party/Itemized Comments	Date of Letter	Summary of Response	FEIS Reference and Page No.
<p><u>N. Add a subsection to the FEIS to segregate the description of the project irrigation water from the drinking water supply. Clarify if nonpotable water will be used to irrigate project landscaping.</u></p> <p><u>Clarify if the recommendations of Appendix K would apply to the proposed project.</u></p> <p><u>Clarify the relationship of the Waikoloa Water Master Plan, 1991, Appendix A, to the drinking and irrigation water needs of the project. In addition, describe what parts of the 1991 Master Plan will not apply to the project.</u></p> <p><u>The FEIS should describe the project drinking water source, storage, and transmission requirements in the body of the document without reference to Appendix A.</u></p>		<p><u>The Final EIS will clarify that the proposed project will utilize a potable water system to meet irrigation and domestic water needs.</u></p> <p><u>We confirm that the recommendations of Appendix K, Highlands Golf Estates Landscape Irrigation Water Study, August 2005, are intended to help guide the use of water conservation measures and do not imply the development of a golf course, which is not now a part of the proposed project.</u></p> <p><u>The proposed water system will provide a separate water meter for each lot that will provide metering for both domestic and irrigation needs up to a water allowance of 1,000 gallons per day per lot. In order to encourage water conservation, homeowners will be advised to use drought tolerant plants when landscaping. If water uses exceed 1,000 gallons per day, the homeowner will be assessed a higher fee for any water usage over the 1,000 gallons per day water allowance.</u></p> <p><u>Please refer to the response to Item M, above.</u></p>	<p><u>Section 3.5.3, Drinking Water, Page 3-49 to 3-51.</u></p> <p><u>Section 3.2.8, Hydrology, Pages 3-12 to 3-14.</u></p>
<p><u>O. The FEIS should acknowledge the DOH in its EISPN comment letter dated August 21, 2006, recommending that the project utilize a centralized wastewater system. The FEIS should discuss why a centralized wastewater system was not considered. Clarify if septic tanks are the sole option for individual wastewater system disposal for the project.</u></p>		<p><u>A summary of the discussion involving consideration of the centralized wastewater system information is provided in the Final EIS, Section 3.5.5, Wastewater.</u></p>	<p><u>Section 3.5.5, Wastewater, page 3-53 to 3-55.</u></p>
<p><u>P. Clarify what is meant by the statement that with a "full staff" of police officers for the South Kohala Police Station in Waimea, the project will be adequately serviced. Is the police station currently not fully staffed.</u></p>		<p><u>A summary of the following will be provided in the Final EIS, Section 3.6.1, Police: There are currently two patrol officers per watch. The Police Department is authorized to have another 5 officers. Because these positions are vacant there are delays in service. If additional officers are needed, they are generally dispatched from Waimea. The Waimea area, however, is also only served by 2 officers suggesting that if these officers are called, there will be delayed service. In accordance with Ordinance 05-157, the applicant is required to pay fees to the County of Hawai'i for each lot to mitigate impacts to Police service. Until such time that the vacant police positions can be filled, the applicant will: (1) encourage an active community neighborhood watch program; (2) utilize private security personnel to perform random site and drive-through inspections; and/or (3) provide a gate at the entry to the development.</u></p>	<p><u>Section 3.6.1, Police, page 3-58.</u></p>

<u>Commenting Party/Itemized Comments</u>	<u>Date of Letter</u>	<u>Summary of Response</u>	<u>FEIS Reference and Page No.</u>
<u>Q. The FEIS should provide a breakdown of the number of elementary, middle school, and high school students the project is expected to generate.</u>		<u>The DOE reports that based on the number of units planned that the proposed Waikoloa Highlands project will contribute 24 additional elementary school students, 9 middle school students, and 7 high school students. The DOE has determined that no additional schools will be needed based on this projection.</u>	<u>Section 3.6.4, Schools, Pages 3-60 to 3-62.</u>
<u>R. The FEIS should respond to the DOE's request in their comment letter dated August 9, 2006 to provide: a confirmation of whether accessory dwellings will be permitted; the range of lot sizes and minimum required price for homes built in the project; and, the best estimate of the number of home expected to be occupied at any given time and the number of homes expected to be occupied full time when the project is completely built out.</u>		<u>The FEIS will note the following: Section 2.2.1, Subdivision Plan: One single family home will be permitted in the development for each lot of record in accordance with Ordinance 05-157. Restrictions on additional units will be stated in the Covenants, Conditions and Restrictions (CC&Rs) for the project. Section 3.4.3, Socio-Economic Environment: The lots at Waikoloa Highlands will sell for \$768,600 to \$1,058,400. Executive Summary: The developer has assumed that the buyers of the lots will be owner occupants with a preliminary estimate of full-time occupancy at build out of approximately 40 percent.</u>	<u>-Section 2.2.1, Subdivision Plan, Page 2-1. -Section 3.4.3, Socio-Economic Environment, Page 3-28. -Executive Summary, Page ES-2.</u>
<u>S. If accessory dwellings will be permitted, revise the project impacts and mitigation measures in the FEIS to account for the potential increase in the project's density.</u>		<u>Accessory dwellings or multiple dwellings on the lot are not permitted in accordance with Ordinance 05-157 (2005).</u>	<u>Section 2.2.1, Subdivision Plan, Page 2-1.</u>
<u>T. Clarify what studies and projected timeframes for these studies would be necessary to determine the feasibility of relocating the existing electric transmission lines to the perimeter of the petition area.</u>		<u>According to Hawai'i Electric Light Company (HELCO), the planning, design and relocation of the existing transmission lines to the perimeter of the petition area is anticipated to take two years. Appropriate studies will be prepared during the planning and design process to review the specific project requirements. This is not anticipated to impact the planned construction of the project infrastructure.</u>	<u>Section 3.5.4, Electrical and Telecommunications, Page 3-52.</u>
<u>U. The FEIS should describe the project's applicability to each of the coastal zone management program policies and objectives defined in chapter 205A-2, HRS.</u>		<u>The FEIS, Section 4.2.4, Coastal Zone Management/Special Management Area, will indicate the applicability of the project to each of the coastal zone management program policies and objectives.</u>	<u>Section 4.2.4, Coastal Zone Management/Special Management Area, Page 4-11.</u>
<u>V. If Ordinance No. 05-157 amended Ord. No. 95-51 clarify the relevance of Ord. No. 05-157 to the project. Include the applicable rezoning ordinances as appendices to the FEIS.</u>		<u>Ordinance 95-157 does not have any relevance to this project and was a typographical error. It will be corrected in the Final EIS. The correct Ordinance number is 05-157.</u>	<u>Correct references provided throughout FEIS document.</u>

<u>Commenting Party/Itemized Comments</u>	<u>Date of Letter</u>	<u>Summary of Response</u>	<u>FEIS Reference and Page No.</u>
<u>W. The DEIS references the Drainage Report for the Waikoloa Highlands Subdivision, Phase 1. The FEIS should address drainage impacts and mitigation measures for both or all phases of the project.</u>		<u>Concern involving stormflows across both phases of the project is in the DEIS, Appendix H, Floodplain Limits and Flood Control Plan. A combination of ditches and culverts were identified for drainage improvement to protect the site from flooding and flood impacts that include erosion of soils and sediments discharging downstream to state waters. The plan identifies both phases of the project and includes ditch and culvert controls to ensure stormflows are properly managed and addressed, in accordance with state and county regulations. In this regard, the potential for drainage impacts as well as the consideration and provision of appropriate mitigation measures are provided.</u>	<u>Appendix H, Floodplain Limits and Flood Control Plan. See also Section 3.5.2, Drainage, for construction practices to control storm water runoff from the site, starting on Page 3-46.</u>
<u>X. The FEIS should include a discussion of the interrelationships and cumulative environmental impacts of the project to other related projects.</u>		<u>The FEIS, Executive Summary, will provide further discussion of secondary and cumulative impacts as a result of the proposed project.</u>	<u>Executive Summary, Secondary and Cumulative Impacts, Page ES-5.</u>
<u>2. Patricia Hamamoto, Superintendent of Education Department of Education</u>	<u>11/6/2006</u>		
<u>A. The DEIS does not make clear the number of dwelling units in the project.</u>		<u>The proposed subdivision envisions only 1 dwelling unit per lot for a total of 398 units.</u>	<u>Section 2.2.1. Subdivision Plan, Page 2-1.</u>
<u>B. The DEIS does not explain how it was determined that 233 students would be generated.</u>		<u>The applicant has been in contact with DOE staff and have been provided with the following information regarding anticipated student enrollment. Based on the number of units planned and the projected population, the DOE estimates that the project will contribute 24 additional elementary school students, 9 middle school students, and 7 high school students. The DOE staff also concluded due to the small number of additional students, that the project will not require additional school facilities. This information will be provided in the Final EIS, Section 3.6.4, Schools.</u>	<u>Section 3.6.4. Schools, Pages 3-60 to 3-62.</u>
<u>C. The DOE requests a school fair share condition based on the actual number of dwelling units.</u>		<u>Applicant agrees in principle to the DOE fair share condition.</u>	<u>Section 3.6.4. Schools, Page 3-62.</u>
<u>3. Derek D. Pacheco, Assistant Chief, Area II Operations Police Department, County of Hawaii</u>	<u>11/15/2006</u>		
<u>A. Development of the proposed project will have an increase in motor vehicle traffic that will have an effect on adjacent subdivisions.</u>		<u>We acknowledge that the proposed project will increase the overall volume of traffic on the streets and roads in the area. To mitigate the impact resulting from this project, the developer will be upgrading the intersection at Waikoloa Road and Paniolo Avenue. The proposed improvements will assist traffic movement through this important intersection.</u>	<u>-Section 2.2.3, Access and Circulation, Pages 2-3 to 2-6. -Section 2.2.6, Development Costs, Page 2-7.</u>

<u>Commenting Party/Itemized Comments</u>	<u>Date of Letter</u>	<u>Summary of Response</u>	<u>FEIS Reference and Page No.</u>
B. <u>Calls for police service will increase in direct proportion to the increase in population of the proposed project. Police response to calls for service in the area may be delayed due to the increase in population.</u>		<u>We further acknowledge that with the general increase in population in the area, the Police Department will be faced with additional calls for service. In order to mitigate this impact and as provided by Ordinance 05-157, the developer will be paying an impact fee to the County of Hawai'i for police services and facilities.</u>	<u>Table 2-3, Additional Costs, Page 27.</u>
4. <u>Darryl Oliveira, Fire Chief Fire Department, County of Hawaii</u>	<u>11/6/2006</u>		
A. <u>Fire apparatus access roads should be provided for the proposed project in accordance with UFC, Section 10.207, attached per letter.</u>		<u>We have reviewed the comments and note that the proposed project will be developed in accordance with UFC Section 10.207 relating to fire apparatus access.</u>	<u>Section 3.6.2, Fire and Emergency Medical Services, Page 3-58.</u>
B. <u>Water supply should be provided in accordance with UFC, Section 10.301(c), attached per letter.</u>		<u>In addition, the project will be developed in accordance with UFC Section 10.301(c) relating to water supply.</u>	<u>Appendix N, Comments and Responses-Draft EIS, See Letter to Darryl Oliveira, Fire Department.</u>
5. <u>Orlando "Dan" Davidson, Executive Director Hawaii Housing Finance and Development Corporation</u>	<u>11/16/2006</u>		
A. <u>398 lots that are a minimum of one acre in size will be provided. The anticipated selling prices range from \$768,000 to \$1,058,000.</u>		<u>We acknowledge that the subject project will include 398 low-density rural residential units. The anticipated selling prices as stated in the FEIS are between \$768,600 to \$1,058,400.</u>	<u>Section 3.4.3, Socioeconomic Environment, Page 3-28.</u>
B. <u>Discussions regarding the provision of affordable housing are ongoing with the County. The Applicant has indicated that it will comply with the County's affordable housing requirements per Ordinance 95-157 (Bill 25).</u>		<u>Ordinance 05-157 (not 95-157) requires the developer to accrue housing "credits" equal to 20% of the total number of units being proposed. Chapter 11 of the Hawai'i County Code allows the accrual of credits by building affordable housing, providing in-lieu fees, and/or the provision of land. The developer has elected to provide land on a parcel adjacent to the subject project. This parcel of land is designated as Tax Map Key (3) 6-8-003: parcel 31. The land is owned by the applicant and is zoned for multifamily residences.</u>	<u>Section 3.7.3, Affordable Housing, Page 3-62.</u>
C. <u>It appears that affordable housing units may be located on a site located west of the subject project, in an area designated for multifamily housing units. Please elaborate on this, particularly in relationship to Hawai'i State Plan policy of increasing homeownership and rental opportunities and choices in terms of quality, location, cost densities, style and size of housing.</u>		<u>While the provision of affordable housing addresses the Hawai'i State Plan policy of increasing homeownership, the site location is designed to comply with the requirements of the Hawaii County Code (HCC). In summary: (1) a total of 80 affordable housing units will be provided. This represents 20 percent of the planned 398 units of the project in accordance with Section 11-4, HCC; and (2) the location of the parcel is within 15 miles of the project site in accordance with Section 11-5, HCC. The factors that influenced the selection of the site included the underlying 1-acre zoning of the planned Waikoloa Highlands project, and the developer's ownership of other nearby property that possessed the necessary zoning for affordable housing uses.</u>	<u>-Figure 3, Tax Map, Page 1-6. -Table 4-1, Summary of Compliance with the Hawai'i State Plan, Page 4-1 and 4-2. -Table 4-2, Compliance with Affordable Housing Objectives, Pages 4-2 and 4-3.</u>

<u>Commenting Party/Itemized Comments</u>	<u>Date of Letter</u>	<u>Summary of Response</u>	<u>FEIS Reference and Page No.</u>
6. <u>Genevieve Salmonson, Director Office of Environmental Quality Control</u>	<u>11/22/2006</u>		
A. <u>What is the estimated percentage of the homes that will be purchased by second-home buyers?</u>		<u>Approximately 40% of the lots will be purchased by second home buyers, as referenced in the DEIS, Appendix D, Market Study, Economic Impact Analysis and Public Cost/Benefits Assessment, May 2006. (Appendix D is also included in the FEIS).</u>	<u>Appendix D, Market Study, Economic Impact Analysis and Public Cost/Benefits Assessment, The Hallstrom Group, Inc., May 2006, Page 32.</u>
B. <u>Please describe whether this residential project will provide affordable housing units?</u>		<u>The developer will provide affordable housing as required by County of Hawaii Ordinance 05-157, by providing land on an adjoining parcel that is entitled for multifamily use. The parcel is identified by Tax Map Key (3) 6-8-03, parcel 31 and is located west of the proposed project area.</u>	<u>Section 3.7.3, Affordable Housing, Page 3-62.</u>
C. <u>Where will the residents shop? Is the nearest shopping area within walking distance?</u>		<u>No commercial or retail amenities are proposed as part of the development. The closest shopping area is in Waikoloa Village, with the closest lots approximately ¼ miles to approximately ½ miles from the shopping area. Additional retail may be planned on properties west of the proposed development.</u>	<u>N/A</u>
D. <u>Will potential home buyers be notified of the potential unexploded bombs on this site?</u>		<u>The project site has been cleared of unexploded ordnance by the U.S. Army Corps of Engineers. However, the developer will notify prospective homeowners of prior clearing activities and the potential for discovery of unexploded ordnance as part of the lot sales program.</u>	<u>Section 3.2.7, Man Made Hazards, Page 3-10.</u>
E. <u>Explain how the introduction of residents with more than 4 times the median income changes the social fabric of the community. What are the potential impacts of this change?</u>		<u>The potential impact to the community will involve the development of a more heterogenous and diverse socioeconomic population than presently exists. Household incomes in Waikoloa Village are highly concentrated around the mean; households with incomes of \$150,000 or higher make up only 2.1 percent of the population. After assuming probable construction costs, one can see that many households that buy into this project will need the incomes as estimated in the DEIS in the range of \$192,000 to \$264,000 annually, thereby increasing that category, flattening the income curve and enabling a more heterogeneous population.</u> <u>In this regard, it is anticipated that greater balance within the Waikoloa community will result from having a greater mix of housing types with residents from diverse socioeconomic backgrounds. It is the developer's expectation that the more heterogeneous a population - whether measured by income, ethnicity, age, home of origin, etc. - the more dynamic the community, the more diverse the social interaction, and the richer the events and activities of that community. We add that this is expected to be facilitated with the greater provision of public services for all residents that will also result from the increased tax revenues made possible with this project.</u>	<u>N/A</u>

<u>Commenting Party/Itemized Comments</u>	<u>Date of Letter</u>	<u>Summary of Response</u>	<u>FEIS Reference and Page No.</u>
F. <u>Explain more clearly how this project will create a more balanced community as described on page 3-26 of the Draft EIS.</u>		<u>Please refer to the response provided above.</u>	<u>N/A</u>
7. <u>Ernest Y.W. Lau, Public Works Administrator Dept. of Accounting and General Services</u>	<u>11/24/2006</u>		
<u>The project does not impact any of the Dept. of Accounting and General Services projects or existing facilities and we have no comments to offer.</u>		<u>The Department of Accounting and General Services has no comments to offer at this time.</u>	<u>N/A</u>
8. <u>Christopher J. Yuen, Planning Director Planning Department, County of Hawaii</u>	<u>11/24/2006</u>		
A. <u>The Draft EIS incorrectly references Change of Zone Ordinance as 95-157. The correct Ordinance is 05-157 which amended Ordinance No. 95-51, which in turn amended Ordinance 90-160. We suggest the referenced Ordinances be attached as Appendices.</u>		<u>We will correct references in the Final EIS relating to Ordinance 05-157. Further, the references provided by your Department will be appended to the Final EIS.</u>	<u>Correct references revised throughout FEIS document.</u>
B. <u>There is a discrepancy as to the number of lots proposed. Page ES-1 states the project will include 398 one acre sized lots. However, page 2-7 in Section 2.5 indicates 286 one to two acre lots.</u>		<u>The proposed project is for 398 lots as stated on page ES-1. The reference to 286 lots (DEIS, page 2-7) was for an alternative that was considered but rejected.</u>	<u>Correct reference to 398 lots made throughout FEIS document.</u>
C. <u>Page ES-1 references a 744.40 acre site. However, the next sentence states the area to be reclassified is 731.581 acres.</u>		<u>The project plans have been modified since the issuance of the Draft EIS. The project area and the Land Use Boundary Petition Area are now 731.581 acres, not 744.40 acres. The Boundary Amendment Petition is requesting the redesignation of 731.581 acres from the State Agricultural District to the State Rural District.</u>	<u>Correct reference to acreage made throughout FEIS document.</u>
D. <u>Page 3-2 references "Richard Smart, present owner of Parker Ranch. Mr. Smart is deceased.</u>		<u>We will correct the reference to lands owned by Parker Ranch.</u>	<u>Section 3.2.2, Land Ownership History, Page 3-1.</u>
E. <u>Page 3-2, Section 3.2.3. states the lease for Puu Hinai cinder quarry was terminated. Is this the same quarry that Edwin De Luz Trucking and Gravel LLC received an extension for last year under Special Permit 70-85?</u>		<u>The Draft EIS incorrectly stated that the lease for quarrying at Pu'u Hinai was terminated. We will correct this reference in the Final EIS.</u>	<u>Section 3.2.3, Topography, Page 3-2.</u>
F. <u>Page 3-35, 3rd paragraph, states that Cultural Surveys Hawaii noted that "It seems odd that a site nearly 150 feet long that presumably had been around for many decades could disappear in the course of 18 years. It also, however, seems unlikely the Jensen crew would have missed Site 22. Has further survey been conducted to determine the location of Site 22?</u>		<u>Cultural Surveys Hawai'i, Archaeologists, conducted additional surveys since the publication of the Draft EIS of the project area and have not been able to locate the site identified by Bevaqua (1972).</u>	<u>Section 3.4.5, Archaeological, Historic, and Cultural Resources, Page 3-35 to 3-37.</u>

<u>Commenting Party/Itemized Comments</u>	<u>Date of Letter</u>	<u>Summary of Response</u>	<u>FEIS Reference and Page No.</u>
<u>9. Barbara Bell, Director Department of Environmental Management County of Hawaii</u>	<u>11/27/2006</u>		
<u>A. The Department's Solid Waste Management Plan Guidelines were incompletely reproduced as part of the Draft EIS. The complete document is enclosed.</u>		<u>Receipt of the Solid Waste Management Guidelines are acknowledged and will be included in the Final EIS as a record of the comment.</u>	<u>Appendix N, Comments and Responses-Draft EIS.</u>
<u>B. We are disappointed that you did not comply with our request for a Solid Waste Management Plan. Please submit a comprehensive plan that addresses the items in the Guidelines, attached per letter</u>		<u>Applicant will develop a Solid Waste Management Plan and submit for the review and approval of the Department of Environmental Management (DEM). The Plan will include recycling and other waste reduction efforts. Applicant will also continue discussions with DEM to develop the Solid Waste Management Plan. Applicant is further aware of the efforts of the Waikoloa Village Association to develop a waste management plan.</u>	<u>Section 3.5.6, Solid Waste, Pages 3-55 and 3-56.</u>
<u>10. Gordon Tribble, Center Director U.S. Geological Survey, Dept. of the Interior The USGS is unable to review the DEIS.</u>	<u>11/30/2006</u>		
		<u>Applicant has acknowledged the USGS is unable to review the DEIS and offers additional contact if there are any questions.</u>	<u>N/A</u>
<u>11. Kelvin H. Sunada, Manager Department of Health, Environmental Planning Office</u>	<u>12/5/2006</u>		
<u>A. There is insufficient information to determine whether the subdivision will be a regulated public water system (PWS). The DEIS cites the planned use of the West Hawaii Utilities (WHU) water but also implies that other well sources may be developed. Will these new well resources and associated reservoir, booster station and distribution system improvements be turned over to the WHU or will they remain separate and under the subdivision association as a new regulated PWS.</u>		<u>As stated in the DEIS, water service will be provided to each lot in the subdivision by the West Hawai'i Utility (WHU) Company, a Public Utilities Commission, regulated company. The developer will not be developing a separate water system. Therefore, we believe that all Safe Drinking Water Standards are being met if the development uses water from WHU. We have included information on the water distribution system in the DEIS (Section 3.5.3) and the FEIS, same section.</u>	<u>Section 3.2.8, Hydrology, Pages 3-12 to 3-14. Section 3.5.3, Drinking Water, Pages 3-49 to 3-52.</u>
<u>B. If the subdivision system is a regulated PWS it must meet the requirements of HAR, Title 11, Chapter 20.</u>		<u>See above, the subdivision system will be a public water system under control of West Hawai'i Utility Company who will be responsible for all reqs. including HAR 11-20.</u>	<u>N/A</u>

Commenting Party/Itemized Comments	Date of Letter	Summary of Response	FEIS Reference and Page No.
12. Barry Fukunaga, Director Department of Transportation	12/5/2006		
A. <u>The Traffic Impact Assessment Report (TIAR) did not contain a discussion of the project's contribution to the traffic conditions and impacts at the intersections with the Queen Kaahumanu and Mamalahoa Highways, including the project's factor in the cumulative traffic from other land developments in Waikoloa at the intersections. A supplement should be prepared addressing the impact to the highways and submitted for review and approval.</u>		<u>Based on our projections of traffic generation within the time frames of this project we estimate that this project will add an additional 5 percent to the east bound traffic and 10 percent to the westbound traffic volume. We also note that the Waikoloa Road and Mamalahoa Highway intersection is currently operating under capacity. We acknowledge that the intersection at Queen Ka'ahumanu and Waikoloa Road will require improvements in the future because of development along the highway corridor. We will continue our discussions with your Department other developers along both highway corridors to find an equitable and reasonable solution to mitigate traffic delays at this important intersection.</u>	N/A
B. <u>DOT recommends to the approving agencies that the master developer/landowner and/or each independent or subdeveloper provide the traffic improvements and mitigation measures for impacts from the projects, and participate in and contribute their fair share for regional transportation improvements.</u>		<u>As stated in the Draft EIS, the developer of the project is currently contributing to improvements along Waikoloa Road as a pre-condition of development.</u>	Table 2-3, Additional Costs, Page 27.
C. <u>The development of each project in the region, such as Waikoloa Highlands, will affect the applicable drainage basin leading to the ocean and the Queen Kaahumanu Hwy. Each respective project should be discuss and address any downstream impact reaching the highway accumulating from the collective development of the lands in Waikoloa.</u>		<u>The proposed development will not increase flood flows downstream of the project as we are required by County Ordinances to retain or detain the flows caused by the increase of impervious surfaces or through modifications of the drainageways. The proposed project, however, will not be correcting deficiencies in the drainageways that were preexisting.</u>	Section 3.5.2, Drainage, Page 3-46 to 3-48.
13. Pete Hendricks, Chair Mauna Kea Soil & Water Conservation District	12/6/2006		
<u>The planned drainage mitigation measures do not address the increased cumulative effects to down stream properties, in particular, the community of Puainako. The narrative only deals with the conveyance off-site and no mitigation to down-stream communities are dealt. The Mauna Kea SWCD encourages the ahupuaa approach to watersheds and their components.</u>		<u>The proposed development will not increase downstream flood flows as required by County of Hawai'i regulations to retain or detain flows caused by the increase of impervious surfaces or through modifications of the drainageways. The analysis conducted for this project takes into account the drainage requirements of the entire watershed which can be likened to an ahupua'a. The proposed project, however, will not be correcting deficiencies in the drainageways that were preexisting.</u>	Section 3.5.2, Drainage, Page 3-46 to 3-48.

<u>Commenting Party/Itemized Comments</u>	<u>Date of Letter</u>	<u>Summary of Response</u>	<u>FEIS Reference and Page No.</u>
14. <u>Clyde W. Namuo, Administrator</u> <u>Office of Hawaiian Affairs</u>	<u>12/7/2006</u>		
A. <u>Hydrology and potable water analyses are inadequate. The Waikoloa Water Master Plan, prepared in 1991 is outdated and does not address the specific project.</u>		<u>The 1991 Waikoloa Water Master Plan was updated for the EIS by a report prepared by Waimea Water Services Inc., in 2007. The update confirms the conclusion in the 1991 report that sufficient water capacity is available to support the project.</u>	<u>Appendix L, Water Supply for the Highlands Estates at Waikoloa, Nov. 2006 (Rev. 2007) Section 3.2.8. Hydrology, Page 3-12 to 3-14.</u>
B. <u>The DEIS does not address the Waikoloa Highlands water requirements at full build-out.</u>		<u>The project addresses full build out of the proposed 398 units.</u>	<u>Section 3.2.8. Hydrology, Page 3-12 to 3-14.</u>
C. <u>The DEIS, page 3-12 does not indicate if steps have been taken to address the regional water limitation or if a cooperative water allocation solution is underway. Potential impacts of these must be identified and addressed at the earliest possible time to prevent costly delays.</u>		<u>The developer is currently in negotiation with the WHUC to determine the water allocation, and the facilities development charge for the source well(s), storage, and transmission facilities. In addition, the developer will pay for the water distribution network that will be required to distribute water within the project.</u>	<u>Section 3.2.8. Hydrology, Page 3-12 to 3-14.</u>
D. <u>The DEIS, page 3-35 indicates the project will have no effect on archaeological resources. The Cultural Surveys Hawaii Report, page 10, reveals a complex of walls found by Bevacqua, 1972, that have the potential to be found during construction. Further mitigation measures should be considered and planned for prior to the start of construction.</u>		<u>Because of potential concern for the inadvertent discovery of Site 22 during construction activities the developer will promote the use of an on-call archaeological monitor in the event of a field discovery. The monitor will coordinate archaeological reporting responsibilities for the project and notify the SHPD immediately of any inadvertent discoveries of significant artifacts or human remains. Upon the discovery of a significant site or human remains work will cease until the SHPD has been notified and appropriate action is taken.</u>	<u>Section 3.4.5. Archaeological, Historic, and Cultural Resources, Page 3-35 to 3-37.</u>
E. <u>Clarify the Mary Ann Mairret, SHPD letter dated April 17, 2006 and the Melanie Chinen, Administrator, letter dated July 2, 2006, that identifies archaeological concerns and which is the official SHPD letter of record.</u>		<u>At the request of the State Land Use Commission, a request has been forwarded to the SHPD to provide a letter of clarification to specifically state that the project would not have any effect to historic properties. The response to this request is pending.</u>	<u>Section 3.4.5. Archaeological, Historic, and Cultural Resources, Page 3-36.</u>
15. <u>Milton D. Pavao, P.E., Manager</u> <u>Department of Water Supply, County of Hawaii</u>	<u>12/8/2006</u>		
A. <u>Provide a water system designed to deliver water at adequate pressure and volume under peak-flow and fire-flow conditions in accordance with the State Water System Standards, and the Rules and Regulation of the Dept. of Water Supply.</u>		<u>The water system will be developed in accordance with the Water System Standards of the State of Hawai'i and the Department of Water Supply.</u>	<u>Section 3.5.3. Drinking Water, Page 3-50.</u>
B. <u>Submit construction plans to the Department of Water Supply for review and approval.</u>		<u>Construction plans will be submitted to your office when they become available.</u>	<u>Section 3.5.3. Drinking Water, Page 3-50.</u>

Commenting Party/Itemized Comments	Date of Letter	Summary of Response	FEIS Reference and Page No.
C. <u>Pay a fee of four-tenths of one percent of the estimated cost for the construction of the water system, but not less than \$50 to cover the costs for plan review, testing, and inspection</u>		<u>Applicant will provide the required payment to the Department of Water Supply.</u>	<u>Section 3.5.3, Drinking Water, Page 3-50.</u>
16. <u>Laura H. Thielen, Director Office of Planning</u>	12/8/2006		
<u>Reference pages ES-3, 3-37, and 3-38 of the Draft EIS. The Draft EIS notes there will be an impact on views from Waikoloa Road toward Puu Hinai cinder cone and to Mauna Kea. Include a visual analysis with photos of the views from different locations within and outside of the project area.</u>		<u>Views of the pu'u from the project site are not anticipated to be adversely affected based on: (1) The height of the homes will be limited to 35 feet as provided by zoning. Unless one is directly in back of a residential structure, views of Pu'u Hinai will not be obstructed; and (2) The homes will be constructed on 1-acre lots and spaced far enough apart from each other that views will be readily available between the homes. Further assurance that views are not blocked will be accomplished by prohibiting landscaping involving the use of tall trees along Waikoloa Road that would block northern views toward the ocean, south toward the mountain, and west toward Pu'u Hinai.</u>	<u>Section 3.4.6, Visual and Scenic Resources, Pages 3-39 and 3-40, Figure 17, Site Photos, Page 3-40.</u>
17. <u>Peter Rappa, Environmental Review Coordinator UH Environmental Center</u>	12/14/2006		
A. <u>A main concern is the potential for sediments from the proposed development reaching the achialine ponds in the shoreline area of Waikoloa. However, the proposed project is far enough mauka that we believe there will be no impacts on the pond system.</u>		<u>We acknowledge your comment and similarly do not anticipate that sediments from this project will reach the coastline. As noted in the DEIS, Section 3.5.2, Drainage, Page 3-46, "The project will not increase off-site flows or have an adverse drainage impact off-site."</u>	N/A
B. <u>The County is developing community plans as part of the General Plan process. We wonder if you are aware of how far along the community development plans are and whether they address the area around Waikoloa. The Office of Planning is examining how development will occur in the state's rural areas. They may have some preliminary results which may be applied to the proposed development at Waikoloa.</u>		<u>Representatives of the proposed project remain in contact with members of the community who have shared their concerns and issues. Although the Community Development Plan process is currently in its infancy, the landowner is committed to staying involved with the community.</u>	N/A

Commenting Party/Itemized Comments	Date of Letter	Summary of Response	FEIS Reference and Page No.
<p>C. <u>We have a question about the market for housing that is proposed for this project. The DEIS, page 3-26, states a family purchasing a house will need an income between \$192,000 and \$264,000. How many people on the Big Island have the income needed to purchase a house in the proposed development? If the number is small then this project will not address the need for housing in the local market. What is the target market for this development? Who will live in these expensive houses?</u></p>		<p><u>We do not have the data that identifies the specific number of people on the Big Island with the income needed to purchase the lots associated with the proposed project. We do note, however, that the ability to purchase a home does not only involve income. Other factors are involved that include accumulated reserves, equity in real property already owned, financing capabilities, and the availability and cost of borrowing money.</u></p> <p><u>If income is the sole determinant of purchasing capacity, then the target market will be families with incomes, as noted in the DEIS, of between \$192,000 and \$264,000 annually.</u></p> <p><u>The families that will purchase and live in this development are expected to include those with space requirements that would not ordinarily be met by the existing vacant lots in Waikoloa Villages. These lots range in size from 10,000 to 50,000 square feet, with the majority of lots far smaller than 1-acre or 43,560 square feet. The proposed project will instead be providing 1-acre lots that will meet a unique demand offering opportunities for land ownership that are not now readily available in the region.</u></p>	N/A
<p>D. <u>Climate and Air Quality (page 3-7). Under Existing Conditions, the rainfall range is stated as being between 10 to 20 inches and two lines below it is given as 10 to 15 inches. Which is correct?</u></p>		<p><u>Rainfall is between 10 to 15 inches per year. The FEIS, Section 3.2.5, Climate and Air Quality, will provide this corrected information.</u></p>	Section 3.2.5, Climate and Air Quality, Page 3-6.
<p>E. <u>Natural Hazards (page 3-9). Under Existing Conditions, the Draft EIS indicates the project falls within Zone 3. This indicates a medium-high risk of damage to the proposed development from lava flows. In the section on Project Impacts and Mitigation, it is stated that the project will have no effect on the occurrence of natural hazards or the level of public risk. This may be true, but if people move into the area won't they be at risk in the event that an eruption occurs on Mauna Loa? Is there a planned evacuation strategy for residents?</u></p>		<p><u>The residents of the proposed project, as well as surrounding developments will be at risk in the event of an eruption of Mauna Loa. Area residents will also be subject to earthquakes. Until very recently, there was only one exit out of the Waikoloa community, now there are two. Unless the hazard is sudden and catastrophic, residents of this area will have time to evacuate the area, as required. The FEIS, Section 3.2.6, Natural Hazards, will reflect this.</u></p>	Section 3.2.6, Natural Hazards, starting on Page 3-9.
<p>F. <u>Residents will also be subject to earthquake hazards. The US was mapped into five earthquake hazard zones. The entire island of Hawaii met the criteria for the most hazardous earthquake zone. The largest historical earthquake on the island is the fourth largest in US history when earthquakes from Alaska are excluded.</u></p>		<p><u>See response above</u></p>	Section 3.2.6, Natural Hazards, starting on Page 3-9.

Commenting Party/Itemized Comments	Date of Letter	Summary of Response	FEIS Reference and Page No.
<p>G. <u>Hydrology (page 3-11 & 3-12). The bottom of page 3-12 indicates the Waikoloa Water Master Plan recommends that sewage treatment effluent be reused for irrigation wherever possible to reduce groundwater pumping etc. Will the proposed development be reusing wastewater effluent in an attempt to conserve limited water resources in the area?</u></p>		<p><u>Wastewater reuse is not possible with the adoption of the proposed Individual Wastewater Systems for the project. However, in order to promote water conservation the developer does intend to implement other measures that will include separate metering of domestic and irrigation water, and the use of water restrictions to promote conservation and discourage waste. Homeowners will be advised to use drought tolerant plants when landscaping, and if water uses exceed 1,000 gallons per day, the homeowner will be assessed a higher fee for any water usage over the daily allowance.</u></p> <p><u>Regarding sufficiency of water resources, the FEIS, Section 3.2.8, Hydrology, will provide further discussion. In summary, the Waikoloa Water Master Plan (WWMP), 1991, was reviewed and an update of the applicability of the plan to the proposed project was undertaken in 2007, by Waimea Water Services, Inc. (WWSI). According to the update there is sufficient water to meet a minimum project demand of 1,000 gallons per day (gpd) per lot, or approximately 400,000 gpd for the project (1,000 gpd x approximately 400 lots).</u></p>	<p><u>Section 3.5.5, Wastewater, Page 3-53 to 3-55.</u> <u>Section 3.2.8, Hydrology, Pages 3-12 to 3-14.</u></p>
<p>H. <u>Botanical Resources (page 3-15). Page 3-15 indicates there are native species, Uhaloa and Aheahea. Later on page 3-37, it contradicts the above statement under Project Impacts and Mitigation stating that "the project area has changed and there are no native plants..."</u></p> <p><u>Botanists have found endemic and native plants growing in areas where they were not recorded previously, possibly due to the revitalization of dormant seed stock caused by a change in environmental conditions and rainfall. We suggest that botanical resources should be reassessed and if any rare, threatened or endangered species are found then the impacts of the proposed project on these resources be mitigated. We recommend the Waikoloa Outdoor Circle be included in this discussion.</u></p>		<p><u>The FEIS, Section 3.4.5, Archaeological, Cultural, and Historic Resources, Project Impacts and Mitigation, will revise the DEIS to indicate the following - Historical evidence suggests that the land in Waikoloa was not intensively used, and if used, was a corridor between the mauka lands of Waimea and the coastal areas during historic times and for cattle in latter periods. The vegetation in the project area has changed over the years to a point where there are very few native plants due in part to cattle grazing and wildland fires.</u></p> <p><u>Per the suggestion, the botanical study has been forwarded to the Waikoloa Outdoor Circle for review and comment. At this writing a response has not yet been received.</u></p>	<p><u>-Section 3.4.5, Archaeological, Historic, and Cultural Resources, Project Impacts and Mitigation, starting on Page 3-38.</u></p>

Commenting Party/Itemized Comments	Date of Letter	Summary of Response	FEIS Reference and Page No.
<p>I. <u>Housing (page 3-24). The Draft EIS states as of 2000, "there were 5,348 residential units in South Kohala. On page 3-22, in Demographic Characteristics, it is stated that as of 2000 there was a resident population of 13,079 in 4,648 households. Why is there such a large difference between the two figures? Is the difference attributed to absentee owners or just vacant units?</u></p>		<p><u>The difference in numbers between page 3-22 and 3-24 of the DEIS relates to the number of households in the South Kohala District and the number of residential units in the District. Both figures come from the 2000 Census. There is no information in the Census that allows us to definitively answer your questions regarding the reason for the "vacancy." It should be noted, however, that combining the units available for rental, the units available for sale, and the units owned by second-home/vacation buyers, that 13 percent would not be an unusually high "vacancy" for the year 2000 based on the information provided by SMS Research.</u></p>	N/A
<p>J. <u>Social impacts (page 3-25). The Draft EIS states the project would only contribute 9 percent to all new development proposed. Where did the figure of 4,533 units come from? Going back to pages 3-20 to 3-21, we can only count 3,496 new units proposed for this area. A chart of all new developments and the number of new units proposed would be most helpful in Section 3.4 Social and Built Environment.</u></p>		<p><u>The FEIS will provide the following information: There are five major projects in-development, approved or proposed in the Waikoloa Village area. These projects are: Wehilani (756 units), 17th Fairway (27 units), Sunset Ridge (120 units), and Kilohana Kai (230 units). These project have the potential of providing a maximum of 1,133 units (combined single family and multi-family units) to the housing inventory of the area. The County of Hawai'i is also planning a housing project with 1,000 units in the area. Combined, there are approximately 2,133 units proposed for a total of 4,533 units.</u></p>	Section 3.4.4, Marketing Plan, starting on Page 3-33.
<p>K. <u>Community Balance (3-25 & 3-26). The Draft EIS claims a better balanced community would result from having a number of wealthy people move into the area. Using this logic it could be said that every low income community would do well to have high income people move into the area. This is putting a positive spin on what should be an issue of potential concern. Communities do well when people with a range of incomes and interests move into an area. This analysis is disingenuous at best.</u></p>		<p><u>The proposed project will provide the opportunity for a more heterogeneous and diverse socioeconomic population than presently exists. Household incomes in Waikoloa Village are highly concentrated around the mean: households with incomes of \$150,000 or higher make up only 2.1 percent of the population. After assuming probable construction costs, one can see that many households that buy into this project will need the incomes as estimated in the DEIS in the range of \$192,000 to \$264,000 annually, thereby increasing that category, flattening the income curve and enabling a more heterogeneous population.</u></p> <p><u>In this regard, it is anticipated that greater balance within the Waikoloa community will result from having a greater mix of housing types with residents from diverse socioeconomic backgrounds. It is the developer's expectation that the more heterogeneous a population – whether measured by income, ethnicity, age, home of origin, etc. – the more dynamic the community, the more diverse the social interaction, and the richer the events and activities of that community. We add that this is expected to be facilitated with the greater provision of public services for all residents that will also result from the increased tax revenues made possible with this project.</u></p>	N/A

Commenting Party/Itemized Comments	Date of Letter	Summary of Response	FEIS Reference and Page No.
<p><u>L. Public Costs vs. Benefits Assessment (page 3-30 - 3-33). Page 3-30 of the Draft EIS indicates that the project represents only a fraction of the County and State residential inventory and it is unlikely that the Waikoloa Highlands residents will themselves create the need for expansion of public services. By presenting this project as a small fraction of the overall housing unit inventory the Draft EIS is obscuring the fact that this project contributes to the cumulative effect and should be held responsible for mitigation measures where necessary.</u></p> <p><u>Though the state and county did not require any level of participation in public services, the project proposers should not consider themselves exempt from providing public services and should strive to collaborate with the community to establish services or facilities needed by the community.</u></p>		<p><u>The developer of the Waikoloa Highlands project is cognizant of their responsibility to provide adequate services to new residents of the area and the Waikoloa community in general. We do not suggest that the developer is exempt from providing public services and has in fact been in consultation with many of the agencies responsible for the provision of public services. A summary of actions taken and the mitigation proposed is summarized below. These findings will be reported in the FEIS:</u></p> <p><u>-Education: Section 3.6.4, Schools.</u></p> <p><u>-Impact Fees: Section 2.2.6, Development Costs.</u></p> <p><u>-Affordable Housing: Section 3.7.3, Affordable Housing.</u></p> <p><u>-Traffic Improvements: Section 3.5.1, Transportation and Traffic.</u></p>	<p><u>-Section 3.6.4, Schools, Page 3-60.</u></p> <p><u>-Section 2.2.6, Development Costs, Page 2-7.</u></p> <p><u>-Section 3.7.3, Affordable Housing, Page 3-62.</u></p> <p><u>-Section 3.5.1, Transportation, Traffic and Utilities, Page 3-41.</u></p>
<p><u>M. Proposed Supply (page 3-32). The figures on the top of the page do not add up to the 3,456. On page 3-21, the Draft EIS stated the County is planning to develop 1,000 affordable housing units in the area with 207 being planned in 2007. Where did the figure of 225 county planned units come from? The figures on what is planned changes several times throughout the Draft EIS. They should be consistent throughout the document. A few tables would be helpful.</u></p>		<p><u>See response above, Item J.</u></p>	<p><u>N/A</u></p>
<p><u>N. Archaeology (page 3-35). In reference to Bevacqua's Site 22, we believe that the site may be significant and suggest that research for it be reinitiated using Hawaiian kupuna with local knowledge.</u></p> <p><u>Puu Hinai, which is mentioned several times in the Draft EIS is currently being excavated for building material. Hawaiian residents have indicated the area pu'u's are of cultural significance. This issue should be explored more fully in the Draft EIS perhaps after conferring with Hawaiian kupuna.</u></p>		<p><u>The FEIS will note that in November 2006, Cultural Surveys Hawai'i undertook another survey of the project area to determine if Site 22 could be located. As a result of both a pedestrian survey and aerial survey, Site 22 was not located and was presumed to be destroyed or is located outside of the project area. However, because of potential concern for the inadvertent discovery of Site 22 during construction activities the developer will promote the use of an on-call archaeological monitor in the event of a field discovery. The monitor will coordinate archaeological reporting responsibilities for the project and notify the SHPD immediately of any inadvertent discoveries of significant artifacts or human remains. Upon the discovery of a significant site or human remains work will cease until the SHPD has been notified and appropriate action is taken.</u></p>	<p><u>-Section 3.4.5, Archaeology, Page 3-35.</u></p>

<u>Commenting Party/Itemized Comments</u>	<u>Date of Letter</u>	<u>Summary of Response</u>	<u>FEIS Reference and Page No.</u>
		<p><u>Pu'u Hinai is currently outside of the boundary limits of this project. During the research into cultural practices in the area informants did identify Pu'u Hinai as being culturally significant. The quarrying operations are planned to cease as development progresses on the subject project. State Land Use Commission records for the use of the site indicate that following termination of use that the operator will be responsible for restoring the site.</u></p>	
<p><u>O. Traffic (page 3-39). Page 3-39 notes the TIAR noted that other projects are not expected to generate significant traffic volumes, then goes on to say "Even with the creation of dedicated right turn lanes, the change in traffic volumes will result in over-capacity conditions at the intersection of Waikoloa Road, Pua Melia Street and paniolo Avenue. Traffic signals would be warranted for four hours of an average day." This project could be responsible in some part for the cost of traffic mitigation. When the county council extended the entitlements for this project for 10 years, it was with the condition that one or more traffic lights will be installed by this project.</u></p>		<p><u>See response above, Item L.</u></p>	<p><u>N/A</u></p>
<p><u>P. It is unclear that the number of entrances and exits to this project on Waikoloa Road and Pua Melia are adequate. Community members indicate that the understanding with the developer is that there will be at least three intersections.</u></p>		<p><u>Section 2.2.3, Access and Circulation, of the Draft EIS describes the three (3) intersections that are proposed for the subject project. One of the access points is the Waikoloa Road, Pua Melia, Paniolo Avenue intersection described above in comment O. The second access is along Waikoloa Road approximately 2,000 feet east of the Waikoloa Road, Pua Melia, and Paniolo Avenue intersection. This second access into the subdivision will require the approval of the Hawai'i County Council. This proposal is currently pending before the Planning Department.</u></p>	<p><u>N/A</u></p>
<p><u>Q. We would also point out that since some of the residents of the proposed subdivision will work and shop in Kailua-Kona, it should be acknowledged that the subdivision will contribute to traffic congestion in Kailua-Kona.</u></p>		<p><u>We acknowledge that residents of this project will contribute to the overall traffic volume along the major highway corridors, particularly Queen Ka'ahumanu. Specific impacts to traffic congestion in Kailua-Kona were not studied as part of this project.</u></p>	<p><u>N/A</u></p>

<u>Commenting Party/Itemized Comments</u>	<u>Date of Letter</u>	<u>Summary of Response</u>	<u>FEIS Reference and Page No.</u>
<u>R. Drainage (page 3-42). The planned drywells may be inadequate to handle runoff from severe floods. In such a case it is possible that runoff would enter the stream. It is an established principle that the largest floods have the greatest loads of sediments and pollutants. Further, because some of the lots border on the stream, it is possible that runoff from roofs and yards will drain towards the stream rather than the street. Such runoff would not be mitigated by the dry wells. Residents with lots bordering the streams should be encouraged to maintain vegetated buffer strips along the edge of the stream. The Draft EIS should acknowledge it is possible that under certain circumstances the subdivision will contribute excess storm runoff and sediment to the streams.</u>		<u>Section 3.5.2, Drainage. The FEIS will describe on site drainage improvements including the use of drywells, which will be used to dispose of any increase in roadways surface flows in accordance with state and county regulations.</u> <u>We also note that under extreme storm conditions that it is possible that drywells, and drainage control structures such as vegetated buffer strips, will not be capable of handling the stormflows. There is occasional evidence of this throughout the state along coastal areas when stormflows eventually reach coastal and low lying areas as a result of heavy storms.</u>	<u>Section 3.5.2, Drainage, Page 3-46 to 3-48.</u>
<u>S. Wastewater (page 3-48 - 3-49). There is no estimate of the amount of wastewater that the proposed development will generate. Approximately how much will be generated and will any of it be reused?</u>		<u>We anticipate an approximate wastewater generation of 1,000 gallons per day per 1-acre lot. According to Chapter 11-23, Hawaii Administrative Rules, the provision of an individual wastewater system will be permitted by DOH. Although opportunities for wastewater reuse for the proposed project are not possible, the developer does intend to implement water conservation measures.</u>	<u>N/A</u>
<u>T. Effluent from the septic tanks will contribute to groundwater pollution at least in some measure because the effluent travels downward until it reaches the water table. Septic tank waste does contain nutrients and possible pathogens. However, we acknowledge that the proposed development meets the county wastewater regulations, which allow septic tanks in low density subdivisions.</u>		<u>We acknowledge your comment that septic tanks are an accepted method for the disposal of wastewater that complies with County and State regulatory requirements</u>	<u>Section 3.5.5, Wastewater, Page 3-53.</u>
<u>U. Solid Waste (page 3-49 & 3-50). The landfill capacity is given in cubic yards but the amount of waste generated by the proposed development is given in pounds per day. This makes it difficult to determine how much of the landfill's capacity is taken up by the waste stream generated by the project. It would be helpful if the authors convert one or the other measure or give a rough equivalent so that a calculation can be made.</u>		<u>The DEIS, Section 3.5.6, Solid Waste, notes that the proposed Waikoloa Highlands subdivision is estimated to have an average population at build out of 1,068 persons (The Hallstrom Group, 2006). Using the federal Environmental Protection Agency's per capita estimate of 4.5 pounds of municipal solid waste (MSW) generated per day, the subdivision residents will generate approximately 4,806 pounds of MSW per day. We will provide further information for this section in the FEIS, that the projected solid waste volume per year is approximately 2,192 cubic yards (1068 persons x 4.5 pounds per person per day = 877.09 tons per year x 1.25 cover factors x 2 cubic yard conversion = 2,192 cubic yards per year).</u>	<u>Section 3.5.6, Solid Waste, Page 3-55.</u>
<u>V. The Draft EIS states that given the proposed capacity of the County landfill, that the project is not expected to have an adverse impact on the landfill. Although the amount of solid waste generated by the development is small it will have an adverse impact on the landfill, it will help fill it up and shorten the life of the facility.</u>		<u>We acknowledge that given the current and projected capacity of the County landfill, that the proposed project is not expected to have an adverse impact. However, the developer recognizes that it is in the interest of the greater community to encourage recycling and composting to reduce and divert materials from the waste stream thereby helping to prolong the life of the landfill.</u>	<u>Section 3.5.6, Solid Waste, Page 3-55.</u>

Commenting Party/Itemized Comments	Date of Letter	Summary of Response	FEIS Reference and Page No.
<p><u>W.</u> The Draft EIS mentions tha the project's developers will encourage practices such as recycling and composting to reduce and divert materials from the waste stream. What will the developer do to encourage this behavior.</p>		<p>The FEIS, Section 3.5.6, Solid Waste, Page 3-55, will begin this process of appropriately managing the solid waste issues associated with the proposed project through the preparation of a Solid Waste Management Plan for review by the County Department of Environmental Management.</p>	<p>Section 3.5.6, Solid Waste, Page 3-55.</p>
<p><u>X.</u> Public Services and Facilities (page 3-50 - 3-54). It would be helpful to show the service areas of each of the public services discussed in this section. It would be helpful to see what these areas are in relation to the proposed development. It would also be helpful to know the capacity of these services and how much of that capacity the proposed development will take up. The discussion on schools on page 3-53 is a good example of how each of these services should be discussed.</p>		<p>The FEIS, Section 3.6, Public Services and Facilities, will revise the DEIS with a figure depicting the general locations of police facilities, fire facilities, emergency services, recreation facilities and schools. The map will be referenced in the FEIS, as Figure 21, Public Facilities.</p>	<p>Figure 21, Public Facilities, Page 3-57.</p>
<p><u>Y.</u> The Draft EIS notes on the bottom of page 3-52 that Waikoloa is underserved by parks. The proposed subdivision will worsen this situation. This could be mitigated by building a small neighborhood park in the open areas planned for the subdivision. This would enhance the attrativeness of the subdivision to potential buyers.</p>		<p>The developer is required to contribute approximately \$1.9 million to the County of Hawai'i for the purposes of developing recreation facilities.</p>	<p>Section 2.2.6, Development Costs, Page 2-7.</p>
<p><u>Note:</u> For further detail see Appendix N, Comments and Responses- Draft EIS, of this FEIS document.</p>			

1 INTRODUCTION

1.1 PROJECT SUMMARY INFORMATION

Project Name	Waikoloa Highlands
Petitioner/Applicant	Waikoloa Mauka, LLC Kevin C. Kellow, Manager 120 Aspen Oak Lane 431 N. Brand Boulevard Suite 201 Glendale, CA 91207 <u>91203</u>
EIS Preparer	R.M. Towill Corporation Chester T. Koga, Project Manager 420 Waiakamilo Road, Suite 411 Honolulu, Hawai'i 96817-4950
Request to State Land Use Commission	Petition for Land Use District Boundary Amendment from the Agricultural District to the Rural District of 731.581 acres
EIS Accepting Authority	State of Hawai'i Land Use Commission
Tax Map Key	TMK (3) 6-8-002:016 (por.)
Size of Project Area	744.40 acres (Petition area = 731.581 acres)
Project Location	South Kohala District, Island of Hawai'i
Landowner	Waikoloa Mauka, LLC
Project Description	Infrastructure improvements and subdivision of property into 398 low-density, rural residential lots. Each lot will be a minimum of one-acre in size.
Existing Uses	Undeveloped
Zoning Designation	Residential-Agriculture (RA-1a); Open (O)
Special Management Area/Shoreline Setback Area	No
Flood Zone	Zone X, areas outside of 500-year flood plain

1.2 PURPOSE OF THIS ~~DRAFT~~ FINAL ENVIRONMENTAL IMPACT STATEMENT

This ~~Draft~~ Final Environmental Impact Statement (“~~DFEIS~~”) has been prepared in support of the Land Use District Boundary Amendment petition (“Petition”) submitted by the Waikoloa Mauka, LLC (“Petitioner”) to the State Land Use Commission (“SLUC”).

The State of Hawai‘i environmental review procedures and requirements are delineated in Chapter 343, Hawai‘i Revised Statutes (“HRS”), Act 241, Session Laws of Hawai‘i (“SLH”) 1992, and Chapter 200 of Title 11, Department of Health (“DOH”) Hawai‘i Administrative Rules (“HAR”), “Environmental Impact Statement Rules.”

~~The~~ This FEIS has been prepared pursuant to Chapter 343-5(a)(1), HRS, as the project may involve the use of State or County lands, which include, but is not limited to connection of planned roadways to existing (County/State) roads. These locations include: (1) the intersection of Waikoloa Road and Paniolo Drive where traffic signals will be installed and the intersection will be re-striped; (2) a new intersection proposed along Pua Melia Road; and (3) a new intersection proposed where turn-lanes will be installed on Waikoloa Road, east of Paniolo Avenue. State or county funds will not be required to complete the roadway improvements.

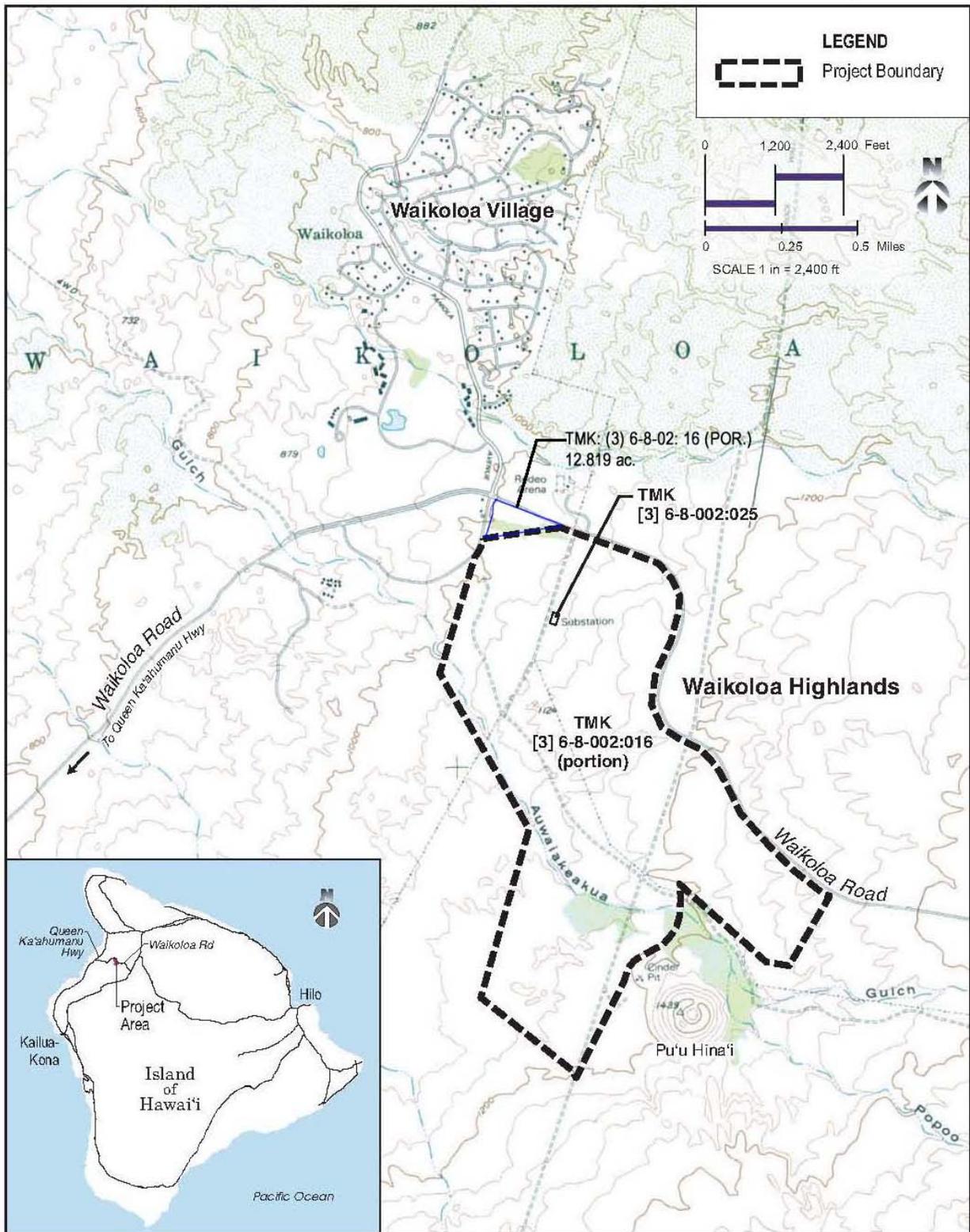
Although the proposed subdivision would be rural in character, there is the potential for significant environmental impacts because of the number of residential lots envisioned.

An Environmental Impact Statement Preparation Notice (“EISPN”) was prepared and filed with the Hawai‘i State Office of Environmental Quality Control (“OEQC”) in July 2006. All stakeholders and interested parties were requested to come forth with ideas for purpose and need, alternatives, alternative selection criteria, environmental concerns, suggestions for outreach, and other information relevant to the planning process. Comments received are included in ~~Chapter 5~~ Appendix M, and ~~have been~~ are addressed in this ~~DEIS~~ document.

~~Upon completion of this DEIS, a~~ A Notice of Availability (“NOA”) ~~will be~~ was published in the *Environmental Notice* on October 23, 2006 and a 45-day public review period ~~will commence~~. ~~In addition,~~ I Individuals, agencies, and organizations ~~that~~ indicating their desire to be consulted ~~will be~~ were provided with a copy of the DEIS. Written review comments ~~will be solicited and received~~ were incorporated into a the Final Environmental Impact Statement (“FEIS”) in Appendix N. Upon completion of a FEIS and review by the SLUC, a NOA of the FEIS will be published in the OEQC *Environmental Notice*. ~~, initiating a 60-day public review period.~~ The FEIS will be submitted to the SLUC as part of the project’s Petition.

1.3 PROPOSED ACTION AND LOCATION

The Petitioner proposes to subdivide and construct infrastructure improvements for a ~~744.40~~ 731.581-acre property south east of Waikoloa Village in the South Kohala District, Island of Hawai‘i (Figure 1, Location Map).



Source: Hawaii's Statewide GIS Program

Figure 1
PROJECT LOCATION

A 12.819 acre portion of the project site, previously identified in the DEIS, has been removed from further consideration. The location of this area is adjacent to the intersection of Waikoloa Road and Pua Melia Road (see Figure 2, Site Plan). This area was previously intended to be used for drainage improvements to handle the additional stormwater that would be generated from the proposed project. However, after further examination of infrastructure requirements it was determined that sufficient drainage improvements could be handled within the larger 731.581 acre property.

The result is that stormwater under existing conditions will continue to flow into the 12.819 acre site through existing drainageways; no additional flows generated from the proposed 731.581 acre development will flow into the 12.819 acre parcel; and, any additional flows generated by the proposed development will be directed to drywells located in the roadway system and into other drainageways that are a part of this project.

The proposed action will create 398 rural residential lots, a minimum one-acre in size. A total of 731.581 acres is proposed to be redesignated from the ~~Agriculture~~ State Agricultural to Rural ~~district~~ District. Project roadways will be constructed and utility connections to the lots will be provided (Figure 2, Site Plan). The property is identified as TMK (3) 6-8-002:016 (por.) (Figure 3, Tax Map Key). The proposed action is described in more detail in Chapter 2.

1.4 PURPOSE AND NEED FOR ACTION

The purpose of the proposed action is to create a low-density, rural subdivision in the Waikoloa Village area of South Kohala. The proposed residential development is compatible with, and a logical extension of the nearby residential and commercial uses at Waikoloa Village.

In order to create this rural subdivision, the landowner is seeking a State Land Use District Boundary Amendment, from the Agricultural District to the Rural District. According to the SLUC Rules, the Agricultural District designation is intended for lands “with a high capacity for agricultural production” with “significant potential for grazing” or “surrounded by or contiguous to agricultural lands” (HAR §15-15-19). By comparison, standards for the Rural District include “areas consisting of small farms,” “activities or uses as characterized by low-density residential lots...and where small farms are intermixed with the low-density residential lots” (HAR §15-15-21).

The subject property is not considered high-capacity agricultural land typical of the Agricultural District. Surrounding land uses are those of Waikoloa Village and are commercial and residential in nature, rather than active agricultural areas. As such, a Rural District designation would be more appropriate for the proposed low-density subdivision, and would be compatible with existing uses in the Waikoloa area.

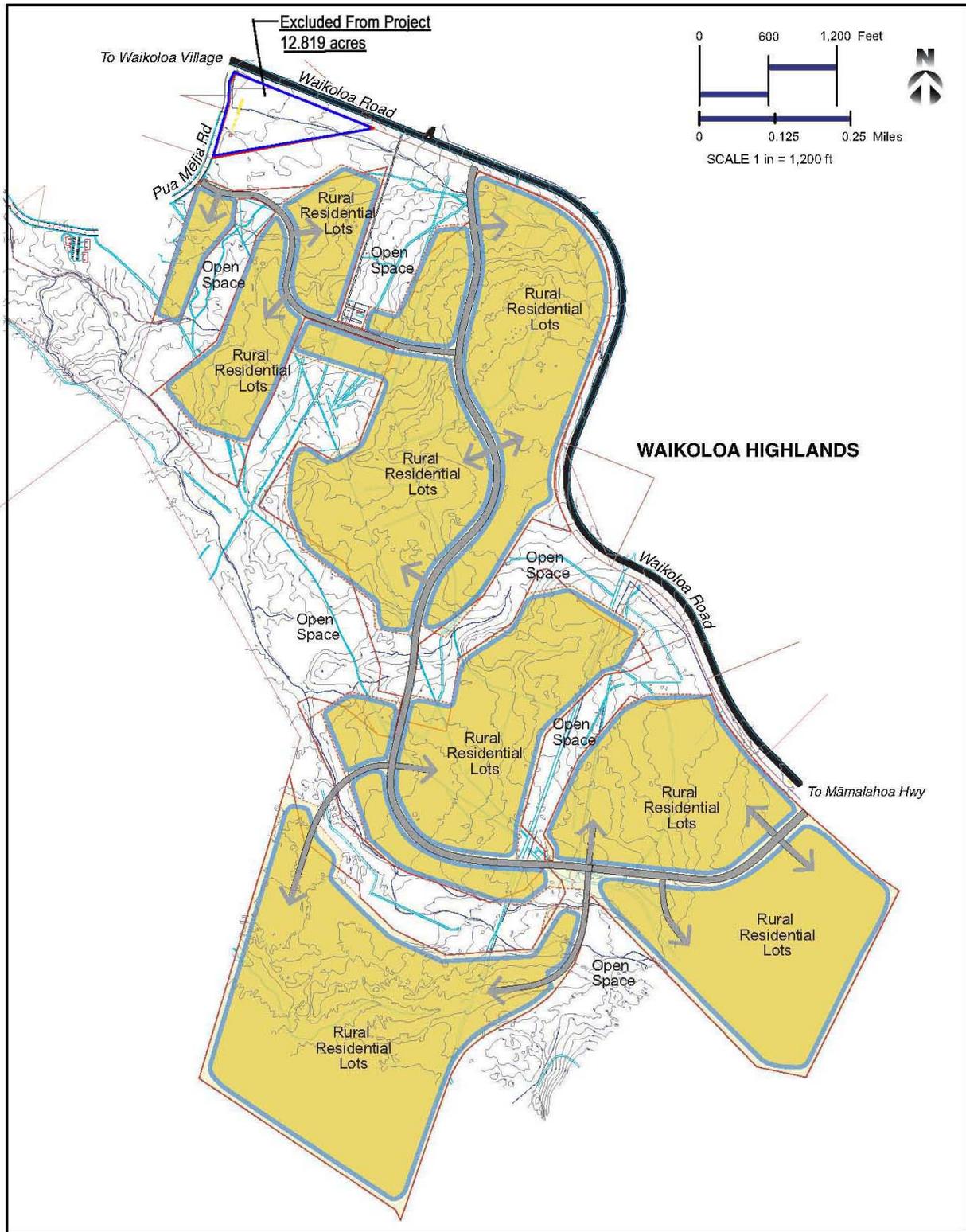


Figure 2
SITE PLAN

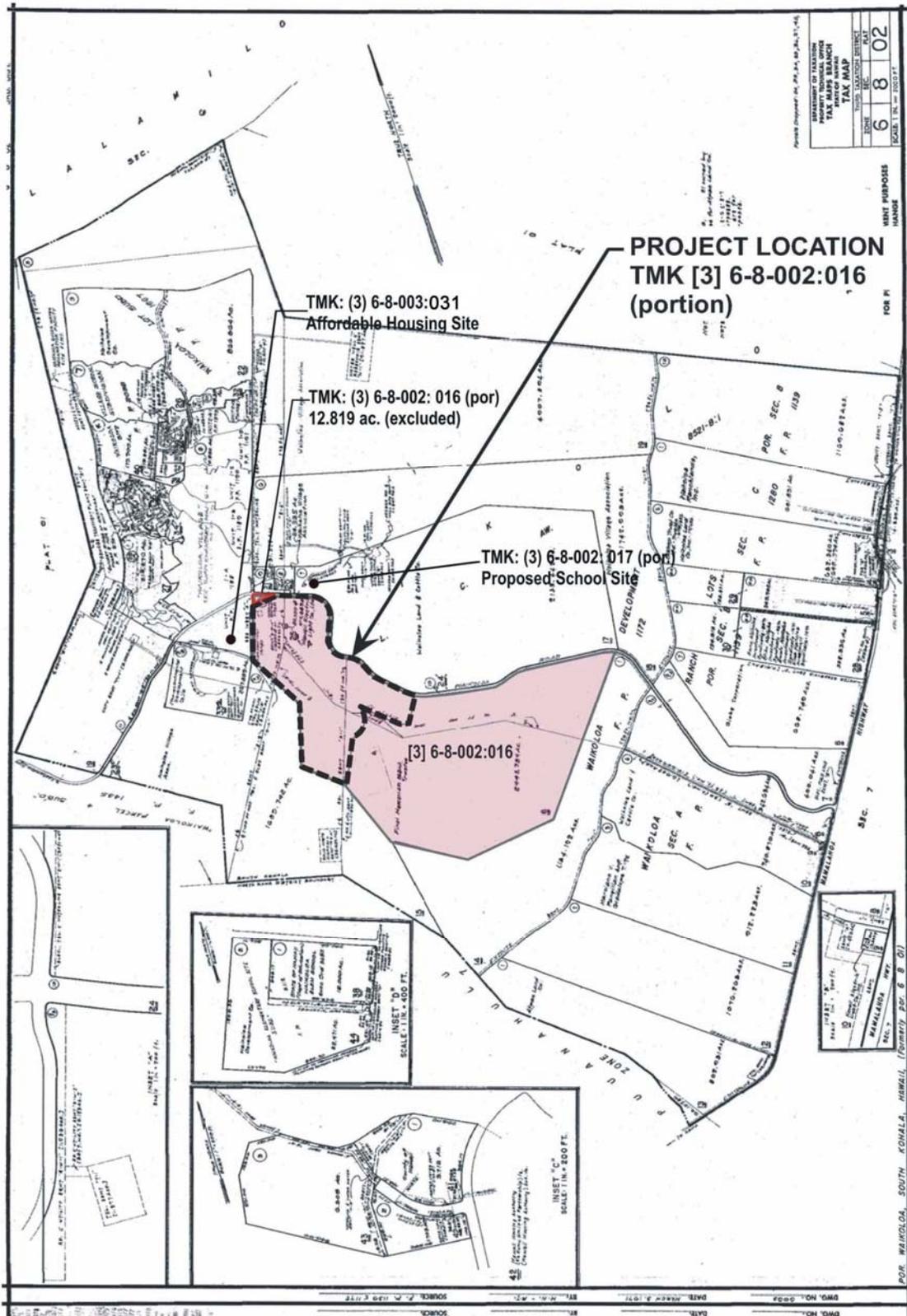


Figure 3
TAX MAP

1.4.1 Project Objectives

The objectives of this project are:

- Develop a low-density residential subdivision with lots having a minimum of one acre,
- Develop required infrastructure for the project site,
- Provide land for the development of affordable housing,
- Provide land and fee for the support of public facilities in the area, and
- Market the subdivision lots at prices that provide a reasonable rate of return on investment.

1.5 POSSIBLE ENVIRONMENTAL PERMITS AND APPROVALS

The following is a summary of environmental approvals and consultations that may be required for the proposed action. Chapter 4, Relation of the Project to Land Use Plans, Policies and Controls, includes a more detailed discussion of the project's consistency with federal, State and local land use plans, policies and controls.

State of Hawai'i

- Land Use District Boundary Amendment
- Chapter 343 HRS, environmental review process
- Department of Health
 - Noise permit during construction
 - National Pollutant Discharge Elimination System ("NPDES") Permit
 - Underground Injection Control ("UIC") Permit
 - Section 401 Water Quality Certification (WQC) Permit
- Chapter 6E, HRS consultation, State Historic Preservation Division
- Act 50, Session Laws of Hawaii, (April 26, 2000), Cultural Impact Assessment
- Stream Channel Alteration Permit
- Coastal Zone Management Federal Consistency Determination (CZM FEDCON)

County of Hawai'i

- Subdivision Approvals
- Grading Permits
- Building Permits

Federal

- Department of the Army (Corps of Engineers) Permit for Work in the Stream, Section 404, Clean Water Act.
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2 ALTERNATIVES CONSIDERED, INCLUDING THE PROPOSED ACTION

2.1 INTRODUCTION

The alternatives considered, including the proposed action, include:

1. Proposed Action: Low-Density Residential Lots
2. No Action
3. Low Density Residential Lots (alternative layouts)
4. Golf Course with Residential Estate Lots
5. Redesignation to State Urban District

2.2 PROPOSED ACTION: LOW-DENSITY RESIDENTIAL LOTS

The proposed action is to subdivide and construct infrastructure improvements for a new 398-lot subdivision. The project will also construct roadways within the subdivision and provide water and electrical service to the property. Existing water courses through the subdivision will generally remain unchanged. Increases in surface runoff due to increased impervious areas will be addressed on-site through detention basins and dry wells.

Access to the subdivision will be from two points along Waikoloa Road and along Pua Melia Street. An internal spine road will connect the two access points, and connect to smaller collector roads and cul-de-sacs within the subdivision. All roads will be designed to applicable County standards (see Section 2.2.2, Phasing Plan). The proposed residential lots are oriented in relation to site topography, the open space element and views to the mountains and shoreline.

2.2.1 Subdivision Plan

Figure 4, Subdivision Plan, illustrates the proposed subdivision plan, which includes 398 low-density, rural residential lots, each a minimum of one-acre in size. One single-family home will be permitted in the development for each lot of record in accordance with Ordinance 05-157. Restrictions on additional units will be stated in the Covenants, Conditions and Restrictions (CC&Rs) for the project. The project will be developed in two phases and will include construction of collector backbone roadways within the subdivision and provide water and electrical service to the individual lots. Existing drainage water courses through the subdivision will generally remain unchanged, except for where the roadway crosses the drainageways and culverts are installed. Increases in surface runoff due to increased impervious areas will be addressed on-site through dry-wells and detention basins. The approximate land allocation for the 731.581 acres of the project is as follows:

Roads = 51.54 acres
Residential lots = 484.73 acres
Open space/drainageways = ~~208.13~~ 195.311 acres

2.2.2 Phasing Plan

The proposed subdivision will be developed in two phases as shown in Figure 4, Subdivision Plan. Phase 1 will include 149 lots, and Phase 2 will have 249 lots for a total of 398 lots.

~~Infrastructure will also be developed in phases. Total land area in Phase 1 is approximately 31.9 acres, and 412.5 acres in Phase 2. Implementation of the Phase 1 infrastructure improvements are scheduled to begin immediately after receipt of approvals and permits in Fall 2007 with completion in Fall 2008. Phase 2 infrastructure improvements will commence upon the completion of the Phase 1 improvements.~~

The infrastructure improvements planned for Phase 1 will take approximately 8-10 months from the receipt of development permits from the County of Hawai'i which include: subdivision approval and plan approval for infrastructure improvements (grading, roadway and water line installation). The subdivision application has been filed with the County of Hawai'i and is currently pending. Infrastructure plans and roadway improvement plans are currently under preparation and will be submitted to the County of Hawai'i for review by Summer 2007. Completion of the Phase 1 improvements will involve 319.081 acres and is anticipated to be completed by Fall 2008, assuming a fall 2007 construction start.

Phase 2 improvements will involve 412.5 acres. Phase 2 plan preparation will commence in Spring 2007 and will be submitted to the County of Hawai'i following approval of the Phase 1 plans in Fall 2007. It is anticipated that the Phase 2 improvements will also take 8 to 10 months, with completion anticipated by Fall 2009 or early 2010.

2.2.3 Access and Circulation

Access to the subject subdivision will be from three locations: 1) Pua Melia Street, 2) Waikoloa Road (makai), and 3) Waikoloa Road (mauka) (see Figures 2, Site Plan, and 4, Subdivision Plan).

Subdivision Roadways

Access to the subdivision will be from two locations along Waikoloa Road and from Pua Melia Street. An internal collector road will connect the two access points along Waikoloa Road. Local collector roads will be developed within the subdivision. All roads will be designed to applicable County standards. The main collector road will be developed in two phases as described above. The utilization of the mauka access point is still pending approval from the County of Hawai'i for a zoning amendment. The development of the second access is seen as an important circulation element of the plan and provides a means of exiting the project should the primary access on Waikoloa Road be blocked.

Road Standards

The road rights-of-way for the various road types in the subdivision are as follows: shown in Table 2-1, Roadway Standards, below.

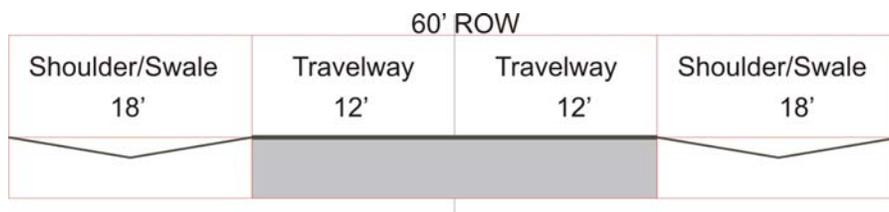
Table 2-1. Roadway Standards

Road Classification	Right-of-Way	Pavement Width	Shoulders & Swales
Collector	60 ft.	24 ft.	36 ft.
Minor Collector	50 ft.	20 ft.	30 ft.
Cul-De-Sac	50 ft.	20 ft.	30 ft.

Typical cross-sections for the three types of roadways are illustrated below: in [Figure 5, Roadway Cross Sections](#):

Figure 5. Roadway Cross Sections

**Collector Street
60-Foot Right-of-Way**



**Minor Streets and Cul-De-Sac
50-Foot Right-of-Way**

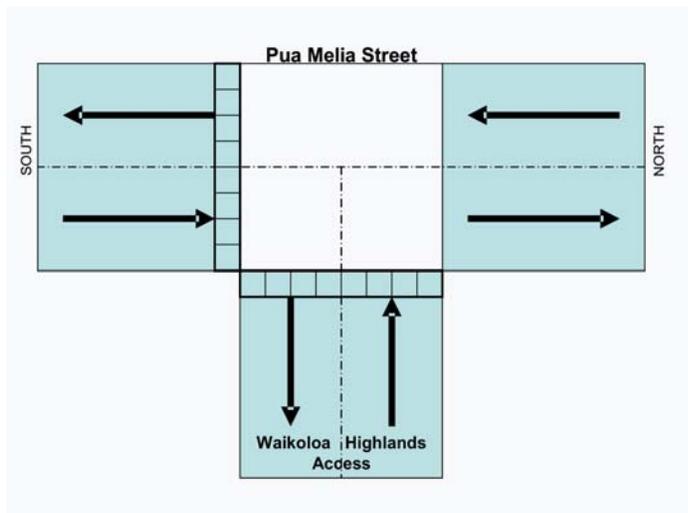


Intersection Improvements

Pua Melia Street and Waikoloa Highlands Access Intersection

The intersection at Pua Melia Street and the Waikoloa Highlands access will be a controlled ‘T’ intersection with stop bars on the access road ([see Figure 6, Intersection Improvements at Pua Melia](#)). Traffic will be allowed to flow in a north-south direction. Turn movements will be allowed as traffic dictate.

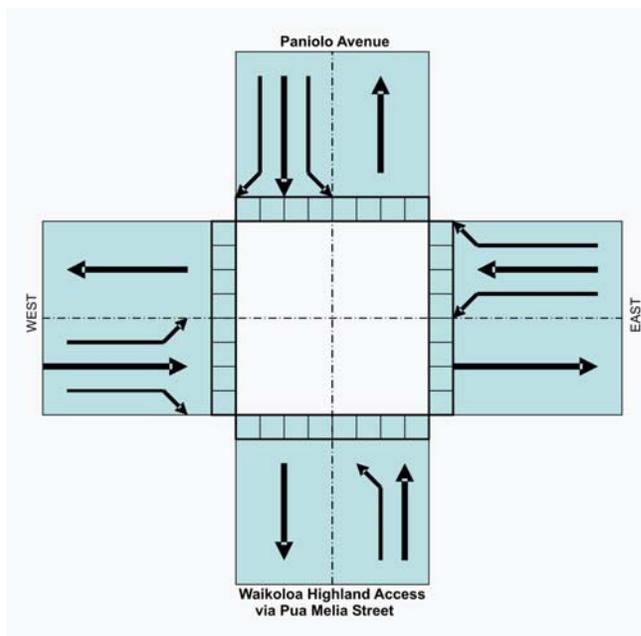
Figure 6. Intersection Improvements at Pua Melia



Waikoloa Road, Pua Melia Street and Paniolo Avenue

The intersection at Waikoloa Road, Pua Melia Street and Paniolo Avenue (see [Figure 7, Intersection Improvements at Paniolo Avenue and Waikoloa Road](#)) will be fully controlled with signalization that will control traffic movement through the intersection.

Figure 7. Intersection Improvements at Paniolo Avenue and Waikoloa Road

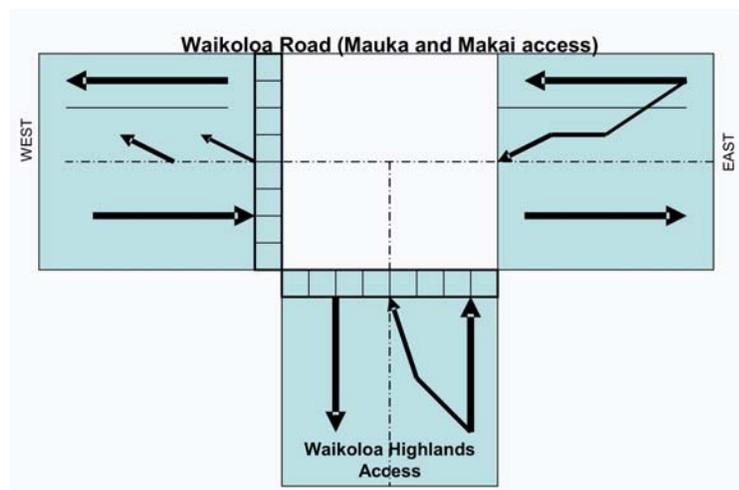


Both the east and west approaches to the intersection on Waikoloa Road will have lanes that divide to three lanes--one through lane, and one lane each for right and left turns. The approach on Paniolo Avenue is similar to the approach on Waikoloa Road. The approach from the Waikoloa Highlands subdivision will include a dedicated left-turn lane. The cost of the improvements will be included in this project.

Waikoloa Road (Mauka and Makai Access) and Waikoloa Highlands Intersection

The makai (west) and mauka (east) entries into the Waikoloa Highlands project will be new intersections created approximately 2,000 feet east and 6,400 feet east of the Waikoloa Road-Paniolo Avenue intersection (see Figure 8, Intersection Improvements at Waikoloa Road). These intersections will not be signalized. Dedicated left-turn “pockets” will be provided, however, to facilitate turn movements as well as to facilitate through traffic. The west intersection will be developed in the first increment. The second access will be constructed as part of the second phase of the proposed development. This second access will require a zoning amendment.

Figure 8. Intersection Improvements at Waikoloa Road



2.2.4 Open Space and Recreation

Approximately ~~28~~ 27 percent (~~208.13~~ 195.311 acres) of the total land area within the project site will be dedicated to an open space preserve. This area will be left in its natural state and no structures are planned, except for a pedestrian-bike path. The pedestrian path will be approximately 10 feet wide, and will meander through the open space preserve. In accordance with Ordinance 05-157, the developer will be required to pay fees to the County of Hawai'i to mitigate impacts to recreation services in the area.

2.2.5 Utility Improvements

Utility improvements for the Waikoloa Highlands project are limited to the water system and the electrical system. Both water and electrical lines will be placed underground and brought to the lot boundary. The proposed utility improvements are described in more detail in Chapter 3, Existing Environment, Impacts and Mitigation.

2.2.6 Development Costs

~~Estimated cost of improvements is \$44.8 million (2006 dollars) and is summarized below. Soft costs (impact fees and fair share contributions) are yet to be determined.~~

Project development costs involve site and infrastructure improvements (approximately \$44.8 million) as well as assessment fees (approximately \$4.0 million), also known as "soft costs" that include impact fees and fair-share contributions. These costs are detailed in Table 2-2, Estimated Development Costs and Table 2-3, Additional Costs, below.

Table 2-2. Estimated Development Costs

	Cost (\$ mil)
Roads (1)	23.8
Water	
a. On-Site	5.3
b. Off-Site	2.6
Electrical	
a. Utility Relocation	1.8
b. On-Site	10.7
c. Traffic Signals (2)	0.6
TOTAL	\$ 44.8

Notes:

- (1) Drainage improvements included in road costs, e.g. culverts and drywells
- (2) Improvements at Waikoloa Road, Pua Melia Street and Paniolo Avenue

Table 2-3. Additional Costs*

Recreation Fee (\$4,817.93 per lot)	\$1,917,536
Affordable Housing (20% of total = 80)	TBD
Police Impact Fee (\$232.42 per lot)	\$92,503
Solid Waste Fee (\$200.98 per lot)	\$79,990
Water Development Fee	TBD
Road Fees and Traffic Fee (\$4,280.82 per lot)	\$1,703,766
School Impact Fee	TBD
Fire Impact Fee (\$459.06 per lot)	\$182,705
TOTAL ESTIMATED	\$3,976,500

* Fees estimated based on Ordinance 05-157. Fees may be adjusted by providing land or facilities and the final payment amount will be adjusted by the Honolulu Consumer Price Index at the time of Final Subdivision approval.

TBD = to be determined

2.3 NO ACTION

The No Action alternative would retain the property in its current undeveloped state. It would not meet the project objective to develop a high quality, low-density, rural residential subdivision in the Waikoloa area.

2.4 LOW DENSITY RESIDENTIAL LOTS (ALTERNATIVE LAYOUTS)

Alternatives layouts for a similar rural residential subdivision were considered during the planning process, including options with smaller (half-acre) and larger minimum lot sizes. The process of reviewing the smaller and larger lot sizes helped to establish the approximately 1 acre lot size as optimal for the proposed project.

Examination of these alternatives centered on maximizing the number of lots on the project site to achieve the “the right mix” of lots. The marketplace dictated the type of product to be developed. The analysis examined the type of products currently available in Waikoloa Village as well as what was being planned and developed. The findings suggested that what was available and being planned focused on expanding the housing stock with products currently available. Further, increased density would require additional site work (more grading) and more infrastructure (expansion of water distribution and storage requirements).

Developing half-acre lots was not seriously considered because it would require the re-zoning of the project site. Because some of the larger lots in the Village are 15,000 square feet in size, the appeal of a 20,000 square foot lot at a higher unit cost did not seem particularly marketable.

Development of larger lots (greater than 1-acre) was not seriously considered because less lots would equate to a higher per unit cost for infrastructure for each lots.

Several alternative layouts were considered but mostly centered on two considerations:

1) accommodating the drainageways in the plan, and 2) the “aesthetic” or layout of the plan. Of the two, accommodating the drainage system in the plan was paramount, because of potential flooding risks and the need to provide a unified circulation network in the subdivision. Adherence to County of Hawai‘i Subdivision Standards also dictated the design of the subdivision.

2.5 GOLF COURSE WITH RESIDENTIAL ESTATE LOTS

Another alternative would be to include a golf course with residential lots, which is allowed under the current RA-1a zoning. A golf course and residential lots concept was proposed for the site by the previous owner over ten years ago. At that time, the objective was to develop a high quality, low density lot development combined with a world-class championship golf course and golf club facility. The proposal included approximately 286 one to two-acre lots integrated with an open space element of an 18-hole golf course. Clubhouse facilities included a pro shop, restaurant, and snack bar.

Although a golf course is not currently proposed for the Waikoloa Highlands project, this is an alternative consistent with land use designations that was were considered for the property.

The development of the residential and golf course project would require the development of a non-potable water system for irrigation of the golf course. Further, because the golf course would be developed within the drainageways, a significant amount of earthwork would be required to shape and form the golf course. Where the drainageways crossed the subdivision roads, special crossings would be required to transport golfers from one part of the course to another.

Another variation of the residential golf course alternative was to develop additional lots, averaging one acre in size, similar to the proposed action. This alternative was rejected because of the additional infrastructure development required for the project and the uncertain market for another golf course in the region.

2.6 REDESIGNATION TO STATE URBAN DISTRICT

Re-designating the project area from the State Agricultural to the Urban District is an alternative that is available, but was not seriously considered. This is because the project area is outside the Waikoloa Village core area, which is the center of urban development. This area is also designated Rural by the County of Hawai'i General Plan. Rather, the project area is considered a transition area between the Waikoloa Village urban areas and the agricultural areas. Finally, as a condition of zoning, this area was stipulated to be redesignated Rural.

3 EXISTING ENVIRONMENT, IMPACTS AND MITIGATION

3.1 INTRODUCTION

This chapter describes the existing environment, potential project impacts and proposed mitigation. This chapter is organized by resource area, and is divided into: 1) physical environment, 2) biological resources, 3) social and built environment, 4) transportation and utilities, and 5) public facilities and services.

The discussion of environmental impacts includes both direct and indirect impacts. Direct impacts are those caused by the action and occur at the same place and time. Indirect effects may occur later in time or farther in distance, but are still reasonably foreseeable. The analysis in this chapter also identifies possible cumulative environmental impacts. Cumulative impacts are defined as the results from the incremental impact of the action when added to other past, present and reasonably foreseeable future actions. Cumulative impacts can result from individually minor but collectively significant actions taking place over a period of time.

3.2 PHYSICAL ENVIRONMENT

3.2.1 Location

The Waikoloa Highlands site is located adjacent and mauka of Waikoloa Village, in the ahupua‘a of Waikoloa, District of South Kohala, on the west coast of the Island of Hawai‘i. The project site is located between Mamalahoa Highway and Queen Ka‘ahumanu Highway, approximately 36 miles north of Kailua-Kona, 22 miles from the Kona International Airport, and 18 miles south of Kawaihae. (See Figure 1, Project Location).

The project site is located mauka and southeast of Waikoloa Village. The site is bordered by Waikoloa Road on the east, by Pua Melia Street to the north, Auwaiakeakua Gulch on the west, and undeveloped lands to the southeast.

3.2.2 Land Ownership History

The project site is 731.581 acres in size, and designated as TMK 6-8-02:016 (por.). It is a portion of a 2,443.734-acre parcel designated as TMK 6-8-02:016, which is owned in fee by Waikoloa Mauka, LLC.

A previous Archaeological Inventory Survey (Jensen 1990) provided historical documentary research for the project area, summarizing its ownership history. The research shows that Waikoloa Mauka was traditionally sparsely inhabited due to its harsh terrain. It notes that use of the area was probably mostly limited to transportation route, with most habitation temporary. The Waikoloa area was granted by King Kamehameha I to either John Young or Isaac Davis, and it was listed as one of John Young’s lands at the time of the Mahele in 1848. During this period, cattle roamed free in this area of west Hawai‘i, and by 1846, the majority of the Waimea area had been converted to pasture for herds of cattle, sheep and horses. The property was eventually acquired in the early 1900’s by John Parker, founder of Parker Ranch in Waimea. According to Real Property Tax Office records, ~~Richard Smart, present owner of Parker Ranch,~~

sold the project area to Boise Cascade in 1968 as part of parcel TMK 6-8-1-4. Boise Cascade sold this parcel to Waikoloa Land & Cattle Company, which in turn sold it to Atpac Land Company. (Jensen 1990).

Much of the land surrounding the subject property was owned by the Waikoloa Land/Development Company, the original master developers of the 30,000-acre Waikoloa plan. During the intervening years, a significant portion of this land was transferred to the Waikoloa Village Association. The Association's holdings surround most of the Village and the project area. Most of the remaining Waikoloa Land and Development Company lands were sold in 2005.

3.2.3 Topography

Existing Conditions

The site is currently vacant and undeveloped. The site terrain is characterized by rolling, grass-covered hills cut by several dry stream beds with rock outcrops. The project site slopes upland from north to south, with slopes ranging from 5 to 15 percent, with the exception of the steeper slopes of the drainage gulches. Elevations range from 900 feet above mean sea level near the northwestern boundary to 1,300 feet near the south boundary. The Auwaiakeakua Gulch transects the site, generally northeast to southwest along the eastern edge of the property.

The most prominent geographic feature located immediately adjacent to the project area and one of the most visible landmarks within the ahupua'a is Pu'u Hina'i, a cinder cone located near the center of Waikoloa. The pu'u is located outside and southeast of the project area. ~~There was a large active cinder quarry at the base of Pu'u Hina'i until recently. The quarry lease was granted by the previous landowner, but was terminated by the current landowner. The Draft EIS reported incorrectly that the quarry operations were terminated. The quarry is currently permitted by Special Use Permit No. SP70-85, and is operated by Deluz Trucking and Gravel, LLC. An amendment to this permit was approved by the SLUC on January 9, 2006 which extended the life of the permit from December 11, 2005 to December 11, 2010.~~

According to the SLUC order:

"Having duly considered the complete record of the Amendment and the oral arguments presented by the parties in the proceeding, and a motion having been made at a meeting conducted on December 1, 2005, in Kahului, Maui, and the motion having received the affirmative votes required by section 15-15-13, HAR, and there being good cause for the motion the LUC hereby GRANTS the Amendment in the name of Waikoloa Development Company, subject to the following conditions to supersede all previous conditions imposed in this docket:

1. The Applicant, its successors or assigns shall be responsible for complying with all stated conditions of approval.
2. Quarrying operations at Site 1 (Pu'u Hinai Quarry) shall be terminated by December 11, 2010, or prior to final subdivision approval of the increment of adjacent RA zoned lands which abut the quarry boundaries, or prior abandonment, whichever occurs first.

3. Upon termination of operations or abandonment of any portion of Site 1 (Pu'u Hinai Quarry), the land shall be graded to blend with the surrounding areas and re-vegetated. Further, the site shall be left in a non-hazardous condition. Appropriate documentation which demonstrates compliance with this condition shall be submitted to the Hawai'i County Planning Director for review and approval within ninety (90) days from the termination or abandonment date.
4. All other applicable laws, requirements, rules and regulations, including those of the Department of Health, shall be complied with.
5. An annual monitoring report shall be submitted to the Hawai'i County Planning Director and the State Land Use Commission prior to the anniversary date of the approval of this amendment. The report shall include, but not be limited to, the amount of material quarried or removed, a detailed listing of public complaints or problems, and their disposition. Should conflict arise, which cannot be mitigated or mediated, the quarry operations shall cease upon appropriate findings by the County of Hawai'i Planning Commission that the quarry use will have an adverse impact on surrounding properties.
6. Should any of the conditions not be met or substantially complied with in a timely fashion, the Hawai'i County Planning Director shall initiate procedures to revoke the permit.
7. Within thirty (30) days of the effective date of the Commission's approval of the Amendment, the Applicant shall issue public notice of the action taken by the Commission approving the Amendment in the name of Waikoloa Development Company to invite public comment on the Amendment. The Applicant shall inform the Commission of responses (or lack thereof) to the public notice and forward all public comments to the LUC. (SP70-85)."

Project Impacts and Mitigation

The project will not adversely impact ~~site~~ the topography of the site. ~~Some minor g~~Grading will be required to construct the project roadways and infrastructure. All earthwork and grading will conform to Chapter 10, Erosion and Sediment Control of the Hawai'i County Code. ~~The project will not impact Pu'u Hina'i. No mitigation is required.~~

The proposed project will not result in potential for adverse impacts to Pu'u Hina'i based on its location outside of the Waikoloa Highlands project boundary. No further mitigation is therefore proposed.

3.2.4 Soils and Geology

Existing Conditions

Geology

The land in the Waikoloa area is composed of a mix of a'a and pahoehoe lava flows, the bulk of which were disgorged from Mauna Kea between 65,000 and 250,000 years ago during the

Pleistocene Age. This, in turn, is overlain on the southern portion below Auwaiakeakua Gulch with newer flows deposited between 14,000 and 65,000 years ago.

At least ten major lava flows emanating from Mauna Loa have subdivided Waikoloa into areas of rough and broken pahoehoe, areas of a 'a flow, and areas within which recent flows have been covered with eroded sediments.

Soils

U.S. Soil Conservation Service

According to the Department of Agriculture, Soil Conservation Service (now Natural Resource Conservation Service), the primary soils type within the project area is Kawaihae extremely stony, very fine sandy loam (~~KNC~~), 6 to 12% percent slopes (~~KNC~~). There is an area of Kamakoa very fine sandy loam, 0 to 10 percent slopes (~~KGC~~), at the southern portion of the property adjacent to Pu'u Hīna'i, which is outside the project area. The pu'u is considered Cinder land (rCL) and gulch areas are classified as Very stony land (rVS).

The major soil types are described below and are shown in Figure 5 9, Soils Map.

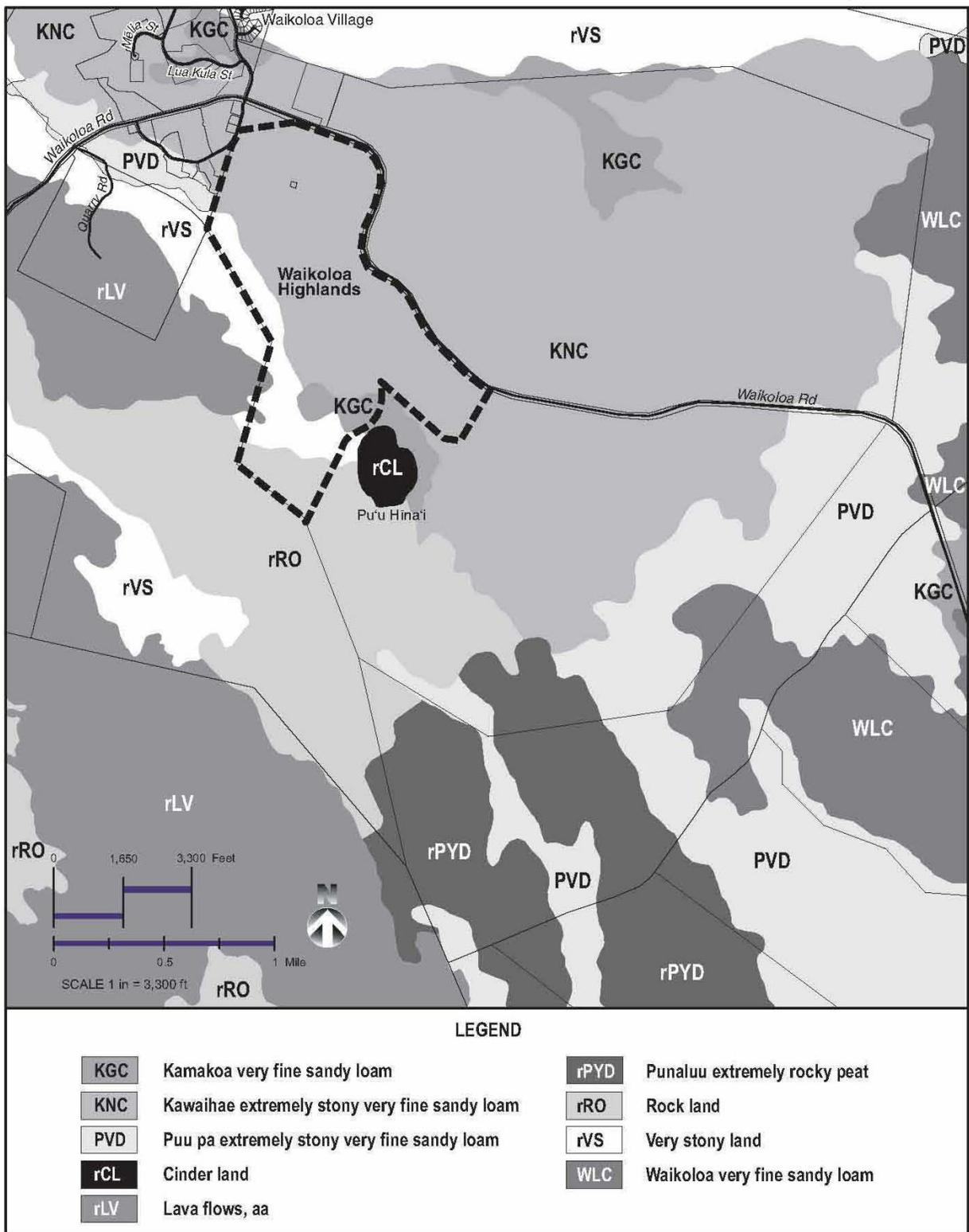
Kawaihae extremely stony very fine sandy loam, 6 to 12 percent slopes (KNC). The Kawaihae soil series consists of somewhat excessively drained extremely stony soils that formed in volcanic ash. These soils have a very thin surface layer of fine sandy loam over silt loam and loam.

~~Kawaihae extremely stony very fine sandy loam KNC~~ is found on the leeward coastal plains of Mauna Kea, at elevations ranging from near sea level to 1,500 feet.

Permeability is moderate, runoff is medium, and the erosion hazard is moderate. This soil is used mostly for pasture, wildlife habitat, and recreation areas.

Kamakoa very fine sandy loam, 0 to 10 percent slopes (KGC). The Kamakoa series consists of somewhat excessively drained very fine sandy loams that formed in recent alluvium. These soils are nearly level to gently sloping. They are on the flood plains of Mauna Kea at an elevation ranging from 1,000 to 4,000 feet.

~~Kamakoa very fine sandy loam (KGC)~~ KGC soils occur as long, narrow areas along shallow, intermittent streams. The slope is dominantly 3 percent. Permeability is rapid, runoff is slow, and the erosion hazard is slight. This soil is high in fertility and is well supplied with bases. It is used for pasture.



Source: Hawai'i Statewide GIS Program

Figure 5.9
SOILS

Very stony land (rVS) is a miscellaneous land type consisting of very shallow soil material and a high proportion of A‘a lava outcrops. The dominant slope is between 10 and 15 percent. Between the lava outcrops and in the cracks of the lava, the soil material extends to a depth of 5 to 20 inches. The vegetation ranges from a sparse cover in dry areas to dense stands of ohia and tree fern in areas of high rainfall. The erosion hazard is slight. This land is used for pasture and watershed and for wildlife habitat.

Cinder land (rCI). This is a miscellaneous land type consisting of bedded cinders, pumice, and ash. The particles have jagged edges and a glassy appearance and show little or no evidence of soil development. Cinder land commonly supports some grass, but it is not good pastureland because of its loose consistency and poor trafficability. This land is a source of material for surfacing roads. Pu‘u Hīna‘i, located outside the project area, is classified as Cinder land.

U.H. Land Study Bureau Detailed Land Classification

The University of Hawai‘i Land Study Bureau (LSB) Detailed Land Classification classifies soils by land type in which classifications are provided for an overall crop productivity rating, with and without irrigation, and for selected crop productivity ratings for seven crops. The LSB overall ratings range from A to E, with A being the best. The ~~Land Study Bureau~~ LSB has classified the area as “E” lands, meaning it is only marginally suitable for agricultural use. The surrounding land uses are primarily low-scale residential and commercial areas, and not in active agricultural production.

Agricultural Lands of Importance to the State of Hawai‘i (ALISH)

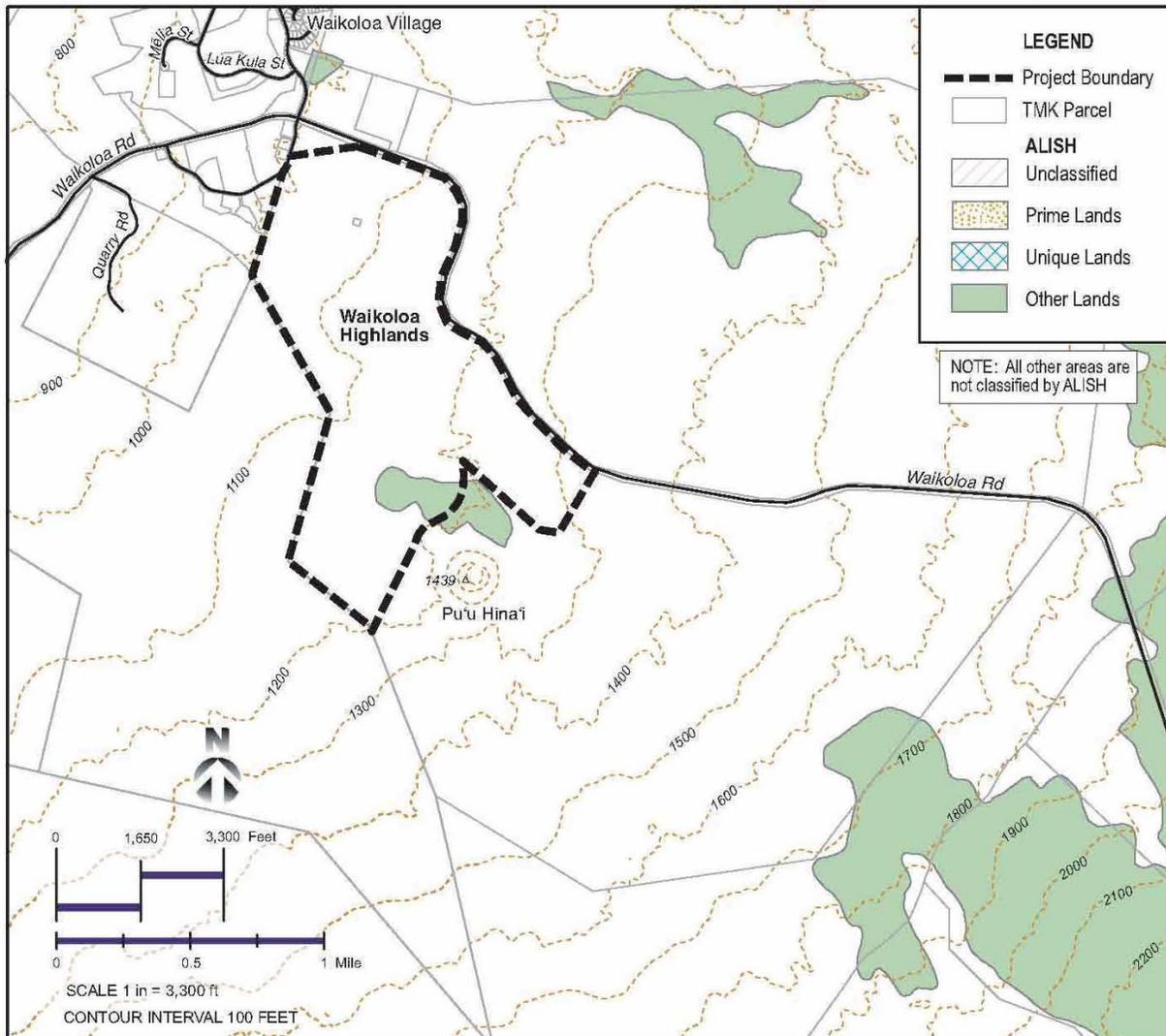
The Agricultural Lands of Importance to the State of Hawai‘i (ALISH) land classification system was developed by the State Department of Agriculture (1977). The ALISH system identifies three broad classes of lands, including “Prime Agricultural Land,” “Unique Agricultural Land,” and “Other Important Agricultural Land.” As shown in Figure 6 10, ALISH Map, the majority of the project area is unclassified, or not rated according to the ALISH land categories.

3.2.5 Climate and Air Quality

Existing Conditions

Nearly the entire ahupua‘a of Waikoloa is located within the rain shadow of Mauna Kea, making this region one of the drier areas in West Hawai‘i. The area has generally low annual rainfall, ranging between 10 and 20 15 inches. Daily highs generally range from 77 to 85 degrees and daily lows from 65 to 70 degrees Fahrenheit. Average annual rainfall is approximately 10 to 15 inches, with the majority of rain falling during the winter months.

National Ambient Air Quality Standards (NAAQS) have been established for seven major air pollutants: carbon monoxide (CO), nitrogen oxides (NO_x), ozone (O₃), particulate matter smaller than 10 microns (PM₁₀), particulate matter smaller than 2.5 microns (PM_{2.5}), sulfur oxides (SO_x), and lead (Pb). Air pollutant levels are monitored by the State Department of Health (DOH) at a network of sampling stations statewide. The State monitors PM₁₀, sulfur dioxide (SO₂), nitrogen dioxide (NO₂), carbon monoxide (CO) and ozone (O₃).



OTHER IMPORTANT AGRICULTURAL LAND

OTHER IMPORTANT AGRICULTURAL LAND is land other than PRIME or UNIQUE AGRICULTURAL LAND that is of state-wide or local importance for the production of food, feed, fiber and forage crops. The lands in this classification are important to agriculture in Hawaii yet they exhibit properties, such as seasonal wetness, erodibility, limited rooting zone, slope, flooding, or droughtiness, that exclude them from the PRIME or UNIQUE AGRICULTURAL LAND classifications. Two examples are lands which do not have an adequate moisture supply to qualify as PRIME AGRICULTURAL LAND and lands which have similar characteristics and properties as UNIQUE AGRICULTURAL LAND except that the land is not currently in use for the production of a "unique" crop. These lands can be farmed satisfactorily by applying greater inputs of fertilizer and other soil amendments, drainage improvement, erosion control practices, flood protection and produce fair to good crop yields when managed properly.

Other criteria which may qualify lands as OTHER IMPORTANT AGRICULTURAL LAND are:

1. The land has slopes less than 20%, is presently in crop or has cropping potential, and is not classified as PRIME or UNIQUE AGRICULTURAL LAND. The soils have a moisture supply which is adequate for the commonly grown crop.
2. The land has slopes less than 35%, is presently used for grazing or has grazing potential, and is not classified as PRIME or UNIQUE AGRICULTURAL LAND. The soils have:
 - a. An aquic, udic, xeric, or ustic moisture regime in which the available water capacity is sufficient to produce fair to good yields of adapted forage.
 - b. Less than 10% rock outcrops and coarse fragments coarser than 3 inches (7.6 cm) in the surface layer.
3. The soils are thin organic soils underlain by aa lava (typic tropofists) having aquic, udic, xeric, or ustic moisture regimes and isohyperthermic (greater than 72 degrees F) or isothermic (59 - 72 degrees F) soil temperature regimes.

Source: Hawai'i Statewide GIS Program

Figure 610
**AGRICULTURAL LANDS of IMPORTANCE
to the STATE OF HAWAI'I (ALISH)**

Based on ambient air monitoring data, the U.S. Environmental Protection Agency has classified the Island of Hawai'i and the entire state as being in attainment of the federal standards. The DOH Clean Air Branch indicates that both national and State standards have been met in the region.

The closest DOH air quality monitoring station is in Captain Cook, south of Kailua-Kona. This station measures sulfur dioxide (SO₂) only. Volcanic eruptions are the most significant factor affecting air quality on the island. In addition to particulates, volcanic emissions contain substantial amounts of mercury and sulfur dioxide. In addition, volcanic haze and gas can accumulate on the leeward side of Mauna Kea when winds are light and variable.

Project Impacts and Mitigation

The development of an approximately 400-lot subdivision in the Waikoloa area has the potential for localized air quality impacts during construction due to grading and earth moving activity, and long-term impacts due to vehicle emissions.

The project is considered an “indirect source” of air pollution as defined in the federal Clean Air Act, since its primary association with air quality is its inherent attraction for mobile sources, i.e., motor vehicles. The project will generate additional traffic in the project area, which would have a resultant impact on air quality.

Short-Term Impacts

During construction of the subdivision roads and infrastructure, air pollutant emissions will be generated both on-site and off-site by vehicular movement, grading, concrete and asphalt batching, and general dust-generating construction activities.

The principal source of short-term air quality impact will be construction-related activity. Construction vehicle activity can at times increase automotive pollutant concentrations along adjoining streets as well as on the project site itself. Site preparation and earth moving will create particulate matter (“PM”) emissions. Construction vehicle movement on unpaved areas will also generate PM emissions.

Given the area's arid climate, there will be an increased potential for fugitive dust. During construction, dust control measures such as frequent watering of unpaved roadways and areas of exposed soil will be employed. The soonest possible paving of roadways and landscaping of bare areas will also reduce dust emission. Transported or stored soils will be covered.

There are no immediately adjacent residential uses, and the distance from residences on Pua Melia Street and Waikoloa Village should minimize construction related impacts on surrounding residents. Construction activities will employ fugitive dust emission control measures in compliance with provisions of Chapter 43-10 (HRS) and Chapter 11-60.1, (HAR) “Air Pollution Control,” Section 11-60.1-33 (HAR) on “Fugitive Dust.”

There will also be some offsite impacts attributable to construction activity due to the operation of concrete and asphalt batching plants. These plants routinely emit particulate matter, though the impact of this project is expected to be minimal.

Long-Term Impacts

Long-term impacts on air quality are directly related to the increase in traffic volumes and in particular, increased delays and congestion which result in idling automobiles. The traffic analysis impact report prepared by Julian Ng, Inc. has estimated that for future Year 2025, the project will increase AM and PM peak hour traffic volumes on Waikoloa Road between 8 and 12 percent, when compared to 2025 conditions without the project. However, these impacts will not be significant enough to change the traffic level of service. At the signalized intersection of Waikoloa Road, Pua Melia Street and Paniolo Avenue, the proposed installation of a traffic signal is expected to mitigate increased traffic volumes.

Overall, any increase in carbon monoxide (“CO”) levels due to increased traffic volumes are expected to be minimal. Even under the worst case conditions of meteorology and traffic, both the federal and State 1-hour and 8-hour CO standards are expected to be met. Other than the proposed traffic improvements, no special mitigation is required for air quality impacts.

3.2.6 Natural Hazards

Existing Conditions

Natural hazards that could occur in the project area include volcanic eruptions, earthquakes, hurricanes and floods.

The U.S. Geological Survey (“USGS”) has prepared volcanic hazard maps that divide the island into zones that are ranked from 1 through 9 based on the probability of coverage by lava flows. Zone 1 is the area of greatest hazard, and Zone 9 the area of least hazard. The project site is located in Lava Hazard Zone 3. The volcanic hazard map does not account for other direct hazards from eruptions, such as tephra¹ fallout and ground cracking and settling, but these hazards also tend to be greatest in the areas of highest hazard from lava flows.

According to the USGS, defining hazard zones for the effects of earthquakes is more difficult than for eruptions and has not been attempted for the Island of Hawai‘i. The island experiences thousands of earthquakes each year; most so small that they are only detectable by instruments. Most of Hawai‘i’s earthquakes are directly related to volcanic activity and are caused by magma moving beneath the earth’s surface. These earthquakes tend to be concentrated beneath Kilauea and Mauna Loa, the island’s active volcanoes, particularly their south flanks and in the region between them. In order to facilitate evacuation from the Waikoloa Village area, the County of Hawai‘i developed in 2006 a secondary evacuation route to the northwest of Waikoloa Village.

¹ Tephra: The general term used by volcanologists for fragments of volcanic rock and lava of any size expelled from a volcano. National Oceanographic and Atmospheric Administration (NOAA), www.ngdc.noaa.gov/seg/hazard/stratoguide/glossary.html

The Federal Emergency Management Agency (“FEMA”) Flood Insurance Rate Map (“FIRM”) currently designates the site Zone X, which are areas outside of the 500-year flood plain (Panel 1551661NDOA, April 2004) (Figure 711, FIRM Map).

Project Impacts and Mitigation

The project will have no effect on the occurrence of natural hazards or the level of public risk. No mitigation is required.

3.2.7 Man Made Hazards

The project site is within a former U.S. military training camp and artillery range in West Hawai‘i that is known to have remaining unexploded ordnance (“UXO”). During and after World War II, the U.S. Marine Corps utilized approximately 123,000 acres in and around Waikoloa, Waimea/Kawaihae, and the Kohala Coast as a training camp and live-fire range. The Waikoloa Maneuver Area was the largest Marine Corps live fire training area, where grenades, bazooka rounds, artillery and mortar rounds, land mines and hedgehog missiles were used. The area today remains littered with related debris including UXO.

In 2002, the U.S. Army’s Honolulu Engineer District (“HED”) conducted a study that estimated the total clean-up cost for the Waikoloa Formerly Used Defense Site (FUDS) at \$640 million. The areas of highest potential risk were identified as those immediately adjacent to Waikoloa and parts of Waimea on down to Kawaihae. The Army’s clean up effort was initiated in 2004, and is funded at \$10 million a year for the period of 2002 to 2007. According to the Army, over 473 acres around the perimeter of Waikoloa Village have been cleared to date, at a cost of approximately \$29.6 million. At Waikoloa, 1,100 rounds of ordnance have been removed since 2004.

As part of their effort, the HED runs a Restoration Advisory Board comprised of local residents and representatives from the police and fire departments. The HED has also initiated a program to inform the public about the health and safety risks of UXO.

There is a potential that UXO and other military debris could be found on the Waikoloa Highlands property during on-site work. Construction personnel will be trained to recognize and immediately report to the Army any suspected munitions encountered. Further, as part of the lot sales program, the finding of the HED will be disclosed to lot buyers.

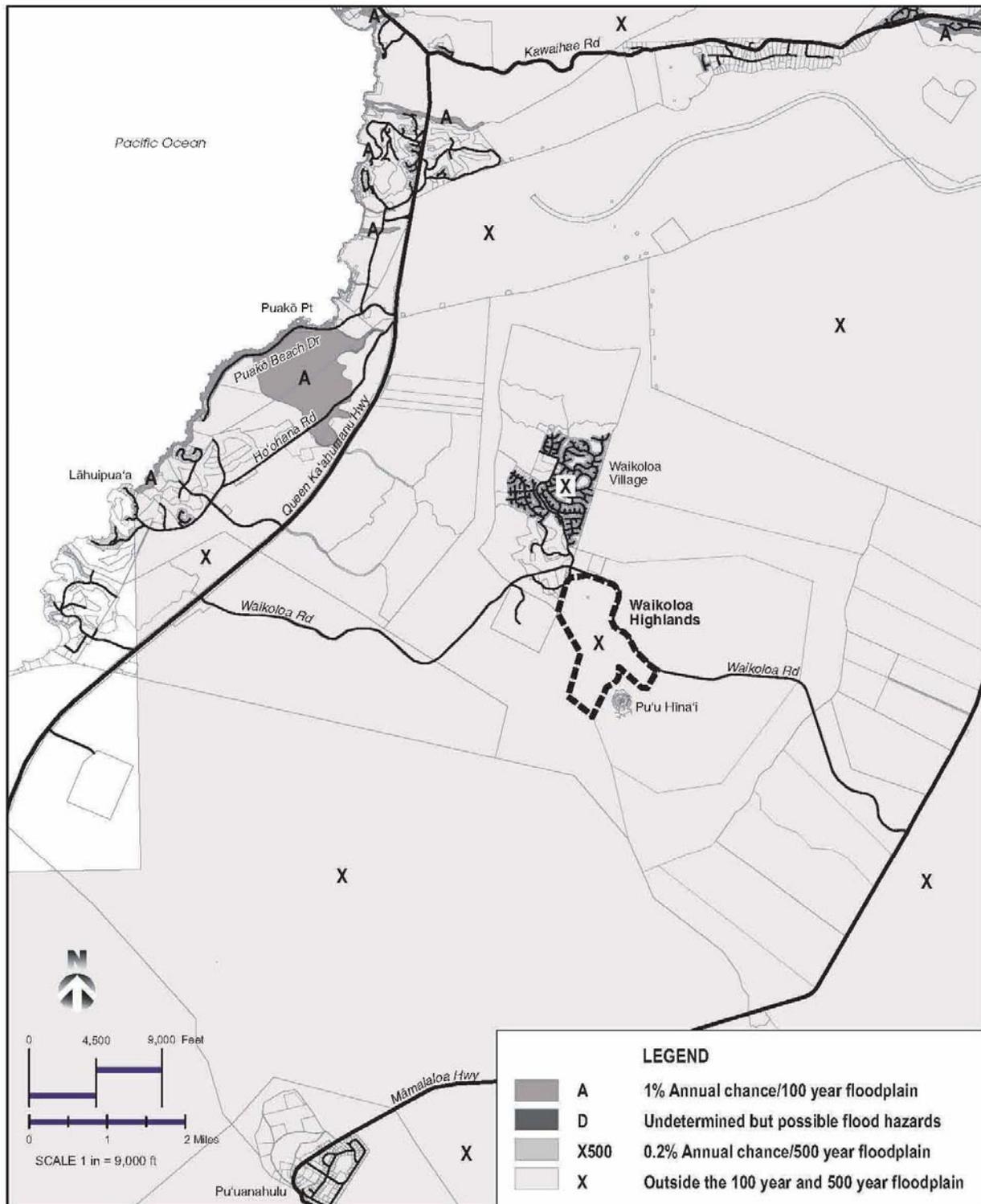


Figure 711
FLOOD INSURANCE RATE MAP

3.2.8 Hydrology

Existing Conditions

A Waikoloa Water Master Plan was completed by Tom Nance Water Resource Engineering in 1991. The document is included as Appendix A, and includes a source development plan and distribution plans for the projected build out of the Waikoloa Village and resort areas. ~~The following information on groundwater resources is from the source development plan in the Waikoloa Water Master Plan.~~

In 2007, an update to the 1991 Tom Nance Water Resources Engineering study was commissioned by the project owners to Waimea Water Services, Inc. (WWSI). This update is included as Appendix L. The 2007 study examined the 1991 water development plan as well as the current development plans of the West Hawai'i Utility Company (WHUC), a water utility company serving the Waikoloa region and regulated by the State Public Utilities Commission.

The Waikoloa Highlands property is located at the boundary of the Waimea, Kiholo and Anaehoomalu aquifers in South Kohala. The State of Hawai'i, in its 1990 Water Resources Protection Plan, delineated the aquifer boundaries and proposed maximum groundwater use rates, or sustainable yields, throughout the State. The State-identified sustainable yield for the Waimea aquifer is 24 million gallons per day (mgd) and 30 mgd for the Anaehoomalu Aquifer (Water Resources Engineering 1991 and WWSI 2007). The Kiholo Aquifer, with a sustainable yield of 18 mgd is not considered a source for the proposed project area².

At the time the Waikoloa Water Master Plan was completed in 1991, there were ten potable water wells and five brackish irrigation wells ~~in the aquifer~~, which were drawing a total of 7.0 mgd from the Waimea Aquifer. This represented 29 percent of the regulatory sustainable yield. The sustainable yield for the Anaehoomalu Aquifer was identified as 30 mgd. ~~At the time the Waikoloa Water Master Plan was done,~~ and existing wells were drawing 7.0 mgd, or 23 percent of its regulatory limit. The existing wells were limited to brackish irrigation wells serving Waikoloa Village, the Waikoloa Resort, and Mauna Lani Resort. (Water Resources Engineering 1991).

The future water demand for the Waikoloa area, including the Waikoloa Highlands project, is estimated at 16.34 mgd. Combined with the Waimea, Lalamilo, and Puako areas, water demand from the Waimea Aquifer is projected to be 33 mgd, which would require transporting water from the Anaehoomalu Aquifer to support the Waimea Aquifer. This would result in a projected demand for the Anaehoomalu Aquifer of 15-16 mgd, which is well below the sustainable yield of 30 mgd from this aquifer.

According to the WWSI update, there is sufficient water resource capacity to meet the project demand of approximately 1,000 gallons per day (gpd) per lot, or approximately 400,000 gpd for the project (1,000 gpd x approximately 400 lots). (WWSI 2007).

² Phone teleconference with Waimea Water Services, Inc., April 10, 2007.

The developer is currently in negotiation with the WHUC to determine the water allocation, and the facilities development charge for the source well(s), storage, and transmission facilities.

In addition to the facilities development charge, a water distribution network will be required to distribute water within the project. Three service zones have been recommended at the 1,210-foot elevation; 1,370-foot elevation; and at the 1,590-foot elevation.

The 1,210-foot elevation service zone would tap off of an existing 20-inch transmission main in Waikoloa Road.

The 1,370-foot elevation service zone would be supplied from the subdivision's 1,210-foot elevation service zone and be supported with a booster pump station and reservoir within the property. In lieu of the booster pump station, an on-site 1,000 gal/day source well could be developed at the 1,370-foot elevation service zone.

The 1,590-foot elevation service zone would be supplied by an upper 1,800-foot elevation reservoir, which will require a new 1,000 gal/day source well.

The cost of the distribution network will be paid for by the developer and will include the installation of storage facilities (water reservoirs or tanks), water lines, and appurtenances providing water to each of the 398 metered lots. (See also Section 3.5.3, Drinking Water, for further description of the water distribution network).

Projected Impacts and Mitigation

~~The Waikoloa Water Master Plan projected expected future use of these aquifers, based on anticipated future development. In 1991, the Waikoloa requirement was estimated at approximately three (3) mgd, but was projected to be more than 11 mgd by 2005, assuming completion of (then) planned development projects, which included the subject Waikoloa Highlands property. A total draft rate of 33 mgd was projected for the Waimea aquifer, which exceeds the 24 mgd regulatory sustainable yield. The plan noted that if supply for Waikoloa's Unplanned Reserve (between the Village and Resort) was also included, the potential overdraft could be five to six mgd higher.~~

~~The potential draft from the Anaehoomalu aquifer was estimated at 15 to 16 mgd, which is below its 30 mgd sustainable yield.~~

~~The Waikoloa Water Master Plan noted that according to the State Water Code, when withdrawal from the Waimea aquifer reaches 90 percent of its regulatory limit (21.6) mgd, it will be designated by the State as a Groundwater Management Area (GMA), which would bring stricter control of well development and use. The GMA designation could also occur sooner at a lower level of pumping if water quality problems arise or if disputes among water users occur.~~

~~The Water Master Plan noted that the water resource limitation is a regional problem, which will require a cooperative regional solution among the State, County, Waikoloa, and other major property owners in the area.~~

~~The study also noted that the State's aquifer boundary delineations and sustainable yield limits do not actually reflect the best information and analysis available. It recommended that Waikoloa participate in a cooperative effort among users to relocate the designated aquifer boundaries to more accurately reflect actual hydrologic boundaries. Sustainable yields should then be recomputed for the redefined boundaries.~~

~~For future development of the subject Waikoloa Highlands site, the Waikoloa Water Master Plan recommended development of new potable wells at an upper elevation. These well sites are near to the presently designated Waimea Anaehoomalu aquifer boundary. However, the Master Plan noted that the well sites would likely be in the Anaehoomalu aquifer, if the boundaries are reconfigured on a more appropriate hydrologic basis.~~

~~The plan recommended that sewage treatment effluent be reused for irrigation wherever possible, to reduce groundwater pumping, reduce pumping costs, and to demonstrate an effort to conserve water to the State Water Commission.~~

Project Impacts and Mitigation

Potential for adverse impacts to the water resources of the area are not anticipated based on the availability of developable water for the project subject. The potential for long-term cumulative impacts to regional water resources, however, would involve the depletion of the resource if it is not properly managed. The Commission on Water Resource Management (CWRM) has established that once an aquifer reaches 90% of its sustainable yield, 21.6 mgd for the Waimea Aquifer, action must be taken such as water reclamation, development of conservation practices, development of new sources, use of brackish water for irrigation, increasing storage, etc.

The developer proposes to encourage conservation practices to preserve and prolong the long-term capacity of the Waimea and Anaehoomalu Aquifers with the following:

Each of the proposed lots will have one lateral water line with two meters, one to monitor domestic use and the other to monitor irrigation use. The individual homeowners will be assessed differently for domestic water and irrigation water.

Water uses for the project will be limited to 1,000 gpd per lot. If the water use is above the 1,000 gpd limit, restrictions may be imposed such as a special water use assessment to reduce demand and waste. This proposal would conserve water, reduce wasteful practices, and encourage the use and planting of drought-tolerant vegetation.

Note: A discussion of the use of individual wastewater systems in relation to the potential for impacts to water systems is provided in Section 3.5.5, Wastewater.

3.2.9 Noise

Noise Standards

Various local and federal agencies have established guidelines and standards for assessing environmental noise impacts and noise limits as a function of land use. The State of Hawai‘i Community Noise Control Rule, enforced by the State DOH, identifies three classes of zoning districts and corresponding maximum permissible noise levels due to *stationary* noise sources. The Community Noise Control Rule does not specifically address *moving* sources, such as vehicular traffic noise or air traffic noise.

The Federal Highway Administration (“FHWA”) defines four land use categories and assigns corresponding maximum hourly equivalent sound levels, Leq(h), for traffic noise exposure. For example, Category B, defined as picnic and recreation areas, parks, residences, motels, hotels, schools, churches, libraries and hospitals, has a corresponding maximum exterior Leq of 67 dBA³. These limits are viewed as design goals, and projects meeting these limits are deemed in conformance with FHWA noise standards.

The State of Hawai‘i Department of Transportation (“HDOT”) has adopted the FHWA’s design goals for traffic noise exposure. A traffic noise impact occurs when predicted traffic noise levels “approach” or exceed FHWA’s design goals, or when the predicted traffic noise levels “substantially exceed the existing noise levels.” “Approach” means at least 1 dB less than FHWA’s design goals, and “substantially exceed the existing noise levels” means an increase of at least 15 dB.

The U.S. Environmental Protection Agency has established a goal to reduce exterior environmental noise to a day-night equivalent sound level (Ldn) not exceeding 65 dBA, and a future goal to further reduce it to no more than 55 dBA. These goals are not intended as regulations, but rather as levels below which the general population will not be at risk from any of the identified effects of noise.

Existing Conditions

The project site is currently exposed to low levels of ambient noise. Noise sources in the area include traffic on Waikoloa Road, occasional aircraft traveling to and from the Kona International Airport, and noise from nearby cinder quarry operations at Pu‘u Hīna‘i, birds and wind.

³ “dBA” represents: “A-weighted sound level.” The A-weighted sound level is a single number that defines the level of a sound and has some correlation with the sensitivity of the human ear. Different sounds with the same A-weighted sound level are perceived as being equally loud. A-weighted noise level is commonly used today in environmental noise analysis and in noise regulations.

Project Impacts and Mitigation

Short-Term Construction Impacts

During construction, the dominant noise sources will probably be earth moving equipment such as bulldozers, pavers, and diesel powered trucks. Although these activities will generate noise, there are no noise sensitive developments adjacent to the construction area that would be impacted. The Waikoloa Village residential and commercial areas are located upwind of the project site, and would not be adversely affected by construction noise.

All project activities will comply with the DOH Administrative Rules Chapter 11-46, “Community Noise Control.” Where construction noise exceeds or is expected to exceed the State’s “maximum permissible” property line noise levels, a permit must be obtained from the DOH to allow the operation of vehicles, construction equipment, power tools, etc. which emit noise levels in excess of the “maximum permissible” levels.

In order to obtain a construction noise permit, the contractor must submit a noise permit application to the DOH describing construction activities for the project. The State may, in turn, require the contractor to incorporate noise mitigation into the construction plan, conduct noise monitoring, or hold community meetings. The construction contractor will use reasonable and standard practices to mitigate noise, such as muffled equipment. In addition, the DOH, at its discretion, may require additional mitigation such as temporary noise barriers or time of day usage limits for certain kinds of construction activities.

Project-Generated Traffic Noise

The project will not have a significant noise impact on the surrounding community. Although noise levels along Waikoloa Road and at the intersection with Pua Melia Street and Paniolo Avenue will increase due to project-generated traffic, traffic noise levels are expected to be less than the federal 67 dBA limit. The incremental increase in traffic noise over existing conditions is not expected to be significant. Overall, no significant noise impact on the surrounding community due to project generated traffic noise is anticipated. No mitigation for vehicular traffic noise is required.

3.3 BIOLOGICAL ENVIRONMENT

A survey of botanical, avian and terrestrial mammalian species for the project site was conducted by Rana Productions, Inc. (Appendix B). The primary purpose of the survey was to determine if there were any botanical, avian or mammalian species currently listed as endangered, threatened or proposed for listing under either the federal or State of Hawai‘i’s endangered species programs on or within the immediate vicinity.

Overall, the modification of the site and the construction of the planned roadway extension will not have a negative impact on any endangered, threatened, proposed or candidate botanical, avian or mammalian species. The findings are discussed below.

3.3.1 Botanical Resources

Existing Conditions

The flora of the project area is comprised mostly of lichens on exposed rock surfaces and flowering plants. Alien plant species predominate over most of the area.

The project site is nearly completely covered with grassland, primarily kāwelu grass (*Eragrostis variabilis*), buffelgrass (*Cenchrus ciliaris*), and fountain grass (*Pennisetum setaceum*). The latter two are non-native species that are extremely abundant on undeveloped lowlands of West Hawai'i. The terrain becomes increasingly stony to the south of Auwaiakeakua Gulch. In the riparian zone along Auwaiakeakua Stream beside Pu'u Hīna'i, kiawe trees form an open forest with grassland understory. In the deeper soils along the gulch bottom, several different grasses predominate in large patches, with buffelgrass and yellow foxtail (*Setaria gracilis*) most conspicuous.

Shrub species common to abundant on the property include fuzzy rattlepod (*Crotalaria incana*), indigo (*Indigofera suffruticosa*), and koa haole (*Leucaena leucocephala*). A small cluster of approximately three dozen native 'akia (*Wikstroemia pulcherrima*) occurs east of the quarry entrance road not far from Waikoloa Road. 'Uhaloa (*Waltheria indica*) is ubiquitous over the area, and tree tobacco (*Nicotiana glauca*) is more common over the pahoehoe flow on the south. 'Aheahea (*Chenopodium oahuense*), another native shrub, is limited in its distribution to the northwest corner near Waikoloa Village.

The kiawe is the most abundant tree species on the property, but is sparse outside of the riparian zone in the vicinity of Pu'u Hīna'i. A very few and widely scattered native wiliwili (*Erythrina sandwicensis*) trees are present within the site.

These findings were consistent with a previous botanical survey of the project area conducted by Char and Associates in 1988. The botanical study found that none of the plant species noted in the general area is listed as endangered or threatened, on or proposed for endangered status. Vegetation varies from rolling grasslands with widely scattered trees to savannah scrubland. Nearly 90 percent of 46 species of vascular plants found growing in the area were exotic or non-native weeds.

Project Impacts and Mitigation

There are no plant species on the site currently listed as endangered, threatened, or proposed for listing. The project will not have an adverse impact on these species. There will be adverse impacts to native plant assemblages present within the site. However, the 12.819 acre area which has been excluded from the project will not be affected (see Section 1.3, Proposed Action and Location).

The Rana Productions, Ltd. study encouraged the use of indigenous plants for landscaping public areas. It noted that the 'akia found on the site (*Wikstroemia pulcherrima*) is an especially attractive plant that has potential to be a signature plant for the development. Wiliwili trees, increasingly rare in the Waikoloa area, may also be considered for wider planting in the area.

Native plantings would also require less irrigation than typical landscape schemes, once the plants have become established.

3.3.2 Avian Resources

Existing Conditions

A total of 115 individual birds of nine different species, representing seven separate families were recorded during the survey. All nine species detected are alien to the Hawaiian Islands.

Avian diversity and densities were extremely low. Three species, Black Francolin (*Francolinus francolinus*), Sky Lark (*Alauda arvensis*) and African Silverbill (*Lonchura cantans*) accounted for more than 90 percent of the total birds recorded.

Between late July and the end of April, it is likely that one indigenous migratory species, Pacific Golden-Plover (*Pluvialis fulva*) use resources within the project site. The endemic Hawaiian subspecies of the Short-eared Owl (*Asio flammeus sandwichensis*) or Pueo, has also been regularly documented within the South Kohala grasslands.



Pacific Golden-Plover



Pueo (Hawaiian owl)

Although not detected during the survey conducted by Rana Productions, it is possible that small numbers of the endangered endemic Hawaiian Petrel (*Pterodroma sandwichensis*) and the threatened Newell's Shearwater (*Puffinus auricularis newelli*) overfly the project area between the months of May and November.

Hawaiian Petrels, a pelagic seabird, were formerly common on the Island of Hawai'i. In recent times, breeding colonies have been reduced to high elevations on Mauna Loa and possibly, Mount Hualalai. Petrels were listed as an endangered species by the U.S. Fish and Wildlife Service (USFWS) in 1967 and by the State of Hawai'i in 1973.

Newell's Shearwaters were formerly common on the Island of Hawai'i, but populations have dropped precipitously since the 1880s. It was listed as a threatened species by the USFWS in 1975 and the State of Hawai'i in 1973.

The primary cause of mortality in both Hawaiian Petrels and Newell's Shearwaters is thought to be predation by alien mammalian species at the nesting colonies. Collision with man-made structures is the second most significant cause of mortality. There is no suitable nesting habitat within or close to the project area for either of these pelagic seabird species.



Hawaiian Petrel



Newell's Shearwater

Project Impacts and Mitigation

The primary potential impact of the project to Hawaiian Petrels and Newell's Shearwaters is the increased threat that birds will be downed after becoming disoriented by street lights associated with the new development.

If street lights are installed in conjunction with the proposed roads for the Waikoloa Highlands subdivision, it is recommended that lights be shielded to reduce the potential for interactions of nocturnally flying Hawaiian Petrels and Newell's Shearwaters with external lights and man-made structures. This mitigation would also comply with Hawai'i County Code which requires the shielding of exterior light to lower ambient glare for the astronomical observatories located on Mauna Kea.

3.3.3 Terrestrial Mammals

Existing Conditions

The survey of mammals was limited to visual and auditory detection, coupled with visual observation of scat, tracks and other animal signs. A total of eight mammalian species were detected during the course of the survey. These included a lone European house mouse (*Mus domesticus*), several dogs (*Canis f. familiaris*), Indian mongoose (*Herpestes a. auropunctatus*), cats (*Felis catus*), and several herds of goats (*Capra h. hircus*). Additionally, scat, tracks and sign of dog, cat, horse (*Equus c. caballus*), pig (*Sus s. scrofa*), goat and sheep (*Ovis aries*) were encountered at numerous locations within the study site. All mammals recorded are considered to be alien to the Hawaiian Islands.

Although only one rodent was recorded during the survey, it is likely that the other three naturalized rodents present in Hawai'i, the roof rat (*Rattus r. rattus*), Norway rat (*Rattus norvegicus*), and possibly Polynesian rats (*Rattus exulans Hawaiiensis*) utilize resources within the project site.

Although not detected during the survey, it is likely that the endemic and endangered Hawaiian hoary bat (*Lasiurus cinereus semotus*) over-flies the site occasionally.

Project Impacts and Mitigation

Although Hawaiian hoary bat fly-overs are likely, the Rana Productions, Ltd. study noted that there is no suitable vegetation on the site for bat roosting. Therefore, it is unlikely that clearing of current vegetation and the development of a subdivision on the property will result in deleterious impacts to this species. The planting of trees and ornamental vegetation after development may increase the presence of prey items, and thus may enhance foraging resources for the Hawaiian hoary bat.

3.4 SOCIAL AND BUILT ENVIRONMENT

3.4.1 Adjacent and Surrounding Land Uses

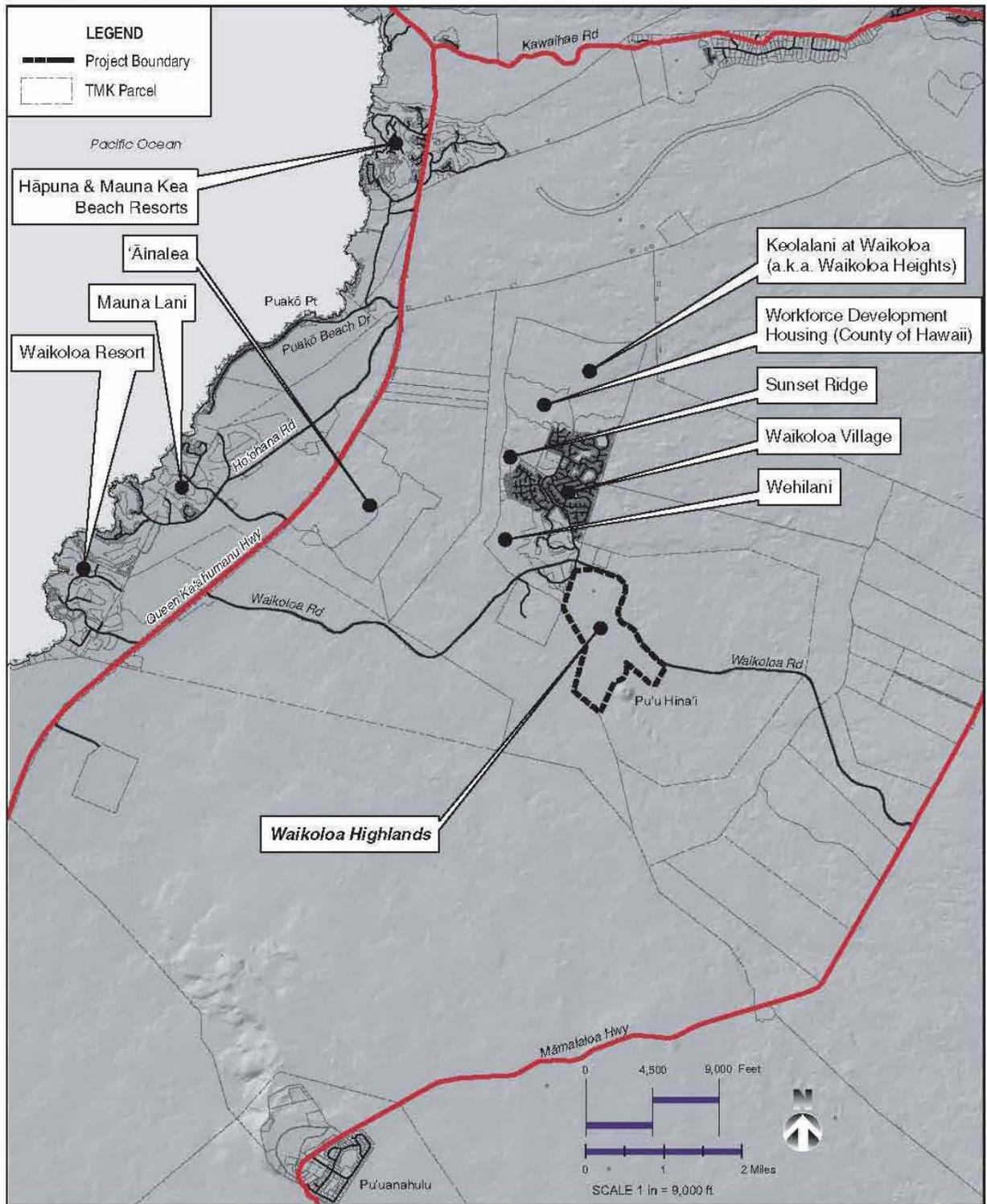
The project site is located upslope from the existing Waikoloa Village, a primary residential community in South Kohala situated upland approximately seven miles inland from Queen Ka‘ahumanu Highway and eight miles from the coastline. Figure & 12, Surrounding Land Uses, shows existing and proposed land uses in the vicinity of the project site.

Waikoloa Village

The residential and resort community of Waikoloa Village was first conceived and developed by Boise Cascade, at that time the major landowner in the area. Residential development commenced with the 1972 opening of the Waikoloa Village Golf Course. The community has developed incrementally over the past 30 plus years, and encompasses approximately 2,795 acres.

In addition to the Robert Trent Jones 18-hole golf course with club house and swimming pool, Waikoloa Village includes tennis courts, riding stables, community park, and shopping center. Of the 2,400 total existing residential units in Waikoloa, approximately 1,360 (57%) are single-family or detached homes, and 1,040 (43%) are condominiums (some of which are detached).

Existing zoning is in place for thousands of home site and multi-family units, commercial center, schools, parks and recreational amenities. About one-third of the residential development identified in the Waikoloa Master Plan has been constructed to date (The Hallstrom Group, Inc. 2006).



Source: Hawaii Statewide GIS Program

Figure 812
SURROUNDING LAND USES

Proposed Residential Development

In addition to Waikoloa Highlands, there are five major residential projects in various stages of development in the Waikoloa area. A sixth holding of some 600 acres with long-term residential potential is still held by the master developer, Waikoloa Development, but there have been no announced development plans.

Wehilani at Waikoloa

This project is being developed by Castle and Cooke and will include 756 residential units, approximately 473 single-family and 283 multi-family units. Single-family lots range from 10,000 to 14,000 square feet in size. Finished home prices will range from \$515,000 to \$619,000.

Sunset Ridge

Phase I of this single-family residential project, being developed by Towne Development Group, commenced in 1989. At present, 81 homes are in place, with potential build out of 120 homes. Lots range in size from 10,000 SF to 30,000 SF in size, with finished homes selling between \$525,000 to \$760,000.

Kilohana Kai

This project is being developed by a joint venture of realtors and builders and construction began in the 2003 to 2004 time frame. The project consists of 230 vacant single-family lots ranging in size from 10,000 to 50,000 SF. The first phase of development consisted of 80 lots. Lots are being marketed and sold for \$265,000 to \$335,000. House and lots were being sold for \$592,000 to \$655,000. The second and final development phase of this 230 lot/homes project began in 2004, with full sell out expected by the end of 2006.

17th Fairway Villas

The 17th Fairway Villas is a 27-unit gated development along the Waikoloa Golf Course. Unit sizes averages 1,200+ square feet. All of the homes were sold for between \$409,800 and \$449,800.

State of Hawai'i/Hawai'i County

This affordable housing project is being developed by Hawai'i County. The project has been "on hold" for 15 years due to Waikoloa Village Covenants, Conditions, and Restrictions ("CC&R") and other issues, but have restarted in 2006. Of the 1,000 units planned, 206 single-family units are planned for the first increment scheduled for construction in 2007 according to Unidev Hawai'i, project developer. Selling prices are between \$250,000 and \$350,000.

3.4.2 Agriculture

The primary economic activities in the South Kohala District of the Big Island are cattle ranching, diversified agriculture, and the rapidly expanding tourism industry. Cattle pastures utilize a majority of the district's acreage, with pastures located along the upper slopes of Mauna Kea stretching makai. The largest holding in the area is Parker Ranch, with approximately 230,000 acres of grazing land supporting roughly 45 to 50,000 head of cattle (The Hallstrom Group, Inc. 2006).

Additional farming is centered in Waimea, located ten miles northeast of the project area. Waimea is considered one of the Big Island's most productive areas, with crops including cabbage, celery, lettuce, and other vegetables, as well as melons and floral products. Experimentation using other diversified crops is widespread. The State maintains an agricultural research facility in the Lalamilo Agricultural Subdivision near the Waimea Airport. Although the agricultural industry is viewed as a potential economic growth sector for the mauka or upcountry areas of the district, competition for resources and land, brought about by tourism and residential development, the inconsistency of historic supply and demand levels for agricultural products in the state, and the lack of sufficient inexpensive water supply hampers the general large-scale expansion of farming.

The proposed project will result in the removal of approximately 731 acres from the State Agricultural District. As noted in Section 3.2.4, Soils and Geology, the soils profile in the project area does not lend itself to intensive agricultural uses because of shallow and rocky soil conditions. The Land Study Bureau (LSB) has further classified crop productivity ratings according to soils on a scale of A to E, with the A rating the highest. The LSB has rated the subject project area "E", comprising land that is only marginally suitable for agricultural use.

The Agricultural Lands of Importance to the State of Hawaii (ALISH) land classification system similarly categorizes land according to "Prime Agricultural", "Unique Agricultural", and "Other Important Agricultural" land classes. The subject project area is unclassified and is not rated according to the ALISH system.

The removal of this land from the State Agricultural District is not anticipated to result in an adverse impact to agricultural activities based on the above findings. Surrounding land uses are primarily residential and commercial, with little to no active land in agricultural production.

3.4.3 Socio-Economic Environment

The discussion in this section is based on two studies--a Social and Economic Impact Analysis for the proposed project completed by SMS Research (2006) and a Market Study, Economic Impact Analysis and Public Costs/Benefits Assessment completed by The Hallstrom Group, Inc. (2006). The studies are included as Appendices C and D respectively.

Although there was some overlap in the scope of these studies, each had a different primary focus. The SMS Research study focused on assessing the project's social and economic impact. It provides a demographic and housing profile of the project region, and evaluates the impact of

the proposed subdivision on housing demand, short and long-term employment, County and State tax revenues, and social conditions in the community. The SMS Research scope of work included interviews with community residents to identify and understand local sensitivities, expectations, hopes and fears associated with residential development in Kohala.

The Hallstrom Group effort was primarily a market study, and their main tasks included quantifying demand for single-family residential inventory, evaluating existing inventory, and assessing the appropriateness of the proposed subdivision. Their effort focused on providing an opinion on the project's anticipated level of market success. As part of their evaluation of overall market success, The Hallstrom Group considered the project's expected contribution to the larger community, including job creation and public revenues. In these last two areas (employment and public revenues), there was some overlap with the SMS scope of work. However, because the studies were prepared independently, there is some inconsistency in their quantitative estimates.

The discussion below summarizes the results of the SMS and Hallstrom reports. For overlapping subject areas such as employment and public revenues, both the SMS and Hallstrom findings are presented.

Existing Conditions

Demographic Characteristics

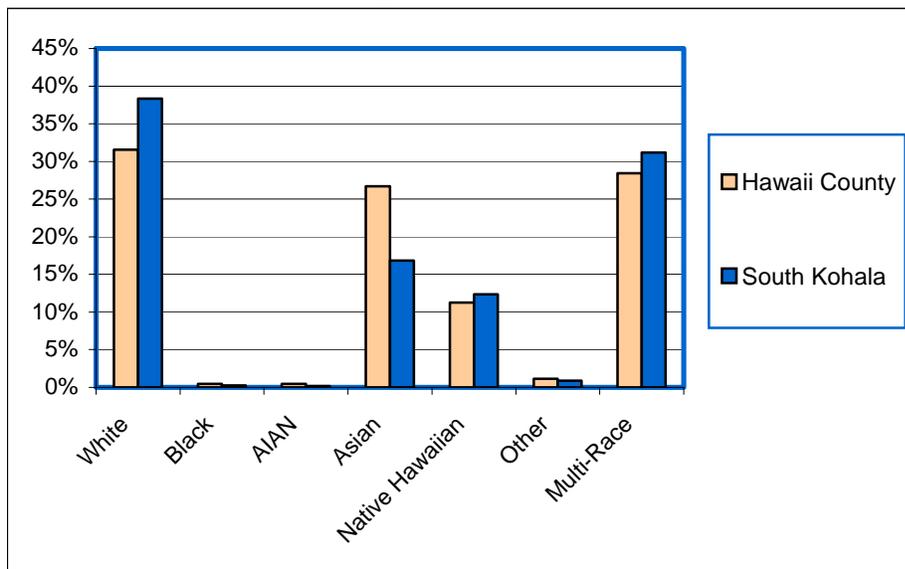
The Island of Hawai'i is the largest of the Hawaiian Islands in terms of land area, encompassing approximately 4,028 square miles. Despite its size it is only the second most populous county with a population of over 164,400 residents, 13.3% of the state population. During the last five years, Hawai'i County population has increased markedly by 12.7 percent, the largest growth rate of all the counties during this period. In addition, Hawai'i County is the only county projected to have consistent appreciable growth beyond 2003 (SMS Research, 2006).

South Kohala is one of the nine districts that make up Hawai'i County. The major areas in South Kohala include Waimea, Puako, and Waikoloa. Census figures show South Kohala with a total resident population in 2000 of 13,079 in 4,648 households.

South Kohala is the fourth most populous district accounting for approximately 9 percent of the County population. South Kohala has experienced the greatest wide-scale growth since 1980, as the population has increased by more than 140 percent over that period of time. The median age for South Kohala residents is 36.2, and Waikoloa Village residents have a median age of 34.6 years. Both are lower than the County median of 38.6 years.

In terms of racial make-up, nearly one third of County residents and 28 percent of South Kohala residents classify themselves as mixed or multi-raced. South Kohala has a slightly higher concentration of Caucasians than the County with 38 percent compared to 32 percent respectively and fewer Asians (17 percent compared to 27 percent) (Figure 13, Racial Distribution).

Figure 13
Racial Distribution, Hawai'i County and South Kohala



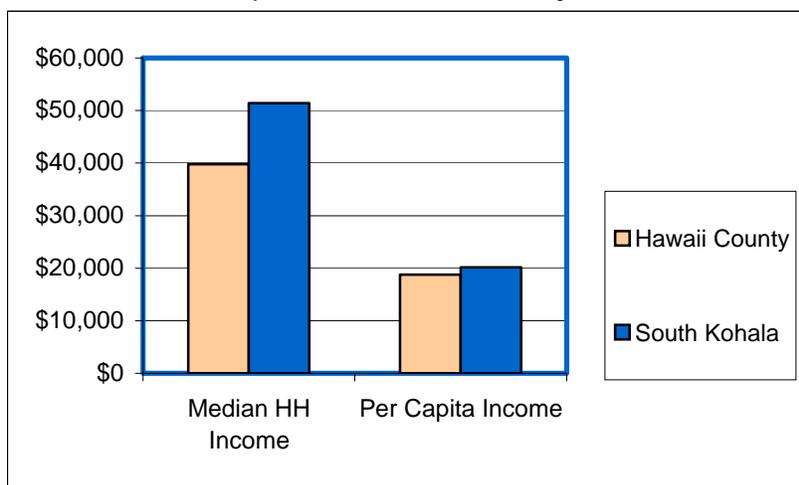
Source: U.S. Census Bureau, County of Hawai'i Data Book, 2004 and SMS Research, 2006

Income and Employment

From an economic perspective South Kohala is one of the strongest districts in the County. Census 2000 showed that South Kohala has the highest proportion of employed adults in the County at 70.7 percent and the lowest unemployment rate of 2.3 percent.

Among all the districts in Hawai'i County, South Kohala residents have the highest median income at \$51,379 and the per capita income of \$23,194 second only to the North Kona District (Figure 14, Household and Per Capita Income).

Figure 14
Household and Per Capita Income, Hawai'i County and South Kohala



Source: U.S. Census Bureau, County of Hawai'i Data Book, 2004 and SMS Research 2006

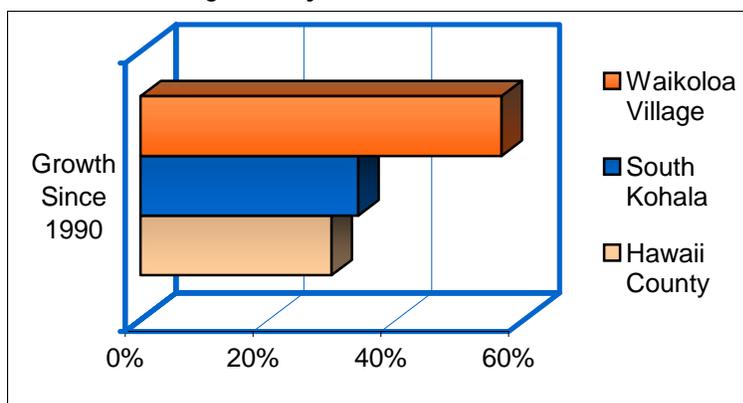
Waikoloa Village residents have a relatively high median household income, which in 2000 was at \$50,040 more than 25 percent higher than the County median. Very few Waikoloa families, 8.6 percent, were living below the poverty level in 2000.

More than 75 percent of the eligible Waikoloa workforce is currently employed. This employment is rate is the highest of all Big Island neighborhoods. Similarly, Waikoloa Village boasts an extremely low unemployment rate, charted at 2.5 percent in 2000.

Housing

As of 2000 there were 5,348 residential units in South Kohala (US Census, 2000), a 34 percent increase in housing units since 1990. This growth is larger than that of the County as a whole (30 percent), and given the economic health of the region, it is expected to continue (SMS Research, 2006). (Figure 15, Number of Housing Units by Area).

Figure 15
Number of Housing Units by Area, 1990 to 2000



Source: US Census 2000, County of Hawai'i Data Book 2004

Several new developments are planned in the district that will add to the growing community. Communications with officials at the County of Hawai'i Department of Housing and Community Development and developers indicate that approximately 2,000 to 4,000 units (excluding the subject Waikoloa Highlands project) are planned in South Kohala between present and 2010. It is impossible to estimate how many of these units will actually be built, and it is quite possible that a great deal less of these planned units will actually come online by 2010. However, it is clear that the South Kohala district will continue to experience future residential growth (ibid).

Project Impacts and Mitigation

Social Impacts

South Kohala

The Social and Economic Impact Analysis (SMS Research, 2006) examined the social impacts of the proposed Waikoloa Highlands project. The average de facto population at build out of the

project is projected to be 1,068 persons, including 907 full time residents. Although the project will have minimal regional impact, it is of large enough scale that its impacts will be felt in the village of Waikoloa.

Waikoloa was originally intended to be a town of much larger size, designed as a complete community. After a relatively slow growth period in its first 30 years, current proposals may push the Village to its original intentions.

If only half of the proposed plans were to become reality, Waikoloa would more than double in size. As a community significantly off the coastline, it is unlikely that Waikoloa would develop into a community dominated by tourism investment. Rather it will, in all likelihood, develop into a diverse community whose members work throughout the region, from Kamuela to the Kailua-Kona, both in and out of the visitor industry. As a mid-point between the established community of Kamuela and the bustling coastline, Waikoloa will probably continue in its suburban character, perhaps with a more defined town center offering a wider array of commercial and public services.

The lots of Waikoloa Highlands are not a unique product to the region. Similar lots have been and are available in various parts of Kamuela and along the coast. This project will not change the regional pattern of growth or significantly affect the character of the region.

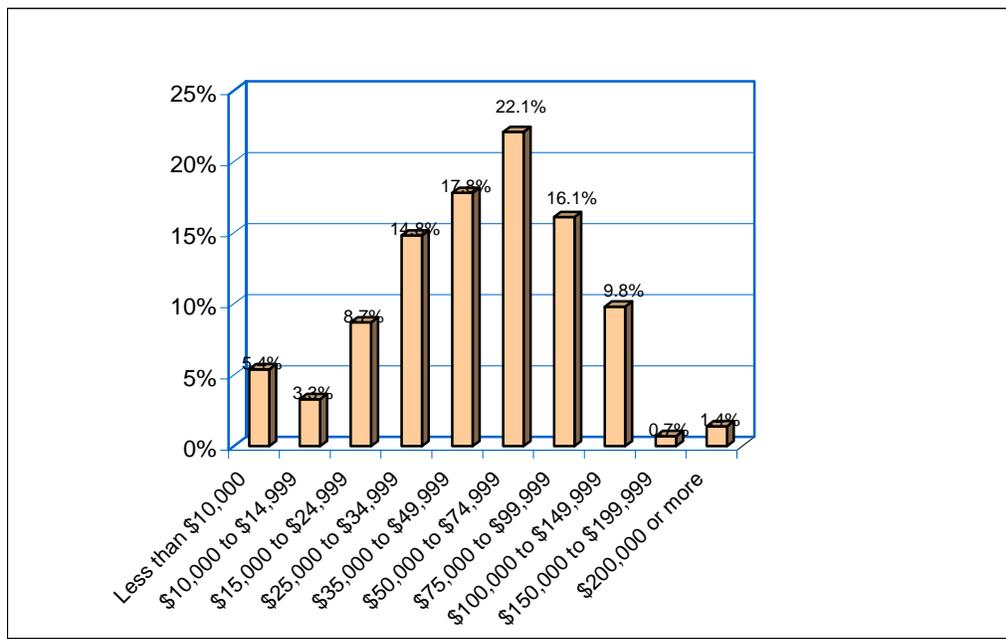
Waikoloa Village

Waikoloa Highlands will, however, significantly impact the existing community fabric of Waikoloa Village. If homes were built and occupied on every lot in Waikoloa Highlands, this project alone would increase the current size of the village by 23 percent. However, in the context of development of the other projects identified earlier, the impact of the Highlands project would only be 9% (398 units divided by 4,533 units). While on the one hand, this will result in increased pressure on traffic and public services, but on the other hand, as some Waikoloa residents noted in interviews, the Highlands development would help support the current resident pleas for additional service.

Community Balance

The Social and Economic Impact Analysis examined the impact of the project on “community balance.” The study noted that while median incomes in Waikoloa Village are higher than those of the County as a whole, the median incomes in Waikoloa Village are highly concentrated around the mean. Only eight percent of the households have incomes below the poverty line, but only 2.1 percent have incomes in the higher incomes of the County, \$150,000 and over. (Figure 16, Waikoloa Village 2000 Income).

Figure 16
Waikoloa Village 2000 Income



Source: US Census 2000, County of Hawai‘i Data Book 2004 and SMS Research 2006

The lots at Waikoloa Highlands will likely sell for \$768,600 to \$1,058,400. At that level and assuming a 2,100 square foot home constructed at \$366 to \$504 per square foot, families will need incomes in the range of \$192,000 to \$264,000. This project will bring to Waikoloa Village a segment of the population that is not highly represented there today.

The SMS study noted that this will create a more “balanced” community with not just a wider range of incomes, but a wider range of interests, a wider range of experiences, a wider range of contributions to the community’s fabric.

In addition, as one public official noted, “this creates a more balanced community. Families in these income brackets demand and often get more public services. That’s not a judgment of government or of families in differing income brackets. It’s just how things happen all over this country.”

Overall Economic Impact

The Market Study, Economic Impact and Public Costs/Benefits Assessment (The Hallstrom Group, Inc. 2006) (Appendix D) evaluated the economic impact of the proposed Waikoloa Highlands Development. The study concluded that development of the subdivision will generate significant efforts and expenditure that will have positive direct and indirect impacts on the Big Island economy. The project will increase the level of capital investment, capital growth and capital flow in the region.

The estimated resident population of the Waikoloa Highlands project at build-out is estimated to be 1,068 persons. Total annual discretionary expenditures (by owners and guests) are estimated

at \$39.0 million. Total resident household income is forecast (in 2006 dollars) at a stabilized \$47.8 million annually.

The study concluded that numerous local businesses will enjoy significant profit opportunities arising for contracting companies constructing the improvement, and for local businesses which would supply a substantial portion of the building materials needed.

The general island economy will also benefit from the development, and resulting wage earners will spend large amounts of their income in regional shops, restaurants, and service establishments throughout the Big Island. The project is estimated to infuse \$340.3 million in development and construction capital and \$7.2 million in annual business operations into the West Hawai'i economy over its ten year build out period.

Indirectly, as these construction wages, profits, and resident expenditures move through the West Hawai'i economy, multiplier effects will increase the amount of capital flowing to the entire island community.

Income and Employment

Both the Social and Economic Impact Analysis (SMS Research, 2006) and the Market Study, Economic Impact Analysis and Public Costs/Benefits Assessment (The Hallstrom Group, 2006) projected the Waikoloa Highlands impact on income and employment.

The studies addressed the impacts of the actual construction, as well as the long-term operation of the project. It also examined the effects of project-related spending throughout the local economy. Estimates of employment included 1) *Direct jobs*, immediately involved with construction of a project or with its operations; 2) *Indirect jobs*, associated with the project's purchase of goods and services in the local economy; and 3) *Induced jobs*, created as workers spend their income for goods and services.

Although there were differences in the quantitative findings of the SMS and The Hallstrom Group studies, both studies concurred in their conclusion that the project would have a positive impact on employment and income. The findings from both studies are summarized below. The full reports can be found in the Appendices C and D.

SMS Research Study Conclusions

The SMS study estimates were made on a 10-year full build-out schedule. This assumes that the construction period for the infrastructure is approximately 30 months, with home construction beginning in the second year. Full build out of 398 homes is assumed to take nine years. Other assumptions are discussed in the SMS study in Appendix C.

Total construction for this project is estimated at \$340.3 million. This construction spending will have a positive impact on economy by creating jobs and spending in related industries. ~~The table~~ Table 3:1, Construction Employment, below, shows that the direct workforce as a result of this

project will include some 2,011 person-years of employment⁴. Direct jobs are not necessarily located on-site. As a rule of thumb, about 20% of direct construction jobs are off-site (in base yards, offices, and the like).

Indirect and induced jobs are also created throughout the state. These are likely to be concentrated in commercial and/or industrial centers, rather than near a job site. In addition this project will support some 3,280 indirect and induced person-years of employment. In total approximately 5,291 person-years of employment will be created through the infrastructure and single-family home construction.

Not all of these indirect and induced jobs will be created on the Big Island. Many industries that support Hawaii-based construction efforts are not located in the Islands or on the Big Island. The SMS Research study estimated that approximately 4,470 person-years will be located on the Big Island⁵.

Table 3-1. Construction Employment
(Social and Economic Impact Analysis, SMS Research 2006)

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Cumulative
<i>Infrastructure</i>											
Construction spending 1	19.7	25.1	14.9	-	-	-	-	-	-	-	59.7
Direct workforce 2	194	247	147								589
Indirect workforce	86	162	18								265
Induced workforce	188	239	142								568
<i>SF Home</i>											
Construction spending	-	24.7	28.2	35.3	35.3	35.3	35.3	35.3	28.2	23.3	280.6
Direct workforce		125	143	179	179	179	179	179	143	118	1,422
Indirect workforce		98	129	193	193	193	193	193	129	85	1,406
Induced workforce		92	105	131	131	131	131	131	105	86	1,041
Total (infrastructure and SF)	468	962	684	502	502	502	502	502	377	289	5,291

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Cumulative
<i>Construction Earnings 1</i>											
Direct earnings	13.7	22.5	16.2	7.3	7.3	7.3	7.3	7.3	5.8	4.8	99.2
Indirect earnings	3.3	7.5	6.3	4.7	4.7	4.7	4.7	4.7	3.8	3.1	47.5
Induced earnings	5.9	10.2	7.6	3.9	3.9	3.9	3.9	3.9	3.1	2.6	48.8
Total	22.9	40.2	30.0	15.9	15.9	15.9	15.9	15.9	12.7	10.5	195.5

¹ in millions of 2006 constant \$

Source: DBEDT, State Input - Output Study, 2002 and SMS Research 2006

These earnings will boost the local economy, as many of these dollars will be used to purchase goods and services from other industries.

⁴ Person years of employment is the number of full time equivalent positions required to complete the work defined by the estimated cost of construction during the specific period of time.

⁵ all direct construction work, and 75 percent of indirect and induced work.

The Hallstrom Group Study Conclusions

The Hallstrom Group study also concurred that during the project’s estimated ten-year build-out, a number of construction, equipment operator, and specialty trade jobs will be created, both on and off-site. The Hallstrom Group estimated that construction of the subdivision and its ongoing use and maintenance will create between 92 and 265 positions annually, totaling some 2,296 “worker/years” of employment on the Big Island during the first decade. Of this, 1,445 worker/years (average of 145 positions) would be direct construction oriented jobs, 195 would be ongoing maintenance/operating positions, and 656 would be off-site worker requirements. Associated wages during this ten-year build out period are estimated at \$113.1 million.

After completion of the homes, there will be significant additional employment positions created. These include landscape, service, maintenance and renovation service jobs. The Hallstrom Group estimated that home and unit maintenance will support about 40 full-time equivalent on-site jobs and contribute to another 16 jobs offsite, with total wages of \$1.6 million annually.

Public Fiscal Impacts

The project’s public fiscal impacts were also examined by both SMS Research and The Hallstrom Group. Although projections of public revenues differed, both concluded that the project would result in positive fiscal benefits to the State and County governments.

State of Hawai‘i

The Social and Economic Impact Analysis (SMS Research, 2006) projected new State and County tax revenues. The study noted that no major new commitment of County or State funds is needed to support this project. Construction spending of \$340.3 million was estimated to result in \$12.8 million in direct State tax revenues. Over a ten year period, SMS estimated that the project will generate \$33.4 million in State tax revenues, as shown in ~~the table~~ Table 3-2, Anticipated State Tax Revenues, below.

Table 3-2. Anticipated State Tax Revenues
(Social and Economic Impact Analysis, SMS Research 2006)

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Cumulative
<i>State Taxes</i> ¹											
Direct	0.73	1.85	1.61	1.33	1.33	1.33	1.33	1.33	1.06	0.88	12.77
Indirect	0.54	1.51	1.35	1.18	1.18	1.18	1.18	1.18	0.95	0.78	11.03
Induced	1.12	1.98	1.48	0.78	0.78	0.78	0.78	0.78	0.63	0.52	9.62
Total	2.39	5.34	4.44	3.29	3.29	3.29	3.29	3.29	2.63	2.17	33.42

¹ in millions of 2006 constant \$

Source: DBEDT, State Input – Output Study, 2002

By comparison, The Hallstrom Group had a more optimistic estimate of State tax revenues. This study projected that the State will receive \$41.5 million in primary tax receipts during the first ten years of development and operation, and a stabilized amount of \$4.4 million annually.

County of Hawai'i

The new units developed in the Waikoloa Highlands will result in County tax revenues via property taxes. Some of these property taxes will come from new residents of Hawai'i County and result from in-migration while other tax revenues will come from residents relocating from other Big Island areas. For this reason, it should not be assumed that 100 percent of these property taxes represent new tax revenues.

The Social and Economic Impact Analysis (SMS Research, 2006) estimated that the 398 new homes could result in approximately \$600,000 to \$750,000 in property tax revenues annually. These estimates are based on the value per square foot of neighboring Waikoloa Village homes applied to 398 2,100 square-foot units. This amount of property taxes would represent approximately one percent of the total property taxes collected. Other tax revenues will also be generated via taxes on utilities and other taxable services provided to local residents by the local government.

By comparison, The Hallstrom Group had a more optimistic estimate of County revenues. The Hallstrom Group estimated that the County of Hawai'i will receive \$24.4 million in tax revenues during the first ten years of the project, and \$3.5 million thereafter.

Public Cost vs. Benefits Assessment

The Hallstrom Group, Inc. study included a public cost/benefits assessment, which compared the costs of providing expanded services to the project versus public benefits through an increase in local and State taxes.

Public costs considered included police and fire protection, infrastructure services, recreation demands, education, and other public services. The costs were then compared to the public benefits derived from real property taxes, gross excise tax receipts, and State income tax (discussed above).

Methodology

A concern in the analysis was the integration of the project into the overall State and County governmental services plan on both an *actual* and *pro rata* perspective. The study notes that from an *actual cost* perspective, the project represents only a fraction of the County and State residential inventory, and it is unlikely that the Waikoloa Highlands residents will themselves create the need for expansion of public services. That is, no new schools, parks, highways, recreational facilities, service agencies, or other public services will be required specifically because of the Waikoloa Highlands development.

Because the need for additional services is a cumulative effect, public costs can also be projected on a *per capita* allocation. This approach is generally appropriate for residential subdivisions, as the substantial portion, but not all public costs and services, accrue to where a person lives. In order to meaningfully quantify the public costs of the project, The Hallstrom Group study looked at public costs from both an *actual cost* and *per capita* allocation basis.

Costs

Per capita costs are based on per capita expenditures incurred by the government in accordance with the de facto population. On a per capita allowance basis, State and County expenditures associated with the project were estimated to range from \$934,636 in year 3 of the project, to a stabilized maximum of \$4,959,801 at build out and beyond, in constant 2006 dollars. On an *actual* cost basis (which was acknowledged to be an atypical perspective), the total government costs at build out would be \$2,906,100 annually.

Costs vs. Benefits

The estimated public costs were then compared to the estimated public revenues. Even using the highest cost estimate of \$4.9 million annually (based on per capita costs), public benefits clearly exceed public costs. In no year does the State or County suffer a revenue shortfall (costs exceeding receipts) relative to the project.

The SMS study did not estimate public costs, and its projections of public revenues were generally more conservative (i.e., lower) than The Hallstrom Group's. However, even the lower SMS revenue projections exceed anticipated public costs.

Overall, despite the differences in their revenue estimates, both the SMS and Hallstrom studies show that the project will have a positive fiscal impact on both the State and Hawai'i County.

3.4.4 Marketing Plan

The following discussion summarizes the Market Study conducted by The Hallstrom Group (Appendix D). The subdivided lots in the project will be marketed in two phases--149 lots in Phase 1 and 249 lots in Phase 2.

Existing Supply

The Hallstrom Group reported noted "based on extrapolation of 2000 census data and county planning figures, we estimate the total number of habitable housing units in the Waikoloa Village study area as of spring 2006 was approximately 2,400 units." The majority of the units were constructed since the late 1980s.

Proposed Supply

There are five major projects in-development, approved or proposed in the Waikoloa Village area. These projects are: Wehilani (~~473~~ 756 units), 17th Fairway (27 units), Sunset Ridge (~~201~~ 120 units), and Kilohana Kai (230 units). These project have the potential of providing a maximum of ~~3,456~~ 1,133 units (combined single-family and multi-family units) to the housing inventory of the area. The County of Hawai'i is also planning a housing project with ~~225~~ 1,000 units in the area. Combined, there are approximately ~~4,079~~ 2,133 units proposed for a total of 4,533 units (existing [2,400] and proposed [2,133]).

Housing Demand

The Waikoloa Village residential real estate market, like most sectors throughout the state, is current in the midst of a major up-cycle. Demand for new housing opportunities in the Waikoloa Village study area was estimated by the Hallstrom study to be 4,188 to 7,038 units in the next 20 years. Mid-point demand was estimated at 5,613 units. It was concluded that “approved supply will fall short of projected demand by at least 507 (minimum) to 3,357 (maximum) housing units during the next two decades without Waikoloa Highlands.” The mid-point shortfall of supply relative to demand in the study area is forecast at 1,932 total new residential units.

Market Evaluation

Based on the availability of current and project units, the Hallstrom report concluded that the Highlands project presented the following attributes:

- The necessary physical traits (size, shape, topography) to support large-scale competitive residential development;
- Direct access onto the main arterial in the region;
- Proximity of the Waikoloa Village community core;
- Access to existing utility systems;
- An expanding regional resident population nearby;
- Consistent with community plans for large-lot residential use, as indicated by the land use classification for portions of the holding and post announcement regarding the development of the site;
- It is nearby the primary retail/restaurant/service development in the community (Waikoloa Village Center) and major regional recreational amenity (Waikoloa Village Golf Course and Club); and
- It will have extensive greenbelts, open spaces and view corridors within the subdivision; traits lacking in the existing village developments.

Conclusions

Based on their investigation and analysis, the Hallstrom report concluded:

- The residential housing market continues in a demand cycle throughout the state and in the Waikoloa Village and West Hawai‘i study areas, despite a recent drop from the record activity achieved in 2005. Absorption remains high, product is still relatively scarce, and prices are near all-time levels.
- An estimated 5,600 dwelling units (mid-point) will be required in Waikoloa Village during the next two decades. Fewer than 3,700 units are currently proposed apart from Waikoloa Highlands; less than two-thirds the total necessary to adequately service the sector.

- The property is well-suited for the proposed subdivision and will achieve market acceptance by providing larger lots in a less intense, high quality, well-located, rural residential subdivision; providing currently unavailable purchase opportunities for residents and second-home buyers in the village. The subject product-type, while not offered in the existing community core, has been long-envisioned for the Waikoloa area.
- Complete market absorption of the 398 rural house lots will require an estimated four to six years from the commencement of presale offerings.
- The construction of Waikoloa Highlands and its on-going use and maintenance will create some 2,296 on- and off-site, direct “worker years” of employment on the Big Island during the first decade of its construction and use, with wages of circa \$113.1 million. On a stabilized basis, home and unit maintenance will support about 40 full-time equivalent on-site jobs and contribute to another 16 off-site, with total wages of \$1.6 million annually.
- The average daily de facto population at build-out of the project is projected at 1,068 persons, including 907 full-time residents, with total annual discretionary expenditures by owners and guests of \$39.0 million per year. Total resident household income is forecast (in 2006 dollars) at a stabilized \$47.8 million annually. Public school enrollment is calculated at a maximum of 233 students⁶. The project will infuse \$340.3 million in development and construction capital and \$7.2 million in annual business operations into the West Hawai‘i economy.
- The State of Hawai‘i will receive \$41.5 million in primary tax receipts during the first decade of subject development and operation, and a stabilized amount of \$4.4 million annually. The county of Hawai‘i will receive \$24.4 million during the first ten years of the project, and \$3.5 million per year thereafter. In no year does the state or county suffer a revenue shortfall (costs exceeding receipts) relative to the project.

3.4.5 Archaeological, Historic, and Cultural Resources

Archaeology

Background

There have been three archaeological study efforts for the Waikoloa Highlands project area. The first was an Archaeological Survey of Portions of Waikoloa done by Robert F. Bevacqua in 1972. That study was conducted for Boise Cascade Properties, Inc., and was intended to guide future development and use of their Waikoloa holdings. The study included a number of study areas A through G, and the Waikoloa Highlands site was roughly within study area G.

The second study was an Archeological Inventory Survey for Waikoloa Mauka lands conducted by Peter Jensen of Paul H. Rosendahl, Ph.D., Inc. in 1990. The 1990 Jensen study involved a low level aerial reconnaissance of the entire project area and pedestrian survey involving 20 percent

⁶ The anticipated public school enrollment was revised by the Department of Education since completion of the Hallstrom Report. The proposed project will generate approximately 40 students, see Section 3.6.4, Schools.

of the project area. The pedestrian survey was focused on two areas of potential archaeological sensitivity; an area adjacent to the north side of Pu‘u Hīna‘i, and an area within the southwestern portion of the project area.

Most recently, an Evaluation of Archaeological Potential was conducted in April 2006 (Cultural Surveys Hawai‘i, Appendix E). Because the 1990 Jensen study encompassed the entire Waikoloa Highlands project site, the 2006 Cultural Surveys Hawai‘i effort was limited to a summary report documenting previous work, and an update on the status of coordination with the regulatory State Historic Preservation Division.

The Cultural Surveys Hawai‘i noted that although the stated estimate of the acreage studied by Jensen was “c. 600 acres,” an overlay of the Jensen project map with the present project area map “finds that it is actually a little larger” than the present project area.

A letter from Mr. Don Hibbard of the State Historic Preservation Division (“SHPD”) dated April 17, 1990 stated that the Jensen (1990) study “adequately documents the survey findings.” Cultural Surveys Hawai‘i recently followed up with Ms. Mary Anne Maigret, Hawai‘i Island archaeologist with the SHPD, who confirmed that additional work was not necessary, and that the SHPD could maintain its earlier acceptance of the Jensen report. At the request of the State Land Use Commission, a request has been forwarded to the SHPD to provide a letter of clarification to specifically state that the project would not have any effect to historic properties. The response to this request is pending.

Existing Conditions

Within Bevacqua’s “Survey Area G” (which roughly corresponds to the current project area), one site was identified, and designated as Site 22. This site was described as a complex of walls, portions of which protrude above the flood plain.

The Jensen study identified one archaeological feature, a wall segment identified as Site T-1, situated 300 meters north of Pu‘u Hīna‘i, on the grassy slopes above and overlooking a series of drainages which converge in this area. Site T-1 was described as a single low wall of poorly stacked, rough pahoehoe cobble sand boulders, 2.5 meters long with a maximum height of 1.21 meters. The function of the wall is unknown. Site T-1 was so modest that no State Inventory of Historic Places number was given, and “no further treatment of any kind” was recommended.

Although the Jensen field crew looked for Bevacqua’s Site 22, even examining lands 250 meters beyond the perimeter of the project area, it could not be located. Other than Site T-1, no other evidence of pre or post-contact use was found within the project area. Jensen concluded that Bevacqua’s Site 22 was probably destroyed sometime during the preceding 5 to 10 years or is located outside of the project area in another location.

However, Cultural Surveys Hawai‘i, in their 2006 review, noted that *“It seems odd that a site nearly 150 feet long that presumably had been around for many decades could disappear in the course of 18 years. It also, however, seems unlikely the Jensen crew would have missed Site 22. Perhaps, it lies farther afield.”*

In November 2006, Cultural Surveys Hawai‘i undertook another survey of the project area to determine if Site 22 could be located. As a result of both a pedestrian survey and aerial survey, Site 22 was not located and was presumed be destroyed or is located outside of the project area.

Project Impacts and Mitigation

The project will have no effect on archaeological resources. The previous Archaeological Inventory Survey (Jensen 1990) of the project site was accepted by the SHPD in 1990, and the SHPD has ~~recently reconfirmed~~ preliminarily indicated that no further work in the project area is required. As noted above, written confirmation that no further work is required concerning this site has been requested and is pending from the SHPD.

Although a few sites might have been missed during the previous studies, because only one site was observed during the Jensen helicopter reconnaissance, no substantial structures are expected. No further archaeological study is warranted at this time. ~~In the event that human remains or any other significant finds are encountered during development, all work in the area will cease and the SHPD will be promptly notified.~~ However, because of potential concern for the inadvertent discovery of Site 22 during construction activities the developer will promote the use of a an on-call archaeological monitor in the event of a field discovery. The monitor will coordinate archaeological reporting responsibilities for the project and notify the SHPD immediately of any inadvertent discoveries of significant artifacts or human remains. Upon the discovery of a significant site or human remains work will cease until the SHPD has been notified and appropriate action is taken.

Cultural Resources

Cultural Surveys Hawai‘i recently completed a cultural impact assessment to gather information about cultural practices and features that may be impacted by the project (Appendix F). The assessment was prepared in compliance with Act 50, which requires that environmental impact statements include the effects of a proposed action on the cultural practices of the community and the State. The cultural impact assessment meets the requirements outlined by the State Office of Environmental Quality Control (OEQC). The following tasks were conducted:

- Background research with the goal of identifying traditional Hawaiian activities including gathering of plant, animal and other resources or agricultural pursuits as may be indicated in the historic record.
- Review of existing archaeological information pertaining to the sites in the study area as they may allow one to reconstruct traditional land use activities and describe the cultural resources, practices and beliefs associated with the parcel and identify present uses, if appropriate.
- Oral interviews with persons knowledgeable about the historic and traditional practices in the project area and region.

Background

Historic accounts of human settlement in the Waikoloa area is sparse as noted by the number of studies conducted and reported by Rosendahl (1990). Smith (1990) noted that “Waikoloa Mauka has been traditionally sparsely inhabited owing to its harsh terrain, and it thus was little visited by foreigners.” In contrast, the coastal areas supported permanent villages such as found in Anaehoomalu and in the “verdant forest zone of which Waimea is a part was cultivated extensively and goods were exchanged with the coastal inhabitants (Smith, 1990).”

These findings were supported by Bevacqua (1972) in his study of ‘Area G’ (current project site) where he noted that “Waikoloa is composed of rough and broken pahoehoe which resulted from ten different lava flows originated from Mauna Loa.”

It was suggested by Rosendahl (1990) that the “use of this zone was probably for the most part limited to transportation routes, with most habitation being temporary.”

According to Barrere (1983), “Kamehameha I figures in the early history of Waikoloa because of reports that he gave Waikoloa Nui to John Young or Isaac Davis.” An 1867 account stated “The land was granted by King Kamehameha I to his faithful friend and follower, Isaac Davis, the father of the appellant (George Hueue Davis), about the beginning of the present century. We consider it clear that in making the grant the King intended to give, and did give to Isaac Davis, a tract of land of a very great extent, although not of proportionate value. There were no cattle or sheep in this country when the grant was made, and the land given to Isaac Davis only yielded what revenue could be derived from wild birds and pili grass.”

Cattle were introduced on the west coast of Hawai‘i island by Vancouver in 1794 and were allowed to roam free by Kamehameha I’s decree so that they might multiply (Rosendahl, 1990). By 1922 during William Ellis’s tour around the island there were “immense herds of them, they do not attempt to tame any; and the only advantage they derive is by employing persons, principally foreigners, to shoot them, salt the meat in the mountains, and bring it down to the shore for the purpose of provisioning the native vessels (Ellis 1963).”

The lands where the cattle were located were eventually acquired by John Parker. Richard Smart, then owner of the Parker Ranch, sold the Waikoloa lands to Boise Cascade in 1968. Boise Cascade eventually sold their holdings to Waikoloa Land and Cattle Company, who proceeded to sell the land to Atpac Land Company. Land holdings in the Waikoloa area eventually were divided to individual developers and the Waikoloa Village Association. The majority of the remaining holdings of Waikoloa Development Company were sold in 2005.

Project Impacts and Mitigation

Historical evidence suggests that the land in Waikoloa was not intensively used, and if used, was a corridor between the mauka lands of Waimea and the coastal areas during historic times and for cattle in latter periods. The vegetation in the project area has changed over the years to a point where there are very few native plants due in part to cattle grazing and wildland fires.

Through contact with cultural informants the following was concluded:

- No on-going fishing activities are associated with the Waikoloa ahupua‘a.
- Resource gather along the coastal area of Anaeho‘omalua is limited.
- No ongoing stream activities were identified in the project area.
- No ongoing gathering of plant resources were identified in the project area.
- One of the persons interviewed noted that “attention should be made to the cultural landscape in its entirety. . . it is about a sense of place and a sense of space.”

To ensure that opportunities to protect cultural resources and to ensure continued access to native practitioners, the following will be implemented prior to the start of infrastructure development:

- Advise site contractors of the potential for finding cultural features;
- Re-survey sites previously identified by other reports; and
- If historic or cultural features are found during construction, the SHPD will be consulted.

3.4.6 Visual and Scenic Resources

Existing Conditions

The project site is currently open and undeveloped, and completely covered with grasses, shrubs and kiawe trees (see Figure 17, Site Photos). The site is very visible from Waikoloa Road and the main access intersection (Paniolo Avenue) into Waikoloa Village. The Pu‘u Hīna‘i cinder cone, which is located south of and outside the project site, is the most dominant visual landmark in the area.

Project Impact and Mitigation

The creation of a rural residential subdivision will alter the visual environment, and views from Waikoloa Road towards Pu‘u Hīna‘i. The existing undeveloped and open appearance will diminish, and the area will be transformed to a rural residential subdivision, and an extension of the developed areas of Waikoloa Village.

The design and landscaping of the proposed subdivision will minimize adverse visual impacts. Setbacks and landscaping will be provided along Waikoloa Road and the project roadways via development covenants beyond the setback requirement of the County of Hawai‘i. Setbacks will range between 10 and 25 feet for homes along Waikoloa Road, and the height of homes will be limited to 35 feet as provided by zoning. The subdivision will include ample open space fronting Waikoloa Road as well as throughout the property. Because of the one to two-acre lot size, development density will be low, and individual owners will be required to comply with Waikoloa Village Association design guidelines. The development will not obstruct any specific views of Pu‘u Hīna‘i, although the public view toward the pu‘u from Waikoloa Road and Waikoloa Village will be permanently altered due to the subdivision in the foreground. The large lots will allow for homes to be spaced far enough apart that views will be available between the homes. The project will not obstruct or alter views toward Mauna Kea or the ocean. Landscaping involving the use of tall trees along Waikoloa Road that would block northern views to the ocean, south toward the mountain, and west to Pu‘u Hīna‘i, will be prohibited.

Figure 17
Site Photos



Pu'u Hina'i - View South from Waikoloa Road



Pu'u Hina'i - View North from Waikoloa Road

3.5 TRANSPORTATION, TRAFFIC AND UTILITIES

3.5.1 Transportation and Traffic

A traffic impact analysis report (TIAR) for the project was prepared by Julian Ng, Inc. (July 2006, revised January 2007) (Appendix G).

Existing Conditions

Access to the Waikoloa Highlands project site is from the two-lane Waikoloa Road, the only access into the Waikoloa Village community. Waikoloa Road extends some 13 miles from Queen Ka'ahumanu Highway near the coastline to the Mamalahoa (Hawai'i Belt) Highway at the 2,000 foot elevation. Secondary access to the project site is available from Pua Melia Street, which extends south from Waikoloa Road at the main Waikoloa Village intersection. At this intersection, Paniolo Avenue, the main road into Waikoloa Village, also meets Waikoloa Road.

Existing (2005) Traffic

The project area is located southeast of the intersection of Waikoloa Road, Pua Melia Street and Paniolo Avenue. Manual traffic counts were taken in October 2005 of AM and PM peak hour traffic volumes at the Waikoloa Road intersection with Pua Melia Street and Paniolo Avenue. Stop signs control traffic on the Paniolo Avenue southbound approach and Pua Melia Street northbound approach to Waikoloa Road. Through traffic on Waikoloa Road has the right-of-way at this unsignalized intersection.

There is sufficient capacity at this intersection to serve even peak hour traffic, although left turns experience some long delays. Traffic counts and level of service are summarized in Table 3-3 below (see TIAR, in Appendix G). Table 3-3 shows that the Level of Service (LOS) at the intersection of Waikoloa Road and Paniolo Avenue there is sufficient capacity currently to handle the traffic volume. On Pua Melia, however, there is a capacity issue where the left turn lane in the northbound direction is at capacity. This is due in part with the amount of "green" time that is made available to this movement. Through traffic on Pua Melia, however, operates at LOS B.

Future Baseline Traffic Conditions (without Waikoloa Highlands)

Traffic on all roadways in the area will increase as development continues with several projects. The TIAR included estimated traffic generated by these projects, expected to be completed by 2010:

- Kilohana Kai (currently under construction): Assumes completion and full occupancy of 200 single-family detached dwelling units
- Wehilani at Waikoloa (referred to in the traffic impact analysis as "Sunset Ridge"): Assumes project completion and a new bridge over Auwaiakeakua Gulch and linking roadways west of the existing Waikoloa Village which will provide an alternative route for traffic from existing Waikoloa Village via Hulu Street.

**Table 1 Table 3-3. Existing Traffic Conditions,
Unsignalized Intersection of Waikoloa Road, Pua Melia and Paniolo Avenue**

	AM Peak Hour			PM Peak Hour		
	v/c	AD	LOS	v/c	AD	LOS
Left turns from Waikoloa Road (yields)						
Westbound	.01	7.4	A	.02	7.7	A
Eastbound	.08	8.0	A	.24	8.5	A
Stopped southbound approach (Paniolo Avenue)						
Left turn lane	.35	15.6	C	.86	106.7	F
Thought lane	.18	13.	B	.22	24.0	C
Right turn lane	.53	13.9	B	.20	10.0	B
Approach (average)		14.2	B		44.7	E
Stopped northbound approach (Pua Melia Street)						
Left turn lane	.41	55.0	F	.08	29.0	D
Through/right turn lane	.13	12.7	B	.41	26.8	D
Approach (average)		29.9	D		27.0	D

v/c = volume / capacity ratio
AD = average delay (seconds)
LOS = Level of Service

Source: Julian Ng, Inc., July 2006, see Appendix G.

- Partial completion and occupancy of two projects located beyond the existing north end of Paniolo Avenue—County of Hawai‘i workforce housing project and Waikoloa Heights, 480 dwelling units.

The TIAR noted that other projects, including infill of existing undeveloped property, are not expected to generate significant traffic volumes. The new bridge over Auwaiakeakua Gulch is part of the ongoing Wehilani development that has access directly to Waikoloa Road, but will also relieve traffic on Paniolo Avenue. Future (2010) peak hour conditions at the study intersection were projected. Even with the creation of dedicated right turn lanes, the change in traffic volumes will result in over-capacity conditions at the intersection of Waikoloa Road, Pua Melia Street and Paniolo Avenue. Traffic signals would be warranted for four hours of an average day, using projections based on the peak hour traffic assignments and the hourly distribution from the traffic counts. The traffic signals will distribute the delays to all movements, mitigating the over-capacity condition.

Further development of the County workforce housing project and Waikoloa Heights is expected beyond 2010, and other projects may also be proposed and developed. Therefore, the traffic assignments for 2010 were increased at an average rate of 2.5 percent per year to account for expected continued growth.

Public Transportation

Waikoloa Village is currently served by the North Kohala/Kailua-Kona bus. The bus operates in the morning and afternoon on Tuesdays, Thursdays, and Saturdays. The bus stop is located at the Waikoloa Post Office.

Project Impacts and Mitigation

The proposed Waikoloa Highlands subdivision will include an internal spine road providing access to the residential parcels. The spine road will have two access points off Waikoloa Road, which is accessible from both Mamalahoa Highway and Queen Ka‘ahumanu Highway. One access point will be onto Pua Melia Street, which in turns meets Waikoloa Road.

The TIAR estimated future (2025) traffic conditions with the project. Project traffic was distributed to local destinations within Waikoloa Village and onto Waikoloa Road in proportion to existing turning movements at the study intersection. The analysis found that while overall intersection Level of Service (LOS) can be maintained within acceptable range, the high volume left turn movement (westbound and southbound) will experience very long delays and LOS E conditions (see Table 3-4, Waikoloa Road Traffic Increases, below). The projected volumes and predicted LOS can be found in the TIAR (see Table 3-5, Waikoloa Road Levels of Service, below).

~~Table 6~~ Table 3-4. Waikoloa Road Traffic Increases

	West of Waikoloa Village				East of Waikoloa Village			
	AM Peak Hour		PM Peak Hour		AM Peak Hour		PM Peak Hour	
	EB	WB	EB	WB	EB	WB	EB	WB
Existing	140	505	475	225	200	190	250	180
2025 without project	300	800	900	450	415	345	470	370
Project impact	30	110	85	45	50	30	30	30
2025 with project	330	910	985	495	465	675	500	400
% increase in volume	10%	14%	9%	10%	12%	9%	6%	8%

Source: Julian Ng, Inc., July 2006

~~Table 7~~ Table 3-5. Waikoloa Road Levels of Service

	AM Peak Hour				PM Peak Hour			
	Eastbound		Westbound		Eastbound		Westbound	
	v/c	LOS	v/c	LOS	v/c	LOS	v/c	LOS
West of Waikoloa Village								
Existing (2005 counts)	.14	D	.36	E	.34	F	.16	D
2025 without project	.13	D	.39	F	.42	F	.20	D
2025 with project	.16	D	.47	F	.48	F	.23	D
East of Waikoloa Village								
Existing (2005 counts)	.15	D	.15	D	.18	D	.17	D
2025 without project	.32	E	.26	D	.34	E	.27	D
2025 with project	.33	E	.29	D	.34	E	.29	D

Source: Julian Ng, Inc., July 2006

On the Waikoloa Road approach to the intersection with Pua Melia Street and Paniolo Avenue, the left turn lane is separated from the through lane by a paved area that is striped as a traffic island. Conversion of this striped area on the eastbound approach to a second left turn lane into Paniolo Avenue, along with retiming of the traffic signal, would mitigate the unacceptable LOS E conditions in the 2025 PM peak hour.

The internal project roadways will meet the surrounding streets at three new intersections. Two will connect the internal roads to Waikoloa Road, with traffic on this approach controlled by a stop sign. The approach is assumed to be wide enough to accommodate separate lanes for left and right turns. On Waikoloa Road, a separate median left turn lane would be provided and extend to the west to serve as a median shelter lane for drivers making the left turn onto Waikoloa Road. The internal road system will also connect to Pua Melia Street, which in turn connects to Waikoloa Road.

Overall, while the proposed project will increase traffic volumes, the impact to conditions on Waikoloa Road will not be significant enough to change the levels of service. In the short term, the developer installation of traffic signals at the intersection of Waikoloa Road, Pua Melia Street and Paniolo Avenue will mitigate poor levels of service during the peak hours for left turns onto Waikoloa Road (see Table 3-6, 2025 Traffic With Waikoloa Highlands). With traffic signals and separate right-turn lanes, the intersection will have adequate capacity to serve peak hour volumes at project build out. As traffic volumes increase due to other developments in the Waikoloa area, peak hour conditions will worsen. A second eastbound left-turn lane at the intersection is a mitigation that will improve conditions to acceptable levels for the peak hour volumes projected to year 2025.

The project road connections to Waikoloa Road and to Pua Melia Street will adequately serve peak hour volume. Stop signs on the project road approaches will control turning movements at these “T”-intersections. At the Waikoloa Road intersections, acceptable conditions will result from the provision of separate left turn lanes with median shelter lanes.

Table 9-Table 3-6. 2025 Traffic With Waikoloa Highlands (mitigated) Signalized Intersection

	AM Peak Hour			PM Peak Hour		
	v/c	AD	LOS	v/c	AD	LOS
Southbound approach (Paniolo Avenue)						
Left turn lane	.82	45.3	D	.63	47.0	D
Through lane	.35	27.9	C	.19	36.4	D
Right turn lane	.63	21.1	C	.29	13.6	B
Westbound approach (Waikoloa Road)						
Left turn lane	.18	38.4	D	.16	46.6	D
Thought lane	.77	51.2	D	.51	54.6	D
Right turn lane	.42	16.9	B	.41	31.3	C
Eastbound approach (Waikoloa Road)						
Left turn lane	.30	38.9	D	.52	38.8	D
Through lane	.29	34.4	C	.58	42.3	D
Right turn lane	.13	32.1	C	.18	33.4	C
Northbound approach (Pua Melia Street)						
Left turn lane	.29	31.9	C	.08	42.7	D
Through/right turn lane	.29	31.9	C	.59	54.6	D

v/c = volume / capacity ratio
AD = average delay (seconds)
LOS = Level of Service

Source: Julian Ng, Inc., July 2006

The Department of Transportation’s comment letter of December 5, 2006 suggested there may be impacts to two State facilities, Queen Ka‘ahumanu Highway, and Mamalahoa Highway. Based on projected traffic generation (Table 3-4, Waikoloa Road Traffic Increases) within the timeframe of this project, we estimate that this project will add an additional 5 percent to the east bound traffic and 10 percent to the westbound traffic volume (Table 3-4, and Table 6 in Appendix G). We note the Waikoloa Road and Mamalahoa Highway intersection is currently operating under capacity. The intersection at Queen Ka‘ahumanu and Waikoloa Road will require improvements in the future because of development along both highway corridors. The current improvement proposed is a double left turn from Waikoloa Road to Queen Kaahumanu in the southbound direction. The Petitioner indicated that they were prepared to work with the Department of Transportation along with the other developers along both highway corridors to find reasonable solutions to mitigate traffic delays at this important intersection.

Round-about at Waikoloa Road and Paniolo Avenue. On January 9, 2007, Mr. Ron Thiel, Chief of Traffic Division, Department of Public Works, communicated that the County of Hawai‘i is interested in pursuing the development of a round-about at the intersection of Waikoloa Road and Paniolo Avenue and Pua Melia Road instead of the planned signalized intersection. Mr. Thiel reported that he is in conversation with the Traffic Safety Committee of South Kohala and they have endorsed the project. Further, Mr. Thiel noted that Council Chair Hoffman is also favorable to the development of a round-about at that intersection. Mr. Thiel provided drawings of the proposed round-about and noted that there appears to be sufficient space to accommodate the round-about. His drawings are included in Appendix N.

Mr. Julian Ng performed an analysis of a round-about at the subject intersection. Based on the analysis, the intersection would operate at LOS C for both the AM and PM peaks. Comparing the operational requirements of both a round-about and signalized intersection, each was found to have advantages, but not significant changes in LOS (see Table 3-7, 2025 Traffic LOS With Roundabout). As an example, the through lane on Paniolo shows a change from LOS C to D in the AM, and changes from LOS D to B during the PM.

Table 3-7. 2025 Traffic LOS With Roundabout

	AM Peak Hour		PM Peak Hour	
	LOS -Signal	LOS Roundabout	LOS Signal	LOS Roundabout
<u>Southbound Approach Paniolo</u>				
<u>Left turn lane</u>	<u>D</u>		<u>D</u>	
<u>Through lane</u>	<u>C</u>	<u>D</u>	<u>D</u>	<u>B</u>
<u>Right turn lane</u>	<u>C</u>		<u>B</u>	
<u>Westbound Approach (Waikoloa Road)</u>				
<u>Left turn lane</u>	<u>D</u>		<u>D</u>	
<u>Thought lane</u>	<u>D</u>	<u>C</u>	<u>D</u>	<u>D</u>
<u>Right turn lane</u>	<u>B</u>		<u>C</u>	
<u>Eastbound Approach (Waikoloa Road)</u>				
<u>Left turn lane</u>	<u>D</u>		<u>D</u>	
<u>Through lane</u>	<u>C</u>	<u>B</u>	<u>D</u>	<u>D</u>
<u>Right turn lane</u>	<u>C</u>		<u>C</u>	
<u>Northbound Approach (Pua Melia Road)</u>				
<u>Left turn lane</u>	<u>C</u>		<u>D</u>	
<u>Through/right turn lane</u>	<u>C</u>	<u>B</u>	<u>D</u>	<u>B</u>

Source: Julian Ng, Inc., July 2006

On February 7, 2007, the County of Hawai‘i accepted a Zone Change application to amend Ordinance 05-157 to permit the development of a round-about at the Waikoloa Road, Paniolo Avenue, Pua Melia Road intersection. This matter is pending action by the Planning Department (see Appendix O). If adopted by the County Council, the applicant will proceed with development of the round-about. In the interim, however, if the subdivision approval is granted before action is taken on the proposed amendment, the applicant will post the required bond for the proposed signalization improvements at the subject intersection.

3.5.2 Drainage

Existing Conditions

The Auwaiakeakua Gulch is a major drainage way that originates off-site and passes through the project site. The Auwaiakeakua Gulch transports storm runoff from the area above the project site to the Puakō flats downstream. The Auwaiakeakua Gulch has a drainage basin of approximately 32,217.0 acres (≈50 square miles) and a corresponding 100-yr flow of about 8,396.0 cubic feet per second (cfs). Details of a flood study conducted for this project are detailed in Appendix H, Floodplain Limits and Flood Control Plan. (Note: The 12.819 acre parcel that was removed following completion of the study does not substantively affect the findings. The site is located at the downstream end of the property and is not a contributing factor to drainage from the larger project site. See Section 1.3, Proposed Action and Location.)

There are other natural drainage ways on the project site, which connect with Auwaiakeakua Gulch. Two other drainage basins cross Waikoloa Road either by road culverts or sheet flow and continue in a western direction through the subdivision. Their drainage areas are approximately 888.0 acres and 64.4 acres with associated 100-yr flows of 529.0 cfs and 125.0 cfs, respectively (See Figure 40 18, Flood Boundaries).

Although the annual rainfall at the project site is relatively low, 10 to 15 inches, the 100-year flood flows for the drainage gulches are significant because of their large tributary areas (See Figure 5 in Appendix H).

Project Impacts and Mitigation

According to the Floodplain Limits and Flood Control Plan, a combination of ditches and culverts are identified for drainage improvement to protect the site from flooding and flood associated impacts that include loss or destruction of property or life, and erosion of soils and sediments discharging downstream to state waters. These improvements include the following (see Figure 18, Flood Boundaries):

Ditch 1: A ditch is proposed to route flood flows from along Waikoloa Road. The proposed ditch will have an approx. 15 foot wide bottom with a 2:1 side slope. The design capacity will be 567 cubic feet per second (cfs) and will meet the requirements of the Hawai‘i County Drainage Std.

Culvert A: This culvert will be comprised of two 84-inch diameter corrugated metal pipes (CMP) that will be designed to handle 567 cfs.

Culvert F: This culvert will be a 60-inch diameter CMP pipe designed to handle 125 cfs.

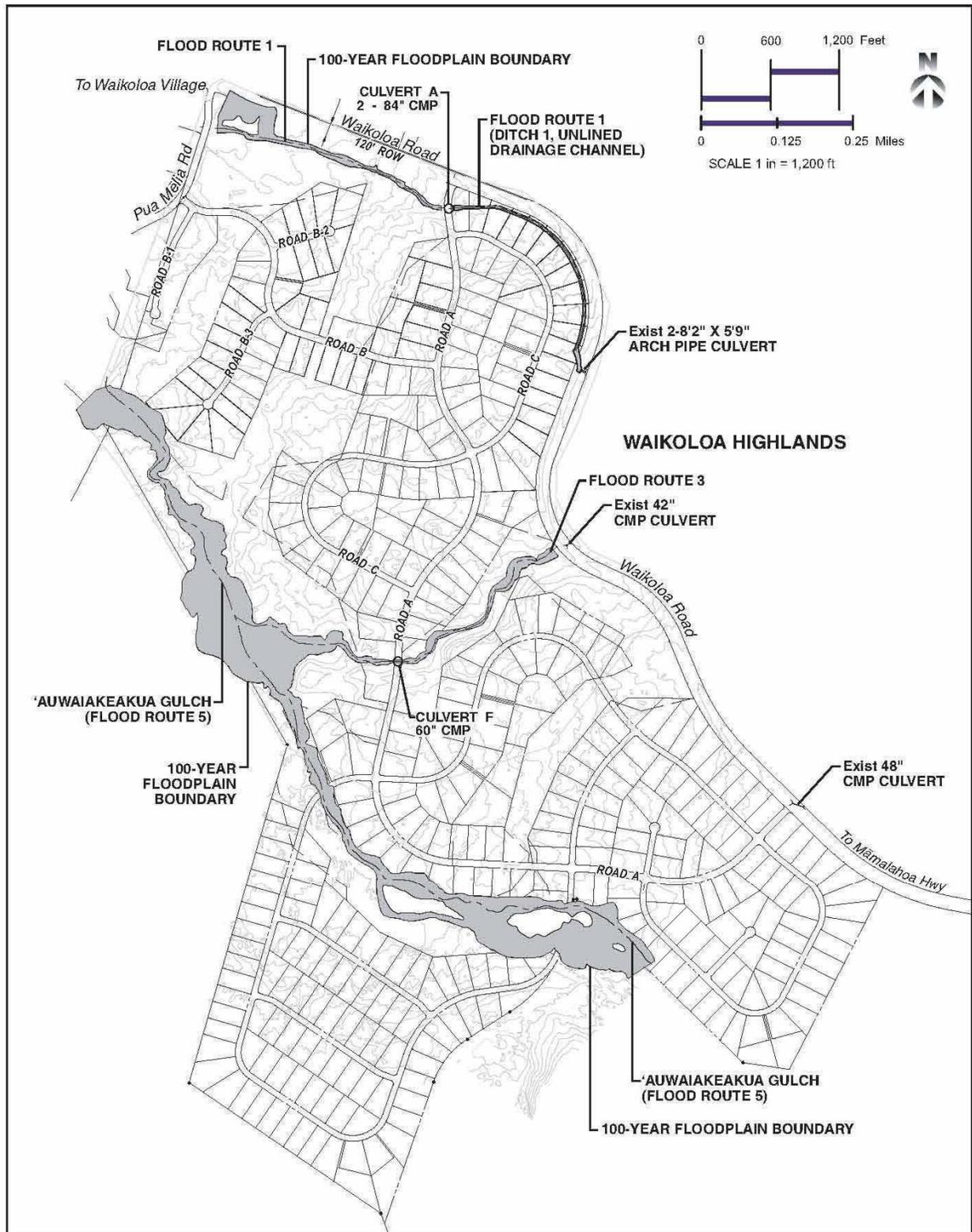


Figure 918
FLOOD BOUNDARIES

The controls that will integrate drainage into the flood control system have been completed for Phase 1 of the project, and are included in Appendix I, Drainage Report, Waikoloa Highlands Subdivision, Phase 1. On-site drainage improvements will consist of thirty-five drywells, which will be used to dispose of any increase in roadways surface flows (see Appendix I). The calculated flow increase is approximately 71.0 cfs. Detention basins will be installed in open areas to reduce offsite runoff. Flows not disposed of using drywells or detention basins will be directed through the subdivision using roadway culverts. The subdivision roadways will span Auwaiakeakua Gulch with either bridges or culverts. For the other two drainage basins, excavated rock channels will be constructed and water will be diverted through culverts at Waikoloa Road. The project will not increase off-site flows or have an adverse drainage impact off-site. Similar controls will be used for Phase 2 and a separate Drainage Report is currently under preparation.

Both Phase 1 and Phase 2 drainage controls will meet the Hawai'i County Drainage Standard that requires no increase in runoff leaving the project site from the 10 and 50-year design storm.

The major concern involving the controls described above are anticipated to be during construction. The following practices will be adopted to minimize erosion and prevent sediments from leaving the project site and will be used to help address the stormwater runoff control requirements of Chapter 11-55, Water Pollution Control, HAR:

1. Clearing shall be held to the minimum necessary for equipment operation.
2. Construction shall be sequenced to minimize the exposure time of cleared surface areas.
3. Stabilization shall be accomplished by protecting areas of disturbed soils from rainfall and runoff by use of structural controls such as PVC sheets, geotextile filter fabric, berms or sediment basins, or vegetative controls such as grass seedling or hydromulch.
4. All slopes and exposed areas shall be grassed as soon as final grades have been established. Grading to final grade shall be continuous, and any area in which work has been interrupted, delayed or exposed for more than 15 days shall be grassed in order to prevent dust, erosion and silt runoff. Areas with imported soils shall be grassed not more than 5 working days after final grades have been established. Temporary erosion controls shall not be removed before permanent erosion controls are in-place and established.
5. All control measures shall be checked and repaired as necessary, e.g., weekly, in dry periods and within 24 hours after any rainfall event of 0.5 inches or greater within a 24-hour period. During prolonged rainfall, daily inspection will be required. The permittee shall maintain records of checks and repairs to structural and vegetative controls.
6. Stabilized construction entrances shall be provided to reduce vehicle tracking of sediments.
7. Paved roadways adjacent to the project site entrances shall be cleaned daily or as needed to remove excess mud, cold planed material or rock tracked from the site.
8. Dump trucks hauling material from the project site shall be covered with tarpaulin.
9. Fugitive dust shall be minimized by the use of dust fences and frequent dampening of exposed areas.

3.5.3 Drinking Water

Existing Conditions

The Waikoloa Village and Waikoloa Beach Resort areas are served by a private water system originally developed by the Waikoloa Development Company. The drinking water system is owned and operated by the West Hawai'i Utility Company (WHUC), ~~doing business as Waikoloa Water Company, Inc.~~ ~~Waikoloa Water Company is~~ which is regulated by the Public Utilities Commission. The County Department of Water Supply does not have any existing or proposed programs for water development in the area.

Project Impacts and Mitigation

WHUC will provide drinking water to the Waikoloa Highlands project. The Petitioner is currently negotiating the cost for the water service and the cost sharing of the off-site transmission and storage. In accordance with deed restrictions, the developer is prohibited from developing his own water source and is required to obtain water from WHUC. The proposed project will receive water from the existing transmission main in Waikoloa Road.

Water service for the Waikoloa Highlands subdivision will be developed in stages. The requirements for the water system are documented in the Waikoloa Water Master Plans – Source Development Plan, Village Distribution System Plan, Beach Resort Distribution System Plan, (Tom Nance Water Resources Engineering, 1991), which is included as Appendix A⁷.

WHUC is responsible for the development of off-site improvements and the specific locations of well(s) and reservoirs. Although the specific locations are not known by the project developer, information that is known includes the approximate elevation of the reservoirs so that sufficient pressure can be provided to meet water system requirements. The Final EIS, Appendix A, Waikoloa Water Master Plan, 1991, identifies these water storage elevations at 1,300 feet and 1,800 feet relative to mean sea level (msl). The developer has offered the locations for a 1,370 feet and 1,590 feet reservoir to service the project area. The reservoirs or tanks will be fed by wells at the 1,300 feet and 1,800 feet elevations.

Basic design assumptions used by R.M. Towill Corporation ~~of~~ for the Waikoloa Highlands drinking water system are as follows (see Appendix J, Waikoloa Highlands Water Distribution System):

1. Average daily allocation is estimated at 1,000 gallons/day/lot.
2. Three services zones are recommended for the subdivision: 1,210-foot elevation, 1,370-foot elevation, and 1,590-foot elevation.
3. The 1,210-foot service zone would tap off of an existing 20-inch transmission main in Waikoloa Road.

⁷ The Waikoloa Water Master Plan (Tom Nance Water Resources Engineering, 1991) was prepared for a previously proposed project on the Waikoloa Highlands site called Waikoloa Highlands Estates and Golf Course, which included a golf course. The current project does not include a golf course.

4. The 1,370-foot service zone would be supplied from the subdivision's 1,210-foot service zone and be supported with a booster pump station and reservoir within the property. In lieu of the booster pump station, an on-site 1,000 gal/day source well could be developed at the 1,370-foot reservoir.
5. The 1,590-foot reservoir would be supplied by an upper 1,800-foot reservoir, which will require a new 1,000 gal/day source well.

Within the proposed subdivision, water distribution mains will be placed underground along the roadways, with connection points located at the center of each lot. The water distribution system is shown in Figure 4-19, Water Distribution Plan. The existing 1,210 feet storage tank will be used to supply a portion of the lots in Phase 1, while a new storage tank at elevation 1,370 feet will be used for the remainder of the Phase 1 lots and a portion of the Phase 2 lots. A new storage tank at elevation 1,590 feet will service the remainder of the Phase 2 lots. The individual homeowner will be required to make the necessary connections from the water meter. As described in Appendix J, the existing 1,210 feet reservoir is serviced by the 1,060 feet reservoir which in-turn will service the 1,590-foot reservoir. Each reservoir will serve a specific area of the project via a gravity distribution system that will meet drinking water and fire flow requirements. As noted in Appendix L, the water source will be the WHUC well field number 2 and 3 which will provide the 400,000 gallons per day (gpd)(1,000 gpd/lot x 400) for the project for both domestic use and fire protection.

Pursuant to the Hawai'i County Code regulating subdivisions, the drinking water system will be designed to deliver water at adequate pressure and volume under peak-flow and fire-flow conditions in accordance with the Water System Standards, State of Hawai'i, and the Rules and Regulations of the Department of Water Supply. The water system will include, but not be limited to, the installation of the necessary distribution pipelines, fire hydrants in accordance with Fire Codes, and service laterals. Construction plans will be reviewed and approved by the County Department of Water Supply. Coordination with the Department of Water Supply will include payment of a fee of four-tenths of one percent of the estimated costs for the construction of the water system, but not less than \$50 to cover the costs of plan review, testing, and inspection.

Each lot will have one lateral with two meters, one to monitor domestic use and the other to monitor irrigation use. The individual homeowner will be assessed differently for domestic water and irrigation water. However, if the irrigation water used is above 1,000 gallons of water per day, restrictions may be imposed. This latter proposal is being considered by the developer as a water conservation measure and to encourage the use and planting of drought-tolerant plants.

Water conservation will be implemented through use of xeriscape plantings in common areas, and by encouraging residents to do the same. Use of drip irrigation systems will also be encouraged to reduce the water demand (see Appendix K).

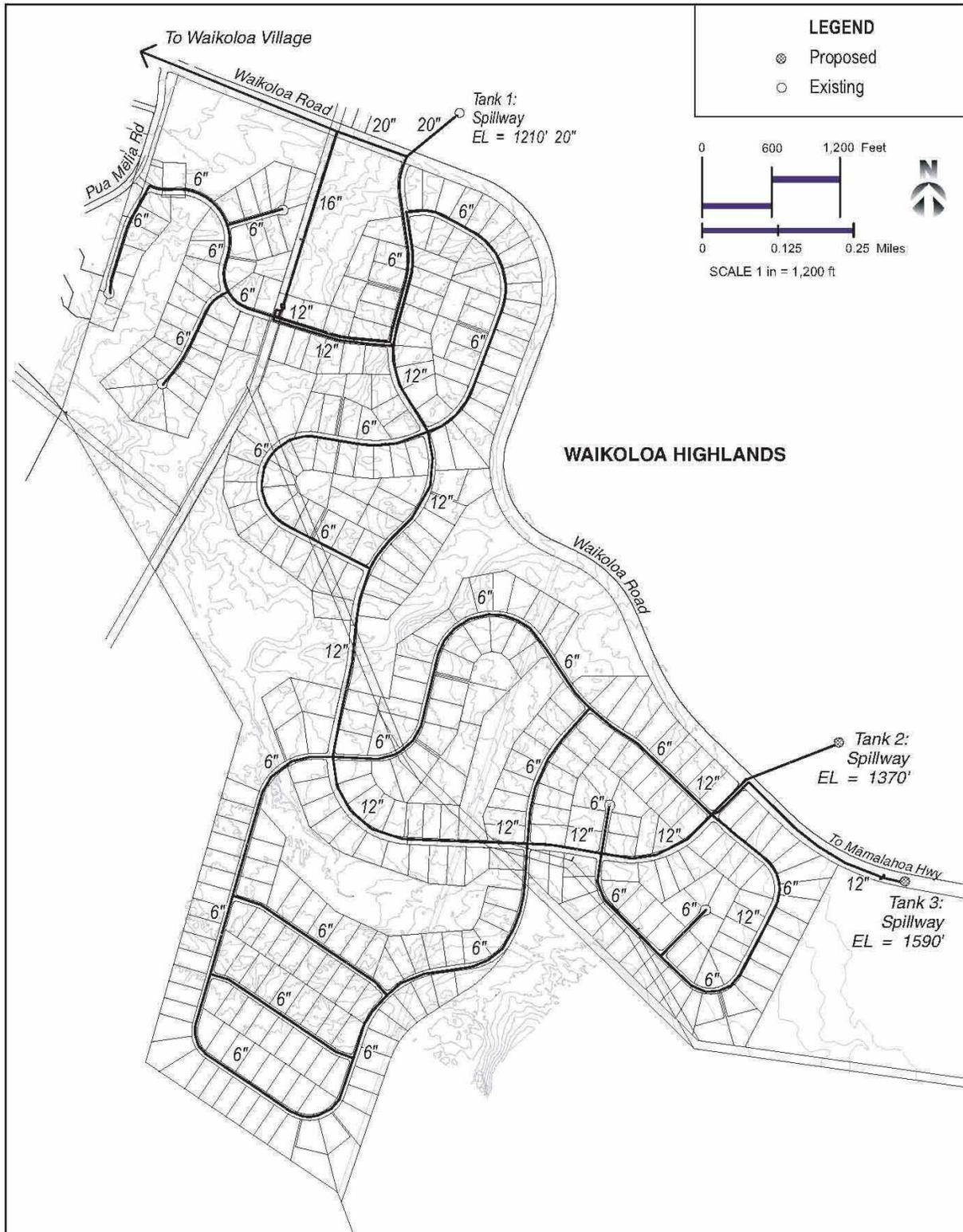


Figure 10 19
WATER DISTRIBUTION PLAN

Each of the new reservoirs will be developed by West Hawaii Utilities and will be covered to reduce water loss due to evaporation. The developer will be assessed a water facilities charge for the off-site improvements by WHUC.

3.5.4 Electrical and Telecommunications

Existing Conditions

Electrical power to the area is provided by Hawai'i Electric and Light Company (HELCO), which supplies electricity for Hawai'i County. Generation facilities are dispersed throughout the island, and the main generating plants servicing the Waikoloa area are the Ke'āhole and Waimea power plants. HELCO also purchases power from three privately owned companies-- Hilo Coast Power Company, Hamakua Energy Partners, and Puna Geothermal Venture.

Existing nearby and on-site facilities include HELCO's switching station at top of Waikoloa Drive and Mamalahoa Highway, an on-site substation near Pua Melia Street, a substation for the Waikoloa water wells mauka of the Waikoloa Stables, and a substation mauka of Queen Ka'ahumanu Highway to service the Waikoloa Resorts. Transmission lines rated at 69,000 volts interconnect the substation into HELCO's island wide grid.

Telephone service for the entire Island of Hawai'i is provided by Hawaiian TelCom, Inc. ~~Telecom~~. Existing nearby facilities include a central office adjacent to Waikoloa Road that serves the entire Waikoloa area.

Cable television service for the area is provided by Oceanic Time Warner Cable Company.

Project Impacts and Mitigation

The projected electrical load for the nearly 400 residential units is estimated at 1.2 megawatts. The existing 10 megawatt transformer at the on-site substation is expected to be adequate for the project loads. Another 10 megawatt transformer is also planned by HELCO to service other growth in the Waikoloa Village area.

Electrical distribution for the project will be via step-down transformers for the project from HELCO's 69 KV transmission lines. Distribution lines within the subdivision will be provided and placed underground. The roadway lighting system will comply with the requirements of the Department of Public Works, County of Hawai'i.

The project site is currently traversed by three HELCO 69KV transmission lines. The transmission line that traverses the project site in the east-west direction will be relocated to the edge of the property. Discussions are currently being conducted between the landowner and HELCO to determine if the relocation will be along Waikoloa Road, or along the southern boundary of the property. The cost of relocation will be paid by the landowner. The planning, design and relocation of the existing transmission lines is anticipated to take two years according to HELCO. Appropriate studies will be prepared during the planning and design process to review the specific project requirements. This is not anticipated to impact the planned construction of the project infrastructure.

No significant off-site improvements are required for the Hawaiian Telecom, Inc. Telecom central office in Waikoloa. The telephone company may request a 20 by 30-foot easement site be reserved for a future remote switching equipment. Oceanic Time Warner Cable is expected to request an on-site area approximately 20 feet by 30 feet to place distribution equipment for the entire Waikoloa Village area. These requests will be complied with.

Overall, no significant impacts to the electrical or telecommunication systems are anticipated, and no other mitigation is required. The project will comply with current rules and regulations of each utility company to insure compatibility between the project and the existing utilities.

3.5.5 Wastewater

Existing Conditions

In Hawai'i County, municipal wastewater service is limited to Hilo, Papaikou, Kapehu, Pepeekeo and Kealakehe. The remaining communities, including the Waikoloa area, are served by private wastewater treatment facilities or individual facilities such as cesspools or septic tanks. Most of the residential areas surrounding the project site are on Individual Wastewater Systems (IWS), primarily septic tanks.

Project Impacts and Mitigation

The State of Hawai'i Department of Health (DOH), in an August 21, 2006 EISPN comment letter, noted that the project is located in the County's Critical Wastewater Disposal Area (CWDA) and the use of new cesspools is not allowed. This area is defined by the Underground Injection Control line (see Figure 42 20, Underground Injection Control Line).

The UIC line indicates the limits on where wastewater can be injected into the ground. Being within the UIC limits mean that underground injection is normally not allowed. However, exceptions are made for areas that are not within a groundwater recharge area (the project site is not in a groundwater recharge area), site not adjacent to a drinking water well (the project site is below water sources), project is contain large lots, more than one acre. Besides wastewater disposal, the project also includes drywells for the disposal of stormwater. Title 11, Chapter 23 (HAR) further states:

“This chapter covers any injection well as herein defined in this chapter. Excluded from this chapter are:

- a. Individual wastewater systems (IWS) serving single-family residential households which generate a volume of domestic sewage less than one thousand gallons per day (gpd);
- b. Non-residential waste disposal systems which receive solely sanitary wastes from buildings that generate less than one thousand gpd of wastewater;
- c. Test borings used for geotechnical and/or hydrologic investigations, provided that those borings are plugged with impermeable material upon completion of the investigation; and
- d. Wells which are used for ground stabilization by the injection of a grout or by vertical relief of excess soil pore pressures.”

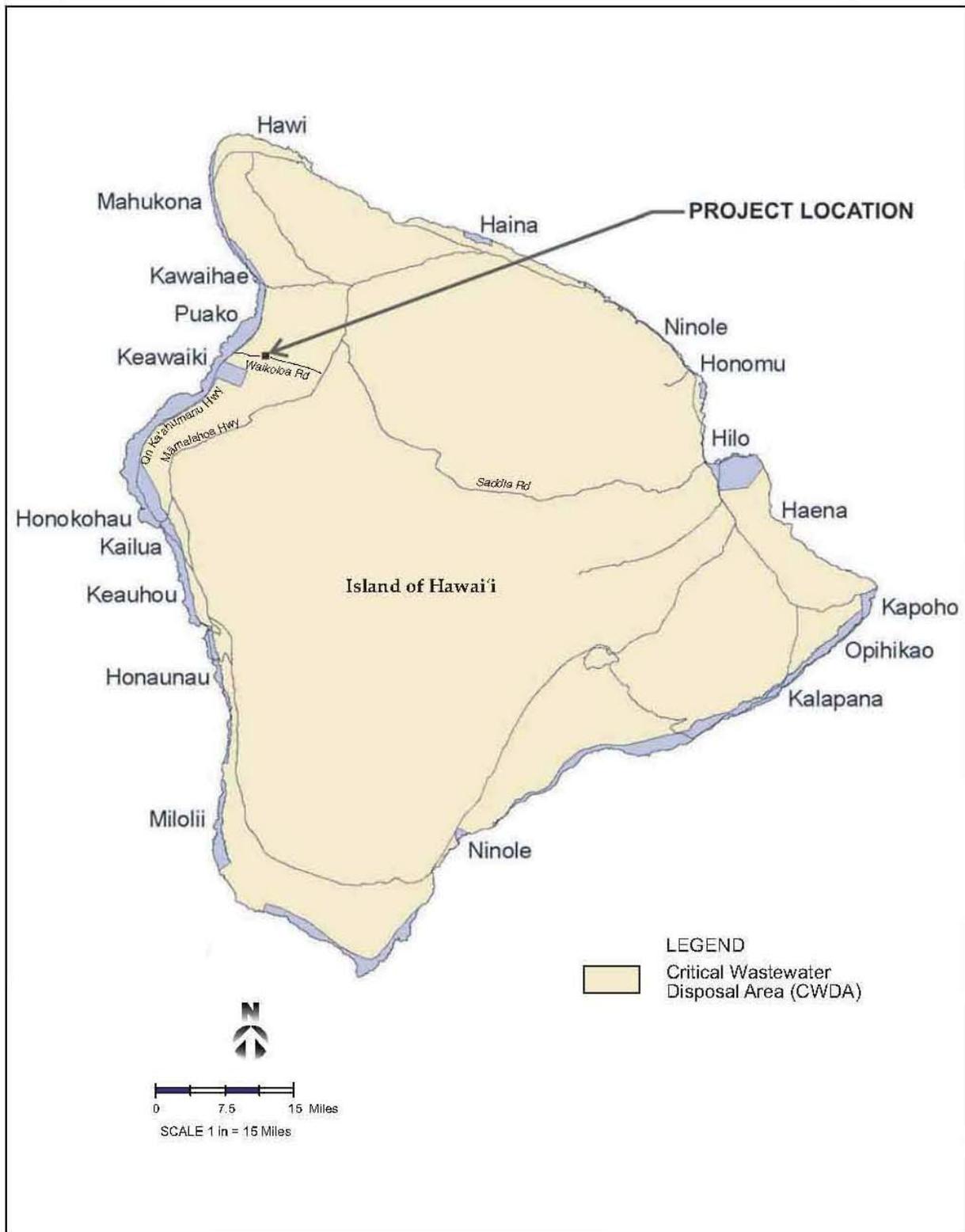


Figure 20
**UNDERGROUND INJECTION
CONTROL LINE**

Individual Wastewater Systems, which may include septic tanks, are proposed for the individual residential lots, in accordance with Hawai'i Administrative Rules (HAR), Chapter 11-62, Subchapter 3. The IWS will be constructed by each homeowner, and will be reviewed and approved by the DOH and the County of Hawai'i. The use of a centralized wastewater treatment system was considered as an alternative but was rejected in favor of individual wastewater systems (IWS). There were several reasons for this choice: 1) the IWS systems are allowed by the Department of Health on large lots greater than 10,000 square feet, 2) operations of the treatment plant as a private facility would be the responsibility of the homeowners' association; 3) site topography required the utilization of lift stations for several lots and the gulches required tunneling under the stream; and 4) the lots will be developed over time and would mean that the treatment plant would be operating at a less than optimum level.

~~No adverse impacts on groundwater or surface water are anticipated.~~

Based on the project's compliance with the rules and regulations of the DOH allowing the use of IWS systems, the potential for adverse impacts to groundwater or surface water resources are not anticipated.

3.5.6 Solid Waste

Existing Conditions

The Hawai'i County government does not provide waste collection services. Private companies haul approximately 50 percent of the waste generated in Big Island's residential areas to County landfills. The remaining 50 percent is self-hauled, and taken to County transfer stations. The county has two landfills, one serving east Hawai'i and the other serving west Hawai'i. The Pu'uuanahulu Landfill serves west Hawai'i, including Waikoloa. This landfill has more than 12,000,000 cubic yards of permitted air space, which is adequate to support the proposed Waikoloa Highlands and other proposed residential projects.

Project Impacts and Mitigation

The proposed Waikoloa Highlands subdivision is estimated to have an average population at build out of 1,068 persons (The Hallstrom Group, 2006). Using the federal Environmental Protection Agency's per capita estimate of 4.5 pounds of municipal solid waste (MSW) generated per day, the subdivision residents will generate approximately 4,806 pounds of MSW per day. The projected solid waste volume per year is approximately 2,192 cubic yards (1068 persons x 4.5 pounds per person per day = 877.09 tons per year x 1.25 cover factors x 2 cubic conversion = 2,192 cubic yards per year. Encouragement of recycling will be via homeowner covenants. A solid waste management plan will be prepared in consultation with the County of Hawai'i and will contain provisions for recycling. This Plan will be submitted for review prior to final subdivision approval.

In the West Hawai'i area, a private hauler, PFI Rubbish Service, offers curbside residential trash removal. Pick up in Waikoloa is on Mondays & Thursdays, starting at 7:00 AM. Commercial

trash and construction waste disposal is provided by other contractors. The residential trash service would be available to Waikoloa Highlands residents.

Given the current and projected capacity of the County landfill, the project is not expected to have an adverse impact on landfill. However, the project developers will encourage practices such as recycling and composting to reduce and divert materials from the waste stream.

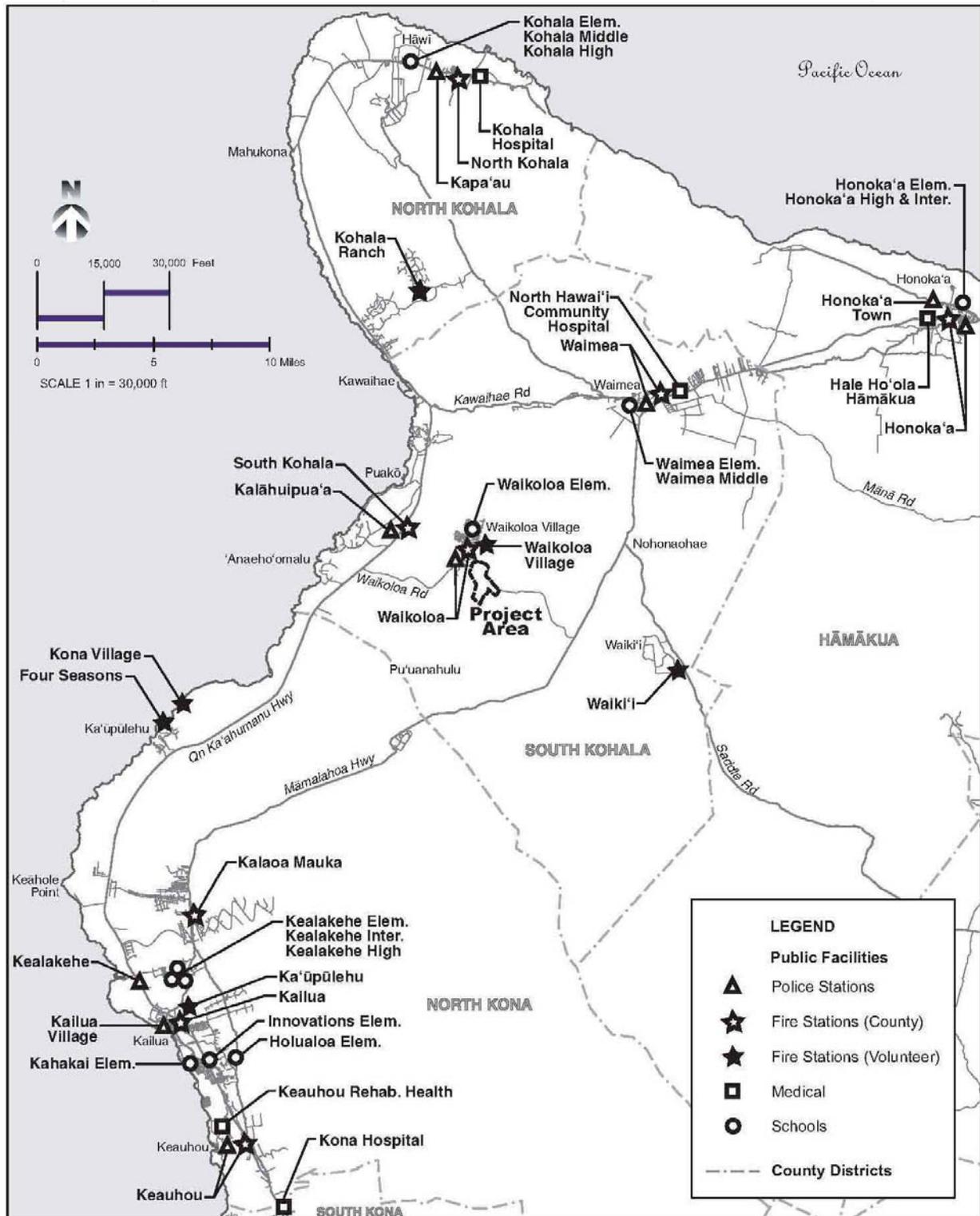
The County Department of Environmental Management, in an EISPN comment letter dated July 31, 2006, recommended that the Waikoloa Highlands subdivision develop some type of mandatory curbside pick-up with a high level of recycling available. They note that expecting 400 individual families to transport their garbage to a transfer station or the landfill is impractical. A Solid Waste Management Plan, as described in the November 27, 2006 letter from DEM, will be prepared in consultation with DEM for their approval.

Construction debris – aggregate and rock – will not be disposed in the County’s landfill and will be used for on-site fill or removed by the construction contractor for use on another project.

3.6 PUBLIC SERVICES AND FACILITIES

Due to its large geographic size, Big Island communities are often very difficult to service with adequate public infrastructure. The problem is not one of providing the basic services, but of accessibility, due to widely dispersed communities. This problem situation affects health care, police, emergency medical facilities, and other public services (SMS Research, 2006). Figure 21 is a generalized map showing the general locations of police service, fire service, emergency services, and school district.

As a relatively new community, Waikoloa Village is adequately serviced. However, like other Hawai‘i Island communities, its relative isolation has raised issues about future services.



Source: County of Hawai'i, Planning Department;
 State of Hawai'i, Department of Education

Figure 21
PUBLIC FACILITIES

3.6.1 Police

Existing Conditions

Police service to the Waikoloa Village area is provided by the South Kohala Police Station in Waimea. The station has a staff of 32 officers who cover an area of 688 square miles, an area larger than the Island of O‘ahu. The Waimea Station is also authorized for an additional 5 officers, but the positions are currently vacant. A minimum of four officers are on duty at all times, with one of the four responsible for covering the Waikoloa Village area. Two of the officers cover Waimea, and one officer covers Kawaihae and the coastal areas. The Police Department has a small substation in Waikoloa located near the golf course. The substation is a small unmanned office generally used to complete paperwork. The Waikoloa substation is not currently tied into the Department’s computer system, so the Waikoloa officer goes to the Mauna Lani Resort substation to enter reports into the Police Department computer system.

Project Impacts and Mitigation

According to an EISPN response letter from the County Police Department (letter dated August 16, 2006, see Chapter 5), the proposed development and associated population will significantly increase the demand for police services in the Waikoloa area. The Police Department has indicated that the project will impact the need for additional police personnel and police facilities to service the Waikoloa area. In consultation with the Police Department for the socio-economic study (SMS Research, 2006), the department noted that with a full staff (note that there are vacancies currently), Waikoloa Highlands will be adequately served.

Waikoloa residents have also expressed hope that the new Waikoloa Highlands subdivision will lead to the current Waikoloa police substation being manned on a more frequent basis (ibid).

In accordance with Ordinance 05-157, the applicant is required to pay fees to the County of Hawai‘i for each lot to mitigate impacts to Police service. In the interim until the vacant positions can be filled, the applicant will taken action to a) encourage a neighborhood watch program, b) utilize private security personnel to perform random drive-through inspections, and/or c) provide a gate at the entry to the development until such time as more than 50 percent of the lots have been developed so that there is greater community and neighborhood presence in the development.

3.6.2 Fire and Emergency Medical Services

Existing Conditions

The Hawai‘i County Fire Department has 20 full-time fire/medic stations, and twenty volunteer stations. The island is divided into two battalion areas, East and West. Waikoloa Village, in the West Battalion area, is served by a fire station located on Waikoloa Road, near the entrance to Waikoloa Village. The Waikoloa Fire Station currently has a total of five personnel per shift, including a hazardous materials unit, engine company unit, and medic. Secondary response and back up is provided by the South Kohala Fire Station at Mauna Lani. The South Kohala station

also has a medevac helicopter (personal communication with Battalion Chief Ruben Chun, September 19, 2006).

The major medical facility serving the South Kohala area is the North Hawai'i Community Hospital (NHCH), located in Waimea. This full service, acute care hospital opened in 1996, and serves the northern region of the Big Island.

Project Impacts and Mitigation

The proposed residential subdivision and resulting increase in population may increase the need for fire protection services in the Waikoloa area. At present, there appears to be adequate fire protection service for the existing community and the 398 new homes at Waikoloa Highlands (SMS Research, 2006). The developer will continue to keep the Fire Department informed of its plans.

In an August 14, 2006 comment letter (see Chapter 5), the Fire Department requested that the project's fire apparatus access roads be provided and maintained in accordance with County regulations and standards. Fire access roads and water supply will meet County standards to ensure adequate fire protection.

The County Fire Department also noted that *“given the historical record of wildland fires in the proposed area, as well as with respect to the vicinity climate, wildland urban interface, and organic fuel loading, the establishment of sustainable defensible space would be greatly appreciated and provide for emergency wildfire mitigation.”* The project engineers will continue to work with the Fire Department to provide adequate fire buffers to address this concern. Ordinance 05-157 required the developer to pay a fee in the amount of \$459.06 per lot.

3.6.3 Parks and Recreation

Existing Conditions

Kohala and North Kona region recreational facilities include golf courses, tennis courts, beaches, riding stables, historic sites, small boat harbors, and other facilities.

The Pu'ukohola Heiau National Historic Site is located just north of the Queen Ka'ahumanu Highway intersection with Highway 19, Kawaihae Road. This site, built in the late 1700's by Kamehameha I, includes several heiau and the remains of the John Young homestead.

The Hapuna Beach State Park is a popular white sand beach about three miles south of Kawaihae that includes swimming, picnicking, and camping facilities. 'Anaeho'omalua Beach fronts the Royal Waikoloan Hotel, and is popular for swimming and snorkeling. There is also an ancient Hawaiian fishpond nearby. Kauna'oa (Mauna Kea) Beach fronts the Mauna Kea Beach Hotel and has limited available public access. This beach provides areas for swimming, snorkeling and surfing. The County's Samuel M. Spencer Beach Park just south of Kawaihae is popular with locals, and provides calm waters that are excellent swimming and snorkeling.

Other State-owned recreation facilities in the region include the Kawaihae boat harbor, and Puakō boat ramp. A number of public recreational facilities are located in Waimea, including the State's Thelma Parker Gym, Waimea Elementary/Intermediate School playground, and the County's Waimea District Park and Waimea Playground.

The region has a number of golf courses that are open to the public. The Waikoloa Village Golf Course, located near the project site, is a public 18-hole course designed by Robert Trent Jones. Along the coast, the Waikoloa Beach Resort has two 18-hole courses, the 18-hole Beach Course and the King's Course, a championship course with Scottish-links layout. Other golf courses along the South Kohala coast include the Mauna Kea Beach Hotel, Mauna Kea Resort-Hapuna, and the Mauna Lani Resort's North and South Courses. Waikoloa Village also has riding stables.

County recreational facilities in the region include the Samuel Spencer Beach Park just south of Kawaihae, the Waimea District Park and Waimea playground.

In Waikoloa Village, there is one County-maintained park, with a second park location undeveloped. The current park is two to three acres in size, and used primarily for baseball and soccer, with a small jungle gym for younger children. Given the County of Hawai'i standards of five acres of park per 1,000 residents, Waikoloa is currently under served in park space (SMS Research, 2006).

Project Impacts and Mitigation

The Waikoloa Highlands project is estimated to generate 398 families with 233 school-aged children. The existing park areas in Waikoloa Village are already inadequate to serve current residents, and the Waikoloa Highlands will add to this shortage (ibid).

The proposed Waikoloa Highlands project will include approximately 208 acres of open space on-site, which will include bicycle and pedestrian paths, and will be available to project residents. In addition, the developer will contribute land or fees (to be determined) to fulfill their obligation as part of the zoning ordinance.

3.6.4 Schools

Existing Conditions

Public schools in the area include Waikoloa Elementary School, Waimea Middle Public Charter School, and Kealakehe High School. The table below (Table 3-8, Waikoloa School Enrollment) shows actual school enrollment between 2003 and 2006, and projected enrollment through 2012, without the proposed project.

Table 3-7 3-8. Waikoloa School Enrollment

	Actual Enrollment (# students)			Capacity (# students)	Projected Enrollment (# students)		
	2003-2004	2004-2005	2005-2006		2006-2007	2007-2008	2008-2009
Waikoloa Elementary School	593	586	566	601	544	620	738
Waimea Middle Public Charter School	537	497	516	516	534	550	565
Kealakehe High School	1,440	1,450	1,530	1,480	1,543	1,531	1,395

Source: State of Hawai‘i Department of Education, 2006

The actual enrollment data is compared to the 2005-2006 facility capacity. Last school year, the actual enrollment exceeded facility capacity at Kealakehe High School. Enrollment at Waimea Middle public Charter School was at capacity, and there was some excess capacity at Waikoloa Elementary School. However, the State Department of Education (DOE) expects that during the current (2006-2007) or following year, student enrollment at all three schools will exceed facility capacity.

Until 2006, the Department of Education utilized a formula based on residential unit counts to estimate the number of public school students that a project would generate. The results of this formula, which were previously provided in the DEIS (and Appendix C, Social Impact Assessment, SMS Research, September 2006), have since been revised by the DOE. The current DOE practice involves analyzing the impacts of development projects based on a wider variety of factors to obtain a better estimate of the number of public school students generated and the resultant impact on school facilities. Based on the number of units planned, DOE reports that the proposed Waikoloa Highlands project will contribute 24 additional elementary school students, 9 middle school students, and 7 high school students. The DOE has determined that due to the small number of additional students, that no additional schools will be needed.

In addition to enrollment capacity, the SMS study notes that schools are a typical example of accessibility issues. The study indicates that students in grades 6 through 8 must travel 20 miles to Waimea Middle School, while high school students travel nearly 40 miles to Kealakehe High School.

Project Impacts and Mitigation

~~The DOE has indicated that the Waikoloa Highlands project will have an impact on public school enrollment in the Waikoloa area. Discussions with the DOE are continuing to estimate the number of students that will be generated by the project. The Petitioner is continuing to work with the DOE to mitigate the project’s impact on school facilities and study its fair share requirements.~~

The proposed Waikoloa Highlands project will result in the generation of approximately 40 new public school students. However, no additional schools will be needed by the DOE as a result.

According to discussions with Heidi Meeker, DOE, the DOE will request that the Land Use Commission impose a school fair-share condition similar to such conditions that the Land Use Commission has imposed on other recent developments. The petitioner is continuing to discuss their fair-share requirement with the DOE and as required, will contribute their fair-share to mitigate the potential for adverse impacts on the provision of public educational services.

3.7 SUMMARY OF UNRESOLVED ISSUES

The following issues remain unresolved, primarily due to ongoing negotiations between the Petitioner and various public and private regulatory agencies. All of the issues are expected to be resolved prior to commencement of construction.

3.7.1 Drinking Water

~~Discussions with West Hawai'i Utility Company (Waikoloa Water Company) (WHUC) are ongoing to negotiate the cost of the project's water service, and the cost sharing of the off-site transmission and storage. Also under discussion is the provision and location of a new upper elevation well to support the project.~~

3.7.2 Schools

~~Discussions with the Hawai'i State Department of Education (DOE) are ongoing regarding project impact on area schools and appropriate mitigation. The approximately 1,000 residents of the Waikoloa Highlands subdivision will impact enrollment at Waikoloa Elementary, Waimea Middle Public Charter, and Kealahou High School. The DOE has noted that the size and actual costs of the lots, as well as whether accessory residential units will be allowed, will have a bearing on the number of public school students projected. This data will be provided to the DOE to enable it to make more specific enrollment estimates. To date, mitigation discussed includes provision of developable land, or in lieu fees calculated on a per-student basis. The DOE has preliminarily estimated that 3.1 acres of land would be needed, plus \$1.6 million in fees. The land and fee amount is not specific to a particular school type, e.g. elementary, middle or high school. The Petitioner has proposed the dedication of land across the proposed project on Waikoloa Road on the Waikoloa Village side for use by the DOE. Discussions are continuing to determine an appropriate resolution.~~

The petitioner is continuing to discuss their fair-share requirement with the DOE and as required, will contribute their fair-share to mitigate the potential for adverse impacts on the provision of public educational services.

3.7.3 Affordable Housing

Discussions are ongoing with the County regarding compliance with Article 1, Chapter 11, Hawai'i County Code (HCC, 1983 amended) and Ordinance ~~95-157~~ 05-157, which requires that the Petitioner must earn affordable housing credits equal to 20 percent of the number of units or lots. As discussed in Chapter 4 of this DEIS, the Petitioner may satisfy the affordable housing requirements in a number of ways, including constructing affordable for-sale units on-site,

constructing rental units off-site, paying in-lieu fees to the County Housing Agency, or providing developable land or infrastructure (Section 11-4) (see additional discussion in Section 4, Relationship of the Project to Land Use Plans, Policies and Controls).

The Petitioner is committed to meeting its affordable housing requirement per Ordinance 05-157 ~~, but the method is yet undetermined.~~ and Chapter 11, HCC, through the provision of land adjacent to the project site. To date, discussions with the County have centered on providing the housing off-site and within the 15-mile radius required in Section 11-4 (HCC). The land that is being proposed meets the affordable housing requirement and is located to the west of the subject project within the 15-mile radius in an area ~~designated~~ zoned for multi-family residential units and is owned by Petitioner (Tax Map Key: (3) 6-8-003, Portion of Parcel 31) (see Figure 3, Tax Map).

The selection of the affordable housing site was based on the underlying 1-acre zoning of the planned Waikoloa Highlands project, and the developer's ownership of other nearby property that possessed the necessary zoning for affordable housing uses.

The Waikoloa Highlands project site is zoned RA-1a (Residential and Agricultural, Minimum 1-acre) and O (Open). In order to be used for affordable housing a rezoning of the site to a higher density would be required. The proposed affordable housing site is owned by the developer, is in close proximity to Waikoloa Highlands of less than half a mile, and is already zoned RM-1.5 (Multi-Family Residential, 1,500 square foot land/unit), which supports the development of affordable units without need for further rezoning.

Although the developer owns other property within a 15 mile radius that could be used to meet the affordable housing requirements of the HCC, the proposed site possesses zoning that is more consistent with surrounding land uses that also include multifamily, single-family, and village commercial land uses. In contrast, land uses surrounding Waikoloa Highlands are a combination of Open and A-5a (Agricultural, 5 acre minimum), that would make it less consistent with the underlying and surrounding zoning.

3.7.4 Relocation of Transmission Line

The Petitioner has proposed to the Hawai'i Electric and Light Company (HELCO) the relocation of the existing 69 KV transmission lines that traverse the project area in an east-west direction. The Petitioner has proposed that the transmission lines be located at the edge of the project area. HELCO has agreed in principle, but has requested that additional studies be conducted. Discussions are ongoing with HELCO to determine an appropriate course of action.

4 RELATIONSHIP OF THE PROJECT TO LAND USE PLANS, POLICIES AND CONTROLS

4.1 STATE OF HAWAII

Various State plans, policies, and land use controls provide guidelines for development within the State of Hawai‘i, including the Hawai‘i State Plan, State Functional Plans, and the State Land Use Plan.

4.1.1 Hawai‘i State Plan and Functional Plans

The 1996 Hawai‘i State Plan (Chapter 226, HRS, as amended) is the umbrella document in the statewide planning system. It serves as a written guide for the long-range development of the State by describing a desired future for the residents of Hawai‘i and providing a set of goals, objectives, and policies that are intended to shape the general direction of public and private development.

State plan objectives for “socio-cultural advancement-housing” include “the orderly development of residential areas sensitive to community needs and other land uses.”

Applicable policies to achieve the plan’s housing objectives are to:

- Effectively accommodate the housing needs of Hawai‘i’s people
- Increase homeownership and rental opportunities and choices in terms of quality, location, cost densities, style and size of housing
- Promote design and location for housing developments taking into account the physical setting, accessibility to public facilities and services, and other concerns of existing communities and surrounding areas
- Facilitate the use of available vacant, developable, and underutilized urban lands for housing

We have examined the objectives of the State Plan (Chapter 226-19, HRS) and summarize in Table 4-1, Summary of Compliance with the Hawai‘i State Plan, the relationship of the proposed action to the State Plan objectives.

Table 4-1. Summary of Compliance with the Hawai‘i State Plan

<u>Objective:</u>	<u>Supportive</u>	<u>Non-Supportive</u>	<u>Not Applicable</u>
<u>(1) Greater opportunities for Hawaii's people to secure reasonably priced, safe, sanitary, and livable homes, located in suitable environments that satisfactorily accommodate the needs and desires of families and individuals, through collaboration and cooperation between government and nonprofit and for-profit developers to ensure that more affordable housing is made available to very low-, low- and moderate-income segments of Hawaii's population.</u>	X		
<u>(2) The orderly development of residential areas sensitive to community needs and other land uses.</u>	X		

<u>(3) The development and provision of affordable rental housing by the State to meet the housing needs of Hawaii's people.</u>			<u>X</u>
<u>(b) To achieve the housing objectives, it shall be the policy of this State to:</u>			
<u>(1) Effectively accommodate the housing needs of Hawaii's people.</u>	<u>X</u>		
<u>(2) Stimulate and promote feasible approaches that increase housing choices for low-income, moderate-income, and gap-group households.</u>	<u>X</u>		
<u>(3) Increase homeownership and rental opportunities and choices in terms of quality, location, cost, densities, style, and size of housing.</u>	<u>X</u>		
<u>(4) Promote appropriate improvement, rehabilitation, and maintenance of existing housing units and residential areas.</u>			<u>X</u>
<u>(5) Promote design and location of housing developments taking into account the physical setting, accessibility to public facilities and services, and other concerns of existing communities and surrounding areas.</u>			<u>X</u>
<u>(6) Facilitate the use of available vacant, developable, and underutilized urban lands for housing.</u>	<u>X</u>		
<u>(7) Foster a variety of lifestyles traditional to Hawaii through the design and maintenance of neighborhoods that reflect the culture and values of the community.</u>	<u>X</u>		
<u>(8) Promote research and development of methods to reduce the cost of housing construction in Hawaii.</u>			<u>X</u>

Priority guidelines for affordable housing (Chapter 226-106, HRS) and their applicability to the project are summarized in Table 4-2, Compliance with Affordable Housing Objectives:

Table 4-2. Compliance with Affordable Housing Objectives

<u>Objective:</u>	<u>Supportive</u>	<u>Non-Supportive</u>	<u>Not Applicable</u>
<u>(1) Seek to use marginal or nonessential agricultural land and public land to meet housing needs of low- and moderate-income and gap-group households.</u>	<u>X</u>		
<u>(2) Encourage the use of alternative construction and development methods as a means of reducing production costs.</u>			<u>X</u>
<u>(3) Improve information and analysis relative to land availability and suitability for housing.</u>	<u>X</u>		
<u>(4) Create incentives for development which would increase home ownership and rental opportunities for Hawaii's low- and moderate-income households, gap-group households, and residents with special needs.</u>			<u>X</u>
<u>(5) Encourage continued support for government or private housing programs that provide low interest mortgages to Hawaii's people for the purchase of initial owner- occupied housing.</u>			<u>X</u>
<u>(6) Encourage public and private sector cooperation in the development of rental housing alternatives.</u>	<u>X</u>		
<u>(7) Encourage improved coordination between various agencies and levels of government to deal with housing</u>			<u>X</u>

<u>policies and regulations.</u>			
<u>(8) Give higher priority to the provision of quality housing that is affordable for Hawaii's residents and less priority to development of housing intended primarily for individuals outside of Hawaii.</u>	X		

The Hawai‘i State Plan directs the appropriate State agencies to prepare functional plans for their respective program areas, including agriculture, transportation, conservation lands, housing, tourism, historic preservation, energy, recreation, education, higher education and health. The State Functional Plans serve as the primary implementing vehicle for the goals, objectives and policies of the Hawai‘i State Plan.

The State Functional Plans have been adopted by the Hawai‘i State Legislature. The State Plan mandates that these plans “...shall be taken into consideration in amending the county general plans” (Section 226-19, HRS). The project generally supports the objectives and policies of the State Plan and the State Housing Functional Plan as shown in Table 4-3, Compliance with State Housing Functional Plan, below:

Table 4-3. Compliance with State Housing Functional Plan

	Supportive	Non-Supportive	Not Applicable
<u>(1) Greater opportunities for Hawaii's people to secure reasonably priced, safe, sanitary, and livable homes, located in suitable environments that satisfactorily accommodate the needs and desires of families and individuals, through collaboration and cooperation between government and nonprofit and for-profit developers to ensure that more affordable housing is made available to very low-, low- and moderate-income segments of Hawaii's population.</u>	X		
<u>(2) The orderly development of residential areas sensitive to community needs and other land uses.</u>	X		
<u>(3) The development and provision of affordable rental housing by the State to meet the housing needs of Hawaii's people.</u>	X		
<u>(b) To achieve the housing objectives, it shall be the policy of this State to:</u>			
<u>(1) Effectively accommodate the housing needs of Hawaii's people.</u>	X		
<u>(2) Stimulate and promote feasible approaches that increase housing choices for low-income, moderate-income, and gap-group households.</u>	X		
<u>(3) Increase homeownership and rental opportunities and choices in terms of quality, location, cost, densities, style, and size of housing.</u>	X		
<u>(4) Promote appropriate improvement, rehabilitation, and maintenance of existing housing units and residential areas.</u>	X		
<u>(5) Promote design and location of housing developments taking into account the physical setting, accessibility to public facilities and services, and other concerns of existing communities and surrounding areas.</u>	X		

<u>(6) Facilitate the use of available vacant, developable, and underutilized urban lands for housing.</u>	<u>X</u>		
<u>(7) Foster a variety of lifestyles traditional to Hawaii through the design and maintenance of neighborhoods that reflect the culture and values of the community.</u>	<u>X</u>		
<u>(8) Promote research and development of methods to reduce the cost of housing construction in Hawaii.</u>	<u>X</u>		
<u>Discussion: The Waikoloa Highlands project supports the objectives of the State Plan relating to housing.</u>			

Objectives of the State Housing Functional Plan and the compliance of the Project to its objectives are shown in Table 4-4, Compliance with Objectives of State Housing Functional Plan, below:

Table 4-4. Compliance with Objectives of State Housing Functional Plan

Issue Area: Homeownership	Supportive	Non-Supportive	Not Applicable
<u>Policy A (2): Encourage increased private sector participation in the development of affordable for-sale housing units.</u>	<u>X</u>		
<u>Policy A (3): Ensure that (1) housing projects and (2) projects which impact housing provide a fair share/adequate amount of affordable homeownership opportunities.</u>	<u>X</u>		
<u>Discussion: The Waikoloa Highlands project will comply with the County’s affordable housing requirements of Chapter 11, Hawai‘i County Code, which requires that the Petitioner “must earn affordable housing credits equal to 20 percent of the number of units or lots. See Section 4.2.5 below.</u>			

4.1.2 State Land Use Classification

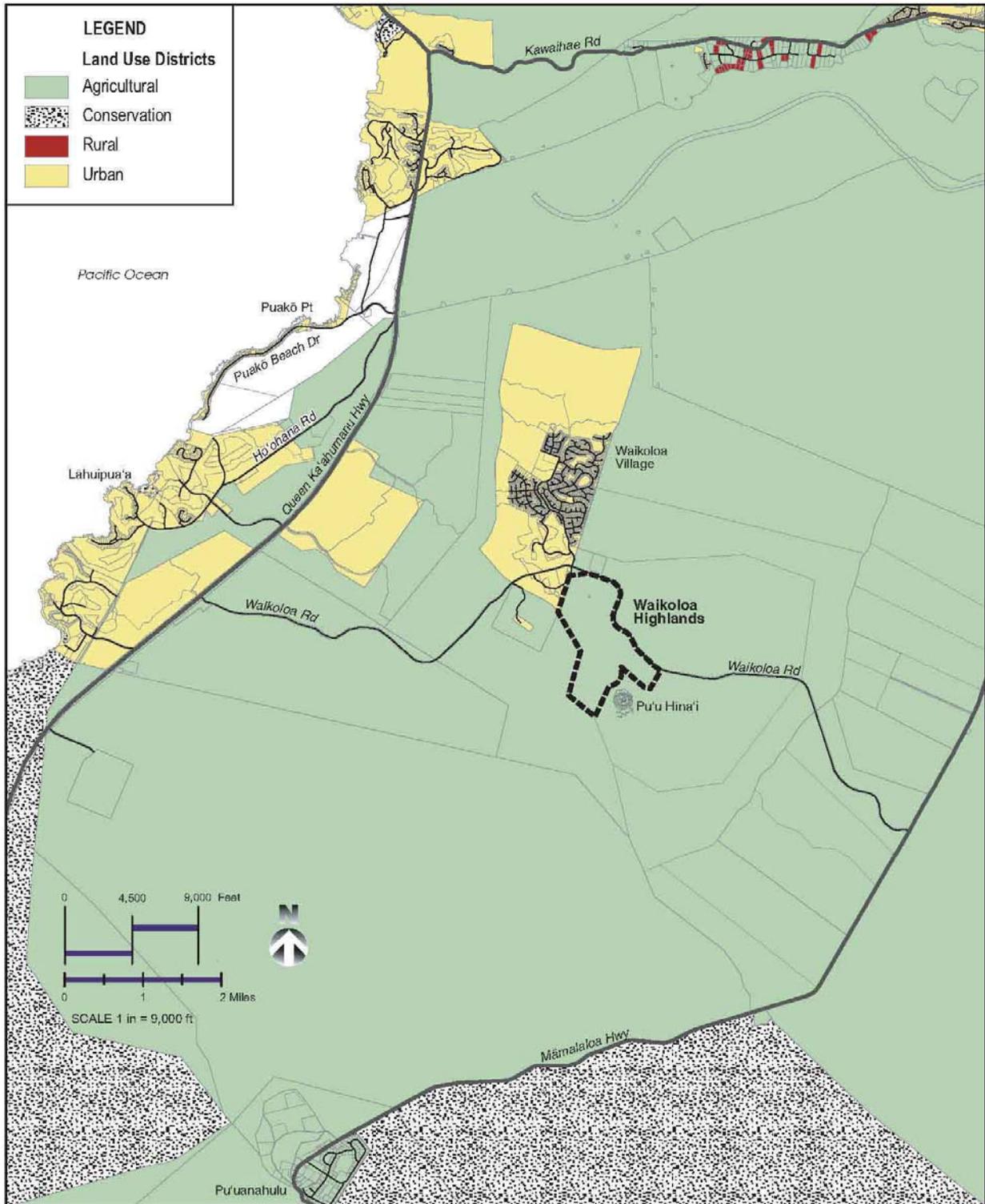
The Commission, pursuant to Chapter 205 and 205A, HRS, and Chapter 15-15, HAR, is empowered to classify all lands in the State into one of four land use districts: Urban, Rural, Agricultural, and Conservation. The project area is currently in the Agricultural District (Figure 2214, State Land Use Map).

A petition for a LUDBA for the property has been filed with the SLUC. The petition will request a redesignation from the Agricultural District to the Rural District.

The SLUC’s rules define standards for determining an Agricultural District in HAR § 15-15-19:

1. It shall include lands with a high capacity for agricultural production;
2. It may include lands with significant potential for grazing or other agricultural uses; and
3. It may include lands surrounded by or contiguous to agricultural lands or which are not suited to agricultural and ancillary activities by reason of topography, soils, and other related characteristics.

Although the property is currently in the Agricultural District, it is not highly productive agricultural land as defined in the standards. The Land Study Bureau has classified the area as “E” lands, meaning it is only marginally suitable for agricultural use.



Source: Hawaii Statewide GIS Program

Figure 4-22
STATE LAND USE DISTRICTS

The surrounding land uses are primarily low-scale residential and commercial areas, and not in active agricultural production. On the other hand, the SLUC’s standards for determining a Rural District (HAR §15-15-21) are summarized in Table 4-5, Applicability of Project to Rural District Standards:

Table 4-5. Applicability of Project to Rural District Standards

	<u>Supportive</u>	<u>Non-Supportive</u>	<u>Not Applicable</u>
1. <u>Areas consisting of small farms; provided that the areas need not be included in this district if inclusion will alter the general characteristics of the areas;</u>	<u>X</u>		
2. <u>Activities or uses as characterized by low-density residential lots of not less than one-half acre and a density of not more than one single-family dwelling per one-half acre in areas where “city-like” concentration of people, structures, streets and urban level of services are absent, and where small farms are intermixed with the low-density residential lots; and</u>	<u>X</u>		
3. <u>It may also include parcels of land which are surrounded by, or contiguous to this district, and are not suited to low-density residential uses for small farm or agricultural uses.</u>	<u>X</u>		
<p><u>Discussion: Overall, the standards for a Rural District are more appropriate for the proposed use, and compatible with the surrounding Waikoloa area. There are three significant differences between the Rural District and the existing Agricultural District designation:</u></p> <ol style="list-style-type: none"> 1. <u>Homes can be single-family dwellings</u> 2. <u>Minimum lot size is one-half acre</u> 3. <u>Golf courses are permitted in the Rural District, but not in the Agricultural District (per a recent 2005 law change)</u> 4. <u>Agricultural activities are optional in the Rural District, not mandated.</u> 			

~~Overall, the standards for a Rural District are more appropriate for the proposed use, and compatible with the surrounding Waikoloa area.~~

~~There are three significant differences between the Rural District and the existing Agricultural District designation:~~

- ~~1. Homes can be single-family dwellings~~
- ~~2. Minimum lot size is one-half acre~~
- ~~3. Golf courses are permitted in the Rural District, but not in the Agricultural District (per a recent 2005 law change)~~
- ~~4. Agricultural activities are optional in the Rural District, not mandated.~~

The Waikoloa Highlands residential lots will typically be one acre in size, larger than the half-acre allowed in the Rural District, but consistent with the existing County zoning (RA-1a). ~~A golf course may be proposed in appropriately zoned areas of the property. A golf course is not being considered by the project developers (see discussion Section 2.5.).~~

Final disposition of Petitioner’s request for redesignation is still pending SLUC action.

4.2 COUNTY OF HAWAI'I

4.2.1 County General Plan

The County General Plan is a policy document which provides direction for the future growth of the County. The General Plan is an ordinance enacted in February 2005 by the County Council. The General Plan consists of a written portion, which has a set of goals, policies, standards, and courses of action, and maps. The text also includes a list of the urban, industrial, and resort areas. The maps include the “Land Use Pattern Allocation Guide Map” or “LUPAG” map, which gives the general location of land uses in the county.

Figure 4-23 shows the General Plan LUPAG map designations. The project area is identified as “Rural” and “Open” on the current LUPAG map. The proposed low-density residential development is consistent with this designation.

4.2.2 Community Development Plans

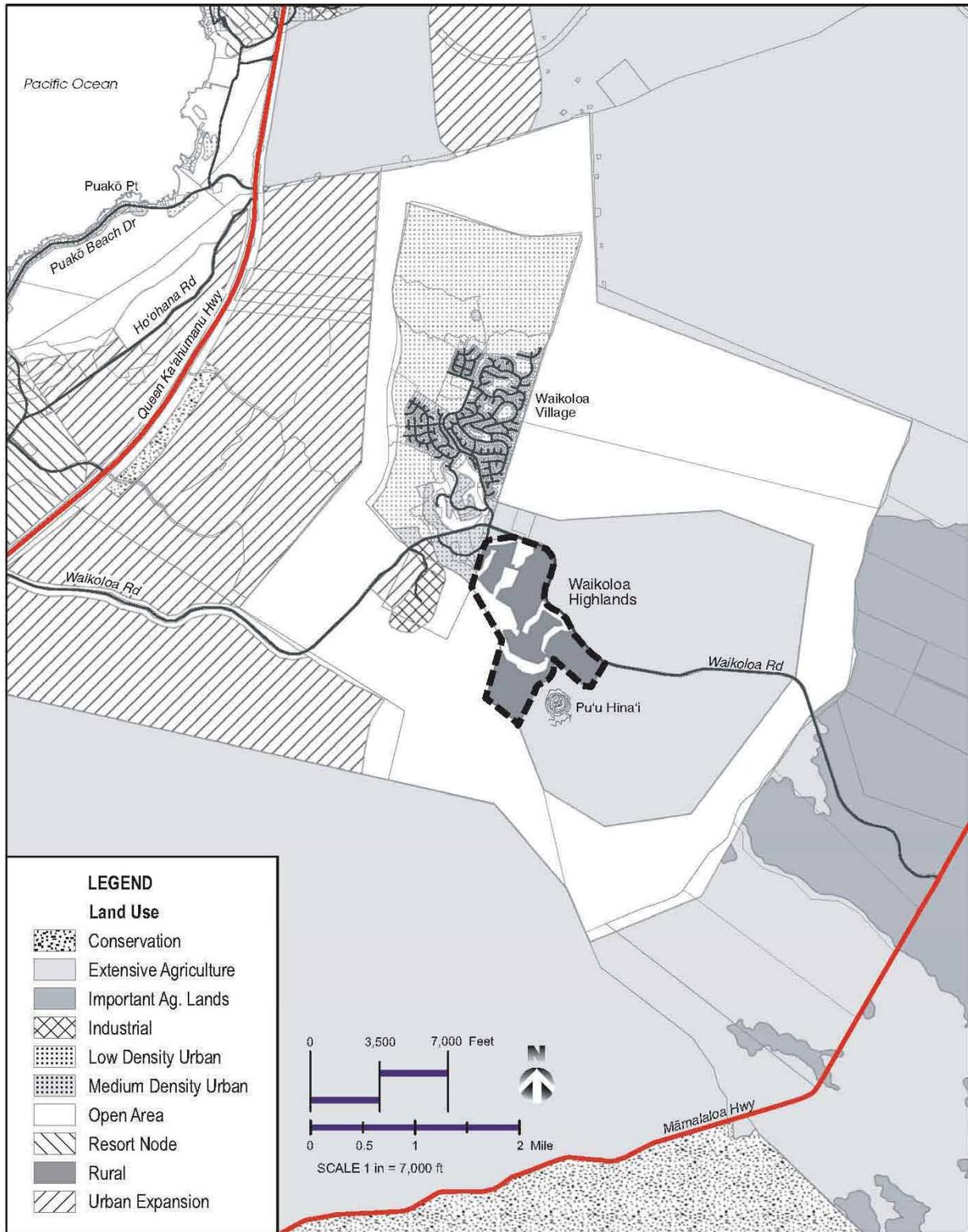
According to the General Plan, a Community Development Plan is intended to “translate the broad General Plan statements to specific actions” as they apply to a region. The Plan “may contain detailed land use and zoning guide maps, plans for roadways, drainage, parks, and other infrastructure and public facilities, architectural design guidelines, planning for watersheds and other natural features, and any other matters relating to the planning area.”

Although the General Plan has called for community development plans since 1971, these plans have not been prepared for all areas or updated regularly over the years. In 1992, a draft report for a Northwest Hawai‘i Open Space and Community Development Plan (which included the Waikoloa area) was released to the public. The plan included the following recommendation for future residential development:

The plan identifies a “Mauka Development Zone” (MDZ)—a zone of land mauka of the coastal highways that would be the most suitable area for future large-scale residential development...By providing for large-scale residential development opportunities in mauka areas, the concept seeks to reduce development pressures on the visually and ecologically sensitive coastal zone, as well as on the views from the major roadways (Northwest Hawai‘i Open Space and Community Development Plan, Public Draft Report, November 1992).

However, the Northwest Hawai‘i Open Space and Community Development Plan was never finalized or adopted.

The 2005 General Plan has called for a revival of the community development plan process, and includes a mandate that the plans be adopted by ordinance. The General Plan outlines a process for updating community development plans, which includes the formation of a steering committee to work with the County Planning Department in developing the plan, review of the plan by the Planning Commission, and enactment by ordinance by the County Council. The process of development Community Development Plans are still in the early stages of selecting a steering committee.



Source: Hawai'i Statewide GIS Program

Figure 4-23
**COUNTY GENERAL PLAN
 LUPAG**

4.2.3 County Zoning

In the early 1990's the project area received its first zone change for residential development. In 1995, the project area was further rezoned from the Unplanned (U) and Multi-Family residential (RM-1.5) zoning districts to Open (O) and Residential-Agricultural (RA-1a) (County of Hawai'i, Ordinance No. 95-51). The current zoning is shown in Figure 46 24, Zoning Map.

At that time, the former property owners had envisioned development of residential use surrounding a proposed golf course. The current Waikoloa Highlands subdivision plan is consistent with the approved RA-1a zoning. The areas zoned Open (O) will remain undeveloped as open space and drainage. No golf course will be included.

Ordinance No. 95-51 included a condition that the RA zoned area be subdivided in three increments.

The first and second increment shall consist of a maximum of 175 one-acre lots each and the third increment, the remaining area. Subdivision plans shall be submitted for successive increments only after development has occurred in the preceding increment as determined by the Planning Director...(Ordinance No. 95-51, Condition B)

The proposed subdivision plan will be phased in accordance with this condition. The ordinance also included the following condition:

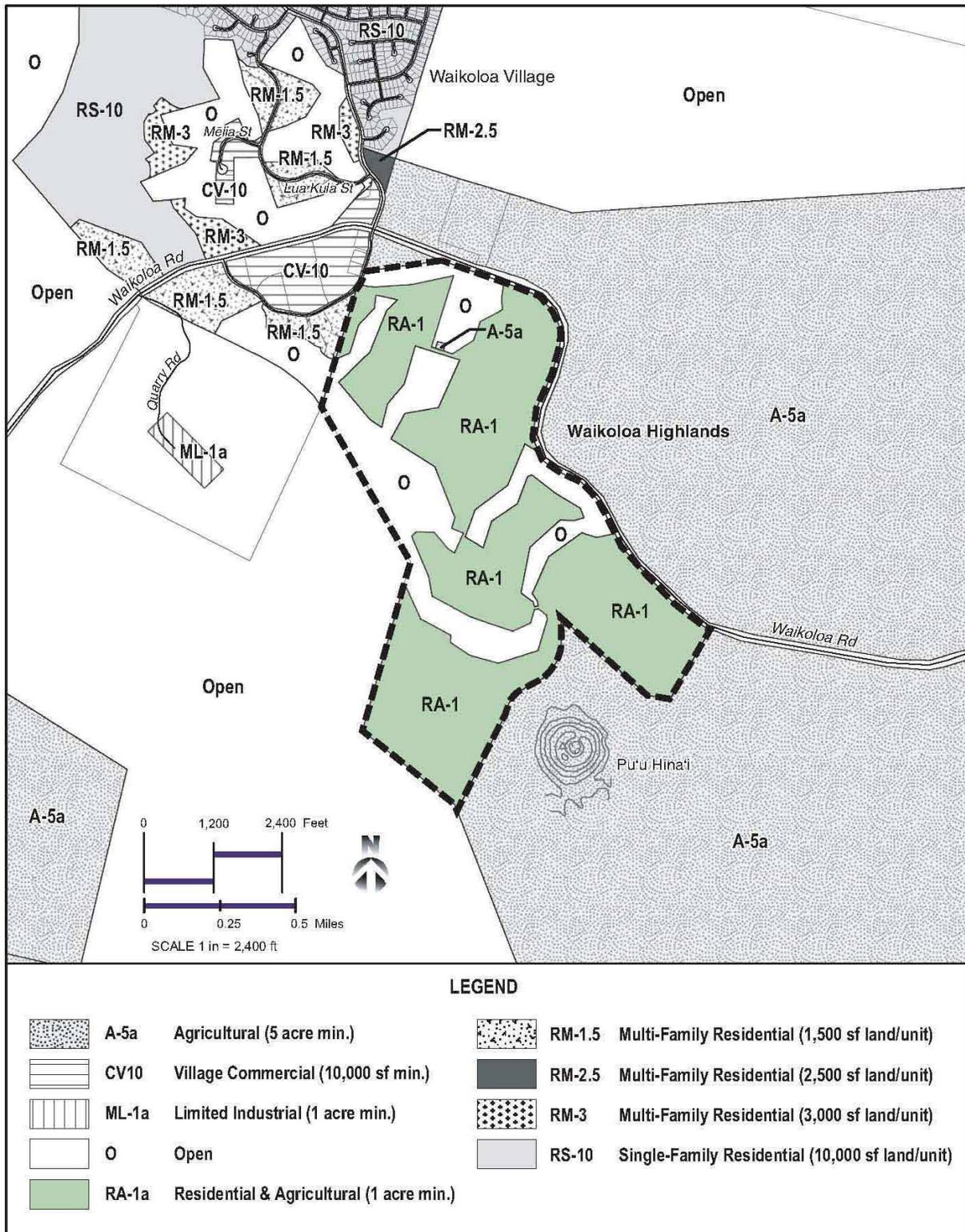
Access shall meet with the requirements of the Department of Public Works. Direct access to Waikoloa Road shall be limited to one roadway from the project site. Waikoloa Road-Pua Melia Street-Paniolo Avenue intersection shall be channelized and signalized meeting with the requirements of the Department of Public Works...(ibid., Condition C)

The developer will be proposing an amendment to this condition of a single entry to facility internal circulation and to provide an alternative for safety purposes.

Ordinance No. 05-157 further amended Ordinance No. 95-51 by requiring:

1. *Compliance with Chapter 11, Article 1, Hawai'i County Code relating to Affordable Housing,*
2. *State Land Use Boundary Amendment from Agriculture to Rural; and*
3. *Make fair share contribution to mitigate potential regional impacts of the property with respect to parks and recreation, fire, police, solid waste disposal, and roads.*

The Waikoloa Highlands project will meet all the above conditions.



Source: Hawaii Statewide GIS Program

Figure 1324
COUNTY ZONING

4.2.4 Coastal Zone Management/Special Management Area

Coastal Zone Management objectives and policies (Section 205A-2, HRS) have been developed to preserve, protect, and where possible, to restore the natural resources of the coastal zone of Hawai'i. The project site lies within the State's Coastal Zone Management Area, which includes all lands within the State with the exception of forest reserves. Potential impacts to the coastal zone relate to storm drainage and wastewater disposal. Impacts resulting from project storm drainage will be mitigated by compliance with National Pollutant Discharge Elimination System (NPDES) permit conditions. Wastewater will be disposed using Individual Wastewater Systems, which will be reviewed and approved by the County and State Department of Health.

Applicability of the project to the objectives of Section 205A-2 (HRS) are summarized in Table 4-6, Compliance with Section 205A:

Table 4-6. Compliance with Section 205A

<u>Objectives:</u>	<u>Supportive</u>	<u>Not Supportive</u>	<u>Not Applicable</u>
<u>(1) Recreational resources:</u>			
<u>(A) Provide coastal recreational opportunities accessible to the public.</u>			<u>X</u>
<u>Discussion: Not applicable to project because the project is not located along the ocean.</u>			
<u>(2) Historic resources:</u>			
<u>(A) Protect, preserve, and, where desirable, restore those natural and manmade historic and prehistoric resources in the coastal zone management area that are significant in Hawaiian and American history and culture.</u>	<u>X</u>		
<u>Discussion: As indicated in Section 3.4.5 action will be taken to protect and preserve identified archaeological sites.</u>			
<u>(3) Scenic and open space resources:</u>			
<u>(A) Protect, preserve, and, where desirable, restore or improve the quality of coastal scenic and open space resources.</u>			<u>X</u>
<u>Discussion: Not applicable to the project because no scenic views will be impacted. Existing undeveloped areas will be converted to residential development, however at a low density.</u>			
<u>(4) Coastal ecosystems:</u>			
<u>(A) Protect valuable coastal ecosystems, including reefs, from disruption and minimize adverse impacts on all coastal ecosystems.</u>			<u>X</u>
<u>Discussion: Not applicable to the project because the project is not located along the ocean.</u>			
<u>(5) Economic uses:</u>			
<u>(A) Provide public or private facilities and improvements important to the State's economy in suitable locations.</u>	<u>X</u>		
<u>Discussion: The project will develop 398 low-density residential lots and thereby add to the housing inventory of the area.</u>			
<u>(6) Coastal hazards:</u>			
<u>(A) Reduce hazard to life and property from tsunamis, storm waves, stream flooding, erosion, subsidence, and pollution.</u>	<u>X</u>		
<u>Discussion: Coastal hazards will not impact the proposed project, however, mitigating actions are being taken to minimize flood risks and water pollution.</u>			

<u>(7) Managing development;</u>			
<u>(A) Improve the development review process, communication, and public participation in the management of coastal resources and hazards.</u>	<u>X</u>		
<i>Discussion: The proposed project will undergo public review through information disclosed in this EIS and through review during the land use entitlement processes. The project will not impact coastal resources nor will the project be impacted by coastal hazards.</i>			
<u>(8) Public participation;</u>			
<u>(A) Stimulate public awareness, education, and participation in coastal management.</u>	<u>X</u>		
<i>Discussion: As stated in this document, the project will be subject to public review.</i>			
<u>(9) Beach protection;</u>			
<u>(A) Protect beaches for public use and recreation.</u>			<u>X</u>
<i>Discussion: Not applicable to the project because the project is not located along the ocean.</i>			
<u>(10) Marine resources;</u>			
<u>(A) Promote the protection, use, and development of marine and coastal resources to assure their sustainability.</u>			<u>X</u>
<i>Discussion: Not applicable to the project because the project is not located along the ocean.</i>			

The County is given the authority to establish Special Management Areas (“SMAs”) and place controls on development occurring within these areas. SMAs encompass critical coastal lands immediately adjacent to the shoreline requiring special management attention because of its unique coastal values or characteristics. The project site is not within the County’s SMA, which generally encompasses the area makai of Queen Ka‘ahumanu Highway. A Special Management Area use permit is not required. The project site is located six miles from the coastline, and is not expected to have a direct or indirect impact on the coastal zone.

4.2.5 County Affordable Housing (Hawai‘i County Code, Chapter 11, Article 1)

As discussed in Section 4.2.3, County Zoning, above, Ordinance No. 05-157 amended Ordinance No. 95-51 to redesignate the Waikoloa Highlands project site to the Open (O) and Residential Agricultural (RA-1a) zones. Ordinance ~~95-157~~ 05-157 states that “To ensure that the goals and policies of the Housing Element of the General Plan are implemented, the Petitioner shall comply with the requirements of Chapter 11, Article 1, Hawai‘i County Code (HCC) relating to Affordable Housing Policy. This requirement shall be approved by the County Housing Agency prior to final subdivision approval.”

HCC Section 11-4 requires that for five or more residential units or lots, “the Petitioner must earn affordable housing credits equal to twenty percent of the number of units or lots (rounded to the nearest 0.5).” For the proposed 398 lots, the Waikoloa Highlands affordable housing requirement would be 80 units.

Section 11-5 states that the developer may satisfy the affordable housing requirement by doing any of the following:

- Construct affordable for-sale units on-site
- Construct affordable finished lots on-site, but only if the entire project consists of finished lots
- Construct affordable for-sale units off-site, but within a 15-mile radius of the project site
- Construct affordable rental units on-site, or off-site, within a 15-mile radius of the project site
- Pay in-lieu fees to the [County Housing] Agency
- Provide developable land, within a 15-mile radius of the project site, with a value determined by appraisal, that shall be credited against the in-lieu fee
- Provide infrastructure, within a 15-mile radius of the project site, with a value determined by appraisal, that shall be credited against the in-lieu fee;
- With the approval of the [County Housing Agency] Administrator, construct housing on-site or off-site that addresses a critical regional housing need...
- Obtain excess credits from another developer pursuant to Sec. 11-15

Chapter 11, Hawai'i County Code (Table 4-7, Compliance with Hawai'i County Code) requires as follows:

Table 4-7. Compliance with Hawai'i County Code – Affordable Housing Requirements

(a)	The affordable housing requirements shall apply to:	Supportive	Non-Supportive	Not Applicable
(1)	All new rezonings that may create additional residential uses, including rezonings, to RS, RD, RM, RCX, RA and FA districts, and APD rezonings where lot sizes are less than five acres, and CG, CV, CN and PD districts when residential uses are established in those districts;	<u>X</u>		
(2)	All new rezonings to resort, including hotels established in V, CV, CG, CDH or PD districts;			<u>X</u>
(3)	All new rezonings to ML, MG, and MCX districts;			<u>X</u>
(4)	All prior rezoning actions which contain affordable housing conditions that have not been satisfied as of the effective date of this ordinance, or to which the County has not agreed previously as to the specific means of satisfying the requirements.			<u>X</u>
(b)	Requirements for residential uses.			
(1)	Four or fewer residential units or lots: no requirement;			<u>X</u>
(2)	Five or more residential units or lots: the applicant must earn affordable housing credits equal to twenty percent of the number of units or lots (rounded to the nearest .5);	<u>X</u>		
(3)	Time share units shall be considered as residential units.”			<u>X</u>

Discussion: The existing site is primarily zoned RA-1a, Residential and Agricultural, 1-acre. As a condition of Ordinance 05-157, allowing this zoning, the applicant must comply with the affordable housing requirement. The developer must earn affordable housing credits equal to 80, representing 20 percent of the 398 units that are planned. The applicant intends to comply with this requirement.

Chapter 11, (Table 4-8, Affordable Housing Provision Methodology) further provides that “(a) The developer may satisfy the affordable housing requirements by doing any of the following:

Table 4-8. Affordable Housing Provision Methodology

	<u>Supportive</u>	<u>Non-Supportive</u>	<u>Not Applicable</u>
(1) Construct affordable for sale units on site;		X	
(2) Construct affordable finished lots on site, but only if the entire project consists of finished lots;		X	
(3) Construct affordable for sale units off site, but within a fifteen mile radius of the project site;			X
(4) Construct affordable rental units on site, or off site, within a fifteen mile radius of the project site;			X
(5) Pay in lieu fees to the Agency;			X
(6) Provide developable land, within a fifteen mile radius of the project site, with a value determined by appraisal, that shall be credited against the in lieu fee;	X		
(7) Provide infrastructure, within a fifteen mile radius of the project site, that shall be credited against the in lieu fee. Any infrastructure provided must be directly related to the future provision of affordable housing;			X
(8) With the approval of the administrator, construct housing on site or off site, that addresses a critical regional housing need, at least equivalent to satisfying the requirements of any sub sections (1) (4) above, provided that the project must be located within the allowable areas for in lieu fees under sec. 11-12			X
(9) Obtain excess credits from another developer pursuant to sec. 11 15.			X
<i>Discussion:</i> The owner has elected to provide land (Item 3) to meet the affordable housing requirement on land that is within 15 miles of the project site, is owned by the applicant, and is fully entitled for multifamily housing. The land proposed is identified by Tax Map Key 6-8-003: Parcel 031. See also Section 3.7.3. Affordable Housing, for further explanation concerning the selection of this location. The proposed project will not involve finished lots.			

Chapter 11 further provides “The developer shall earn affordable housing credits as shown in Table 4-9, Affordable Housing Credits:

Table 4-9. Affordable Housing Credits

		<u>Supportive</u>	<u>Non-Supportive</u>	<u>Not Applicable</u>
(1)	Sale of completed dwelling units affordable for qualified households earning 120-140% of median: 0.5 credit per unit;			X
(2)	Sale of completed dwelling units affordable for qualified households earning 100-120% of median: 1.0 credit per unit;			X
(3)	Sale of completed dwelling units affordable for qualified households earning 80-100% of median: 1.5 credits per unit;			X
(4)	Sale of completed dwelling units affordable for qualified households earning less than 80% of median: 2.0 credits per			X

	<u>unit:</u>			
(5)	<u>Construction of rental units affordable to qualified households earning 100-120% of median: 0.5 credit per unit;</u>			X
(6)	<u>Construction of rental units affordable to qualified households earning 80-100% of median: 1.0 credit per unit;</u>			X
(7)	<u>Construction of rental units affordable for qualified households earning 60-80% of median: 1.5 credits per unit;</u>			X
(8)	<u>Construction of rental units affordable for qualified households earning less than 60% of median: 2.0 credits per unit;</u>			X
(9)	<u>Sale of finished lots affordable for qualified households earning no more than 100% of median: 0.5 credit per lot;</u>			X
(10)	<u>Sale of finished lots affordable for qualified households earning no more than 80% of median: 1.0 credit per lot;</u>			X
(11)	<u>Donation of land to a nonprofit corporation or governmental agency for construction of for-sale housing units affordable for qualified households earning no more than 80% of the median, or construction of for-rent housing units affordable for qualified households earning no more than 60% of the median, subject to the approval of the administrator of the feasibility, location, and type of project. After the approval of the administrator, the credits are earned upon the donation of the land: 1.0 credit per unit.</u>	X		
<i>Discussion:</i> The landowner has elected to contribute land in lieu of development of housing to meet his affordable housing credit.				

Section 11-6 of Chapter 11 provides for the calculation of in-lieu fees as shown in Table 4-10. Affordable Housing Fee Calculation:

Table 4-10. Affordable Housing Fee Calculation

	<u>Supportive</u>	<u>Non-Supportive</u>	<u>Not Applicable</u>
<u>(a) The in lieu fee for a completed dwelling unit shall be twenty five percent of: the actual sales price of the unit minus the affordable price for households earning one hundred twenty percent of the median.</u>			X
<u>(b) The in lieu fee for a finished lot shall be twenty five percent of: the actual sales price of the lot minus the affordable price for households earning one hundred percent of the median.</u>			X
<u>(c) The in lieu fee for each required affordable dwelling unit for resort, hotel, and industrial uses shall be twenty five percent of: the median sales price for a single-family home in the tax map zone containing the project, in the previous calendar year, minus the affordable price for households earning one hundred twenty percent of the median.</u>			X
<u>(d) The in lieu fee for each completed dwelling unit not offered for sale (such as units offered for rent) shall be twenty five percent of: the median sales price for a single-family home in the tax map zone containing the project in the previous calendar year, minus the affordable price for households earning one hundred twenty percent of</u>			X

the median.			
<i>Discussion:</i> The landowner has elected to contribute land in lieu of development of housing to meet his affordable housing credit.			

The Petitioner is currently negotiating with the County to agree on the most appropriate method of meeting the County’s affordable housing needs per Ordinance 05-157. To date, discussions have centered on providing housing off-site within a 15-mile radius on lands owned by the developer that is entitled for multi-family dwelling units. The land that is being proposed to meet the affordable housing requirement is located to the west of the subject project within the 15-mile radius in an area designated for multi-family residential units on Tax Map Key (3) 6-8-003, parcel 31.

4.3 OTHER PLANS AND REGULATORY REQUIREMENTS

4.3.1 Unavoidable Adverse Effects

All potential environmental impacts discussed in Chapter 3 could either be avoided or mitigated to an extent that they would not be significant.

4.3.2 Relationship of Short-Term uses and Long-Term Productivity

Chapter 200 of Title 11, Environmental Impact Statement Rules (11-200-17(j)) requires a brief discussion of the “extent to which the proposed action involves tradeoffs between short term losses and long-term losses, or vice versa, and a discussion of the extent to which the proposed action forecloses future options, narrows the range of beneficial uses of the environment, or poses long-term risks to health or safety...”

Short-term tradeoffs are associated with the proposed rural subdivision on a currently vacant, open property. The project site currently provides open space and the potential for alternative future uses. However, given the site’s existing Open (O) and Residential-Agricultural (RA-1a) zoning designations, the range of alternative uses is limited to low ~~seale~~ density residential and golf course use. As noted earlier, the developer will not be constructing a golf course.

Long-term impacts associated with the project are expected to be favorable, given that the project is consistent with the County General Plan and zoning designations, and thereby represents an approved expansion of the existing Waikoloa Village community. Any short-term construction related impacts will be mitigated by the enhancement of long-term productivity of the site.

4.3.3 Irretrievable and Irreversible Resource Commitments

Chapter 200 of Title 11, Environmental Impact Statement Rules (11-200-17(k)) requires the “identification of unavoidable impacts and the extent to which the action makes use of non-renewable resources during phases of the action, or irreversibly curtails the range of potential uses of the environment...” Resources that are committed irreversibly or irretrievably are those that cannot be recovered if the project is implemented.

The proposed project will involve two types of resources: 1) general industrial resources including capital, labor, fuels and construction equipment; and 2) project-specific resources such as natural resources and land at the affected site. General industrial resources will be spent during the construction of the subdivision's roads and infrastructure. Creation of a residential subdivision will preclude use of the property for other uses, and permanently alter the site from undeveloped open space to an urbanized infill development.

The commitment of these resources, however, should be evaluated in light of expected benefits to the community accruing from the project. The housing opportunities provided by the project, the associated employment created, and public tax revenues generated appear to justify the transformation of the site to a residential subdivision.

The development of nearly 400 residential lots will increase demand on potable water source and contribute to regional demands on public services, including schools, police and fire protection.

The project will not require any new commitment of publicly supported services and facilities that will not be compensated by increases in tax revenues.

4.4 POSSIBLE ENVIRONMENTAL PERMITS AND APPROVALS

The following is a summary of environmental approvals and consultations that may be required for the proposed action. The project's consistency with federal, State and local land use plans, policies and controls are also summarized.

4.4.1 State of Hawai'i

- A. Land Use District Boundary Amendment. In accordance with the provision of Ordinance ~~95-157~~ 05-157 the Petitioner is seeking the redesignation of the project area from the ~~Agriculture~~ Agricultural District to the Rural District.
- B. Chapter 343, HRS, environmental review process, the subject of this ~~Draft~~ EIS.
- C. Department of Health
 - Chapter 46, HAR. As required, a noise permit will be secured by the construction contractor to address noise levels above those allowed by Chapter 46 during construction.
 - Chapter 11-55, HAR. A National Pollutant Discharge Elimination System ("NPDES") Permit will be required for Construction Stormwater Discharges in accordance with Chapter 11-55, HAR.
 - Chapter 11-23, HAR. A Underground Injection Control (UIC) permit application will be required for the use of drainage injection wells to handle discharges of storm water runoff.
 - Chapter 11-54, HAR. A Section 401 Water Quality Certification (WQC) may be required based on the filing of the Department of the Army Permit application and the

specific type of improvements that are proposed that involve discharges to "state waters".

- D. Chapter 6E, HRS, State Historic Preservation Division. Consultation to ensure the protection of historic properties.
- E. Act 50, Session Laws of Hawaii, (April 26, 2000), Cultural Impact Assessment consultation to ensure that traditional cultural practices that may be impacted by the proposed action be analyzed.
- F. Stream Channel Alteration Permit will be sought for proposed improvements to Auwaiakeakua Stream that includes the building of culverts with supports in the stream.
- G. Coastal Zone Management Federal Consistency Determination (CZM FEDCON). This permit application administered by the State Planning Office may be required based on the filing of the Department of the Army permit.

4.4.2 County of Hawai'i

- A. Subdivision approvals will be sought in accordance with Chapter 23, Hawai'i County Code to amend the Tentative Approval for the proposed subdivision.
- B. Grading Permits will be sought from the County of Hawai'i for earthwork activities associated with the infrastructure improvements.
- C. Building Permits will be sought from the County of Hawai'i for infrastructure improvements proposed for the project.

4.4.3 Federal Permits

- A. A Department of the Army Permit may be required for proposed improvements of Auwaiakeakua Stream that includes the construction of bridges or the installation of culverts in the stream in accordance with Section 404 of the Clean Water Act. The Department of the Army permit is administered by the Army Corps of Engineers and may also require the concurrent filing and processing of the: (1) Section 401 WQC, as administered by the State DOH; and (2) CZM FEDCON, as administered by the State Planning Office, see above.

5. COMMENTS AND COORDINATION

The ~~Applicant~~ Petitioner determined that the proposed project may have a significant effect on the environment in accordance with HAR § 11-200-12. As such, this ~~DEIS~~ FEIS has been prepared in accordance with Chapter 343, HRS, EIS content requirements.

An EIS Preparation Notice was prepared and notice published in the July 23, 2006 edition of the Office of Environmental Quality Control's (OEQC) The Environmental Notice, with the public comment deadline of August 22, 2006. The EISPN was distributed to the individuals and organizations listed below, with a request for comments on project purpose and need, alternatives, and the proposed scope of the analysis.

Those providing written comments to the EIS Preparation Notice are noted in **bold** type below. Copies of the letters are included in Appendix ~~L~~ M.

A DEIS was prepared and notice of availability published in the October 23, 2006 edition of the OEQC's Environmental Notice, with the public comment deadline of December 8, 2006.

Individuals, organizations, and agencies providing comments to the Draft EIS are identified with an asterisk "*" below. A summary of written comments received from the DEIS, the responses prepared, and the FEIS page numbers referencing the responses, are provided in Table ES-1, Summary of Draft EIS Comments and Responses. Copies of the letters received and response to the letters are included in Appendix N.

Federal Agencies

Army Corps of Engineers, Honolulu Engineer District*

Environmental Protection Agency
Federal Highway Administration
Natural Resources Conservation Service
Fish and Wildlife Service
U.S. Geological Survey*

State Agencies

Department of Agriculture

Department of Accounting and General Services*

Department of Business, Economic Development & Tourism, ~~Office of Planning~~
Resources and Technology Division*

Office of Planning*

Hawaii Housing Finance Development Corporation*

State Land Use Commission*

Department of Education*

Department of Hawaiian Home Lands
Department of Land and Natural Resources
State Historic Preservation Division
Department of Health*

Environmental Planning Office*

Office of Environmental Quality Control (4 copies)*

Department of Public Safety

Department of Transportation*

Office of Hawaiian Affairs*

University of Hawai‘i, Environmental Center*

University of Hawai‘i, Marine Programs

University of Hawai‘i, Water Resources Research Center

County of Hawai‘i

Department of Environmental Management*

Fire Department*

Department of Parks and Recreation

Planning Department*

Police Department*

Department of Public Works*

Department of Water Supply*

Elected Officials, Community Organizations, and Other Organizations

Elected Officials

County Councilmember Pete Hoffman, County Council District 9

Representative Cindy Evans, State House District 7

Senator Paul Whalen Senate, State Senate District 3

Utility Companies

Hawai‘i Electric Light Company, Inc.

Hawaiian Telcom, Inc.

Oceanic Time Warner Cable

Waikoloa Water Company

Libraries

Hawai‘i Documents Center, Hawai‘i State Library

Bond Memorial Public Library

Thelma Parker Memorial Library

Kailua-Kona Public Library

Newspapers

Hawai‘i Tribune Herald

West Hawai‘i Today

Other

Waimea Community Development Plan Committee

Waikoloa Village Association

Waikoloa Outdoor Circle

Waikoloa Community Development Corporation

Hawai‘i Leeward Planning Council

West Hawai‘i Economic Development Council

Chamber of Commerce

Mauna Kea Soil and Water Conservation District*

6. REFERENCES

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- _____. *Flood Plain Limits and Flood Control Plan for the Waikoloa Highlands Subdivision*. September 2006.
- _____. *Drainage Report for the Waikoloa Highlands Subdivision, Phase 1*. September 2006.
- _____. *Waikoloa Highlands Water Distribution System, Waikoloa Highlands Subdivision*. September 2006.
- SMS Research. *Social and Economic Impact Analysis*. 2006.
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U.S. Census Bureau, 2000 Census Data. <http://factfinder.census.gov>. Census 2000 Summary File 1 (SF1) 100 Percent Data, and Summary File 3 (SF)-Sample Data.

7. PREPARERS OF THE DRAFT AND FINAL EIS

The Waikoloa Highlands Draft and Final Environmental Impact Statement was prepared for the Petitioner, Waikoloa Mauka LLC, by R.M. Towill Corporation. The following list identifies individuals and organizations involved in the preparation of ~~this report~~ these documents and their respective contributions.

Waikoloa Mauka, LLC
Kevin C. Kellow, Manager

Sidney Fuke, Planning Consulting
Sidney Fuke, Project Coordinator

R.M. Towill Corporation
Chester T. Koga, AICP (Project Manager and Primary Author)
Brian Takeda (Project Coordinator, EIS Preparation)
Kevin Polloi (Planner, EIS Graphics)
Harold Takemoto, P.E. (Civil Engineering)

Technical Consultants

Consultant	Technical Area
AECOS, Inc.	Biological Resources
Cultural Surveys, Hawai'i	Archaeology, Cultural Impact Assessment
Julian Ng, Inc.	Traffic Impact Assessment
R.M. Towill Corporation	Civil Engineering
Rana Productions, Inc.	Biological Resources
SMS Research	Socio-Economic/Fiscal Assessment
The Hallstrom Group, Inc.	Market Study/Economic Impact Analysis/Public Cost-Benefit Assessment
Hawai'i Design Associates, Inc.	Landscape Architecture
Kimura International, Inc.	EIS Preparation
Steven Bowles	Water Resource

Legal Consultant
Imanaka, Kudo, and Fujimoto

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APPENDICES

- A. Waikoloa Water Master Plan, Tom Nance Water Resources Engineering, 1991.
- B. A Survey of Botanical, Avian and Terrestrial Mammalian Species for the Waikoloa Highlands Subdivision, Rana Productions, Ltd. and AECOS Consultants, May 2006.
- C. Social Impact Assessment, SMS Research, September 2006.
- D. Market Study, Economic Impact Analysis and Public Cost/Benefits Assessment, The Hallstrom Group, Inc., May 2006.
- E. Evaluation of Archaeological Potential at a 702.28-acre Parcel at Waikoloa, South Kohala District, Hawai'i Island, Cultural Surveys Hawai'i, April 2006
- F. Cultural Impact Assessment, Cultural Surveys Hawai'i, September 2006.
- G. Traffic Impact Analysis Report, Julian Ng, Incorporated, July 2005.
- H. Flood Plain Limits and Flood Control Plan for the Waikoloa Highlands Subdivision, R.M. Towill Corporation, September 2006.
- I. Drainage Report for the Waikoloa Highlands Subdivision, Phase 1, R.M. Towill Corporation, September 2006.
- J. Waikoloa Highlands Water Distribution System, Waikoloa Highlands Subdivision, R.M. Towill Corporation, September 2006.
- K. Highlands Golf Estate Landscape Irrigation Water Study, Hawai'i Design Associates, Inc., August 2005
- L. Water Supply for the Highlands Estates at Waikoloa, Hawai'i, November 2006.
- M. Comments and Responses – EIS Preparation Notice
- N. Comments and Responses – Draft EIS
- O. Correspondence from County of Hawai'i, Planning Department, February 8, 2007, relating to Amendment to Change of Zone Ordinance 05-157.

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