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PER HAWAII

Randy Bautista
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February 21, 2007

PBR Hawaii
1001 Bishop Street
ASB Tower, Suite 650
Honolulu, HI 96813
Attention: Thomas Witten
Telephone: (808) 521-5631
Fax: (808) 523-1402

Molokai Properties Limited
745 Fort Street Mail, Suite 600
Honolulu, HI 96813
Attention: Peter Nicholas and John Sabas
Telephone: (808) 534-9502
Fax: (808) 521-2279

State Land Use Commission
PO Box 2359
Honolulu, HI 96804
Attention: Anthony Ching
Telephone: (808) 587-3822
Fax: (808) 587-3827

Office of Environmental Quality Control
235 S. Beretania St., Suite 702
Honolulu, HI 96813
Fax: (808) 586-4185

Dear Mr. Nicholas:

Moloka'i remains the last Hawaiian island of its kind where much of the land remains undeveloped and pristine and where the people are still innocent, trusting and vulnerable. Moloka'i is an island where the Hawaiian culture is still alive and not just a museum piece. These things make up the real richness of our island. It is an area historically used by residents for subsistence--gathering and hunting. By continuing with the proposed subdivision plans, you will be ruining what has been untouched for numerous years.

The entire plan seems to follow the traditional real estate/tourism model that has devastated the working class of other Hawaiian islands by driving up equity on real estate and ultimately

creating a drastic increase in the local cost of living index. This model works to the distinct advantage of outside investors and to those in the real estate industry but fails the average family.

By turning it into a luxury subdivision, you will perhaps affect the endangered Hawaiian monk seal. What will be the impact of run-off from the proposed developments on the Hawaiian monk seal habitats along the south and west shores downhill from this development? Has this impact been quantified? Who will be responsible for monitoring the long-term impacts and who will bear the cost? The problems seem endless. What about water? A lot of those who live on Moloka'i are there for agriculture and do note that agriculture is *not* dead on Moloka'i. These luxury lots are threatening the agricultural water. Moloka'i has a water crisis. There isn't enough water to support existing and approved development on the island now. And now, Moloka'i Ranch wants to pump one million new gallons a day to support its Lā'au Point development plans? If you notice, three of Moloka'i's drinking water wells are going salty: county's well at Kawela, at 'Ualapu'e and DHHL's well at Kualapu'u. Water is not an inexhaustible resource. Where will this water come from and how much water will be required? And what about social impact of the development? Take for example, what has happened on Lana'i where the division between haives and have-nots have caused a significant increase in the island's social problems.

The community has already decided and that decision is NO!

Sincerely,



Randy Bautista



Randy Bautista
SUBJECT: LĀ'AU POINT DRAFT ENVIRONMENTAL IMPACT STATEMENT
November 1, 2007
Page 2 of 5

appropriate human behavior for that interaction. Appropriate protocol if one encounters a Hawaiian monk seal on the beach is to notify National Marine Fisheries Service (NMFS), who will check if the animal is injured or entangled, then put tape around the site to keep people from approaching too closely. Due to the lack of available NMFS staff on Molokai, a Resource Manager will monitor the Lā'au shoreline area daily.

The established mitigation measures for protecting hauled-out monk seals have been generally effective elsewhere in the Main Hawaiian Islands, and this segment of the monk seal population appears to be increasing. Prohibition of domestic animals from the shoreline may be of greater significance in limiting behavioral disturbances.

To reflect the above information in the Final EIS, as well as to address other questions and concerns regarding monk seals, Section 3.7 (Fauna) of the Final EIS has been revised as shown on the attachment titled, "Revised Section 3.7 (Fauna)." The SAMP has been included as an appendix to the Final EIS.

Run-Off

As discussed in Section 4.9.1 (Drainage) of the Draft EIS, Lā'au Point will be in compliance with all laws and regulations regarding runoff and non-point source pollution, ensuring that storm water runoff and siltation will not adversely affect the downstream Conservation District land's marine environment and nearshore and offshore water quality.

Water

MPL believes that there is ample ground and surface water to meet DHHL's and the County's needs while still supporting MPL's plans for all of its lands. MPL's Water Plan does not adversely affect either DHHL's or the County's ability to develop the water resources they need for future uses.

MPL has committed to using only existing sources, at currently permitted amounts, to meet all of the potable water needs for its current water customers and MPL's future developments proposed under the Master Land Use Plan. A new non-potable source is being proposed. Currently, permitted uses for potable water from Well 17 include more than 600,000 gpd for irrigation uses. When non-potable water from the Kākalahale Well becomes available, those irrigation uses that are now supplied with potable water will utilize the new non-potable source, thus freeing up sufficient potable water to meet the demands of the Lā'au Point development.

The Kākalahale Well, the proposed new source of non-potable water, is situated where it is unlikely to have a measurable impact on the existing DHHL and DWS wells in Kualapu'u. First, the Kākalahale Well is down- and across-gradient from the DHHL and DWS wells. Second, the Kākalahale Well is approximately 12,200 feet (2.31 miles) away from the DHHL and DWS wells; at that distance, it is unlikely that pumping 1 mgd will create a measurable effect. Third, there are known subsurface intrusions between the Kākalahale and DHHL/DWS well sites, namely Pu'u Kākalahale and Pu'u Luahine, which are barriers to ground water flow.

November 1, 2007

Randy Bautista
2240 Kubio Avenue, #681B
Honolulu, Hawai'i 96815

SUBJECT: LĀ'AU POINT DRAFT ENVIRONMENTAL IMPACT STATEMENT

Dear Mr. Bautista:

Thank you for letter dated February 21, 2007 regarding the Lā'au Point Draft Environmental Impact Statement (EIS). Below, we respond to your comments.

Real Estate

As discussed in Section 4.8.2 (Housing) and Appendix L (Hallstrom Letter) of the Draft EIS, the Lā'au Point project is not expected to affect real property taxes. According to the Hallstrom Group (2006), assessments of existing property that is not adjacent (and thus not competing in the same market or market area), and/or that has different highest and best use potentials, will not be directly affected. This finding is based on analysis of paired assessment trends over time between expanding development and non-adjacent land holdings, an understanding of value trends and influences, and discussion with Maui County and O'ahu tax offices concerning this specific matter. The Lā'au Point project is physically separated from the rest of Molokai by hundreds of acres of Ranch land, and will be a unique market unto itself.

Monk Seals

We consulted with the National Oceanic and Atmospheric Administration (NOAA) National Marine Fisheries Service about the monk seal population at Lā'au Point. The shoreline access management plan (SAMP) contains a plan and recommendations developed in consultation with the National Oceanic and Atmospheric Administration (NOAA) Monk seal program and elements were taken directly from their draft *Recovery Plan for the Hawaiian Monk Seal* (November 2006).

The SAMP also provides rules to ensure non-disturbance of Hawaiian monk seal habitat and the promotion of Lā'au Point as an area for Hawaiian monk seals to frequent and "haul out." Rules have been developed on removal of gear, the use of certain types of gear, and responses to Hawaiian monk seal sightings. No domestic pets and animals (including hunting dogs) will be allowed in the managed area. The use of toxins and pesticides is specifically prohibited and equipment will be purchased for cordoning off areas where Hawaiian monk seals have come ashore.

To ensure that the project does not alter behavior of Hawaiian monk seals that visit the area, residents and visitors will be educated about possible interaction with these animals and the

Randy Bautista

SUBJECT: LĀ'ĀU POINT DRAFT ENVIRONMENTAL IMPACT STATEMENT

November 1, 2007

Page 3 of 5

The Kākalahale Well was developed in 1969 as a drinking water well for the Kahaiko'i Resort. However, due to the brackish quality of the water, the well was never put into production. Relative to its distance inland, chlorides of the Kākalahale Well are anomalously high. This anomaly is explained, however, by the presence of upgradient subsurface intrusives, i.e., the subsurface "plumbing" of Pu'u Kākalahale, which function as barriers to normal mauka-to-makai flow of groundwater. The upgradient intrusives, which create the brackish result in the Kākalahale Well, also function to limit the effect of pumping the Kākalahale Well on other wells upgradient of the intrusives, such as the DHHL and DWS wells in Kualapu'u.

Additionally, it is highly unlikely that withdrawing 1 mgd from the Kākalahale Well will have an adverse impact DHHL's ability to access its reservation amount from the Kualapu'u aquifer. For DHHL to develop its 2,905 mgd reservation in the Kualapu'u aquifer, new and appropriately spaced wells east of the existing DHHL/DWS well field will be required. All of these new wells will be upgradient of the known subsurface intrusives, Pu'u Kākalahale and Pu'u Luahine. These subsurface intrusives create a barrier to groundwater flow, benefiting wells that are upgradient of the intrusives and adversely impacting the wells downgradient of the intrusives. They also limit the impact that wells on one side of the intrusives have on wells on the other side of the intrusives.

The Kākalahale Well will be down- and across-gradient, and on the downstream side of known intervening intrusive structures, from any wells that DHHL is likely to develop to access any part of its 2,905 mgd reservation. Therefore, an adverse impact on future DHHL wells is highly unlikely.

Additionally, desalination is an alternative source of water that becomes increasingly viable with technological advances.

To ensure water availability to all, MPL, DHHL, and Maui County DWS are working cooperatively to coordinate future water development plans with the assistance of the USGS. It is anticipated that by proper placement of wells, the needs of DHHL, the County, and MPL for the foreseeable future can all be met at reasonable costs to the respective parties.

Rising salinity in certain Moloka'i wells appear to be related to local phenomena associated with particular wells. In particular, the concentrated pumpage of the two DHHL wells (Well Nos. 0801-01 & 02), the County DWS well (Well No. 0801-03) appear to be the cause of chloride rise in these wells.

The DHHL and DWS wells are closely grouped and poorly located relative to each other. All three wells have upgradient/downgradient effects when the DWS well is running while one or the other of the DHHL wells is also operating. A 20 mg/L chloride rise – to levels of about 100 mg/L – in the DHHL wells was an almost immediate response to the start of pumping of the DWS Kualapu'u well in 1991. Chloride levels appear to have been stabilized in all three wells at the higher level.

Well 17 has been in use from 1952 to the present. There has never been a chloride response in the DHHL wells since they began operating in 1961 and 1981, or in DWS well since it began

Randy Bautista

SUBJECT: LĀ'ĀU POINT DRAFT ENVIRONMENTAL IMPACT STATEMENT

November 1, 2007

Page 4 of 5

operating in 1991 as a result of pumping the Well 17, even during periods of extended (continuous) pumpage of Well 17 at a 1750 gpm pumping rate (2.5 mgd). The fact that chloride levels for Well 17 have remained stable at about half (or less) the levels in the DHHL and DWS wells is further evidence that pumpage of Well 17 is not producing a chloride response in the DHHL/DWS wells, and vice versa.

The rising chloride levels in Kawela Shaft and 'Ualapu'e Shaft appear to be the result of localized phenomena, and the USGS and Maui County are exploring redistributing and increasing withdrawals to other locations, including locations within the Kawela and 'Ualapu'e aquifers.

Long-term water requirements for the lands that MPL will develop or continue to own will not exceed 1,500,000 gallons per day of potable water. Potable water requirements will be met through the existing 1,018 mgd existing allocation for Well 17 in the Kualapu'u aquifer and by treating surface water developed by Molokai Ranch's mountain water system.

Long-term non-potable water needs for irrigation can be met with water that is currently developed by Molokai Ranch's mountain water system plus another 1,000,000 gallons per day from the Kākalahale non-potable well. These amounts will satisfy current uses, future uses following reopening of the Kahaiko'i Hotel and development of Lā'au Point, and long-term community directed growth in Kualapu'u and Maunaloa. It does not include any amounts for projects that may be developed by the CDC and for lands that MPL will be gifting to the Land Trust.

In response to your comments regarding water issues, as well as to address other questions and concerns received regarding water issues, Section 4.9.2 (Water) in the Final EIS has been revised as shown on the attachment titled, "Revised Section 4.9.2 (Water)."

Social Impacts

Section 4.8 (Social and Economic Characteristics) and Appendix M (Social Impact Assessment) of the Draft EIS provided discussion of the project's social impacts and mitigation measures. The Social Impact Assessment (SIA) studied the Lāna'i situation as a possible model of potential social impact. The SIA found that the Lāna'i model illustrates how a rapid shift from a single-product agribusiness to a resort and luxury development caused significant social disruption. The SIA further found that implementation of Lā'au Point would not result in similar social conditions. Moloka'i has traditionally exhibited self-reliance and independence, whereas Lāna'i residents historically accepted the decisions of the island's predominant employer. Also, whereas Lāna'i had only one option for change, Moloka'i has multiple options for change, including economic forces and development projects. Therefore, the economic disparities that exist on Lāna'i are not expected to occur on Moloka'i due to the Lā'au Point project.

Thank you for participating in the EIS process. Your letter will be included in the Final EIS.

Randy Bautista
SUBJECT: LA'AU POINT DRAFT ENVIRONMENTAL IMPACT STATEMENT
November 1, 2007
Page 5 of 5

Sincerely,



Peter Nicholas
President and CEO
Molokai Properties Limited

Attachments:
Revised Section 3.7 (Fauna)
Revised Section 4.9.2 (Water)

Cc: Anthony Ching, State Land Use Commission
Office of Environmental Quality Control
Jeff Hunt, Maui Planning Department
Thomas S. Witten, PBR HAWAII



Molokai
Properties
Limited

To whom it may concern

My name is Ricky Greenleaf I am 17 years of age and also a senior at Molokai High, I have been hearing a lot about the issues and the problems that have been going on for the past years or so. I really don't think that the plan will work it will just be a waste of money speaking of money that is all that the Molokai Ranch is interested in the money but what they don't realize is that there is why more important things in life instead of money. What my topic was on is burial sites that is the most important thing I think besides the water and every thing else there is Mana in the place and there are buried bones every where and every house that is going to be build is next or on the graves that is very wrong what they don't realize is what if the houses become hunted will some one want to live there (no) the houses will be left vacant and they have built the houses for nothing and destroyed every thing at la'au all for nothing. Money is very important to the haoles and every one else at times as well but they should put that money issues on the side and think what is really going on there will be house on the bones of your ancestors we don't know so why take that risk on developing, You know some things are better left alone and I think that la'au is one of the few places in the world that needs to just be left alone

Mahalo for your time sincerely

Ricky Greenleaf

November 1, 2007

Ricky Greenleaf
Moloka'i High School
P.O. Box 158
Ho'olehua, Hawai'i 96729

SUBJECT: LA'AU POINT DRAFT ENVIRONMENTAL IMPACT STATEMENT

Dear Mr. Greenleaf:

Thank you for your letter regarding the La'au Point Draft Environmental Impact Statement (EIS). We acknowledge your concerns about burial sites at La'au.

We note that the roadways and residential lots will avoid cultural and archaeological sites (see Section 2.3.1 (Protected Areas) of the Draft EIS). These sites will be preserved and protected in place by designating the surrounding area of the archaeological site into Cultural Protection Zone and Conservation District.

As stated in Section 4.1 of the Draft EIS, MPL and its contractors will comply with all State and County laws and rules regarding the preservation of archaeological and historic sites. Should historic remains such as artifacts, burials, concentrations of shell or charcoal be encountered during the construction activities, work will cease immediately in the immediate vicinity of the find and the find will be protected from further damage. The contractor shall immediately contact the State Historic Preservation Division, which will assess the significance of the find and recommend appropriate mitigation measures, if necessary.

According to the Burial Treatment plan (provided in Appendix E of the Draft EIS), construction will be planned to avoid any burials or suspected burials recorded in previous studies and during the supplemental road corridor survey. Therefore, it is very unlikely that any burials will be disturbed. Should it prove extremely difficult to plan around a possible burial, then (as a last resort) that feature may be tested to determine its actual function. If it is in fact a human burial, then it will be covered, and preserved in place. Human remains encountered during such a test will not be removed, photographed, or collected.

Thank you for your participation in the EIS process. Your letter will be included in the Final EIS.

Sincerely,

Peter Nicholas
President and CEO
Molokai Properties Limited

Mr. Ricky Greenleaf
SUBJECT: LA'AU POINT DRAFT ENVIRONMENTAL IMPACT STATEMENT
November 1, 2007
Page 2 of 2

cc: Anthony Ching, State Land Use Commission
Office of Environmental Quality Control
Jeff Hunt, Maui Planning Department
Thomas S. Witten, PBR HAWAII

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Rydge-Alan Villa
P.O. Box 453 Kaunakakai HI 96748

To Whom It May Concern:

During my discovery of the La'au statements I have stand neutral through out every issue there had been. I am a Molokai resident and many generations of my family have been living here as well. I didn't really care about La'au but now that I know the facts of what is happening I can see why people like Walter Ritte and others are concerned about La'au. But at the same time I see why Collette Machado had statements why she wasn't with the plan. She wasn't really against it just not for it.

Molokai residents tend to make there own problems I say. Like the MacAfee incident where a resident of Molokai sold land to this man. This land was rightfully his where he brought it and tried to invest in it. If we are concerned about these issues people should take a better responsibility and come out with it to the community before selling things. We cannot blame the person who brought the problem but the people who started it.

I'm not saying the citizens itself but the person who took it into there own hands to sell their lands.

Molokai Ranch had an opportunity to come out to the community first to tell them about there actions made but instead, went on and persist on to start newer problems. Fixing up Kahuakoi hotel was a great idea but selling land wasn't the only options. I think they sold La'au because it was the fastest option.

Therefore I keep my peace between both sides where better comes out from doing little things.

Aloha, Rydge-Alan Villa

November 1, 2007

Rydge-Alan Villa
Moloka'i High School
P.O. Box 158
Ho'olehua, Hawaii'i 96729

SUBJECT: LA'AU POINT DRAFT ENVIRONMENTAL IMPACT STATEMENT

Dear Mr. Villa:

Thank you for your letter regarding the La'au Point Draft Environmental Impact Statement (EIS). We respond to your comments.

1. *I didn't really care about La'au but now that I know the facts of what is happening I can see why people like Walter Ritte and others are concerned about La'au. But at the same time I see why Collette Machado had statements why she wasn't with the plan. She wasn't really against it just not for it.*

Response: We acknowledge your comment. Please note that Colette Machado is one of the strongest supporters of the *Community-Based Master Land Use Plan for Molokai Ranch* (Master Plan).

2. *Molokai Ranch had an opportunity to come out to the community first to tell them about their actions made but instead, went on and persist on to start newer problems. Fixing up Kaluako'i hotel was a great idea but selling land wasn't the only options. I think they sold La'au because it was the fastest option.*

Response: We respectfully disagree with your comment. We came to the community in 2003 to create the comprehensive Master Plan. The Master Plan was created by participating community members that volunteered their time at numerous meetings (see Section 2.4 of the Draft EIS) to plan a sustainable future for Moloka'i. The Master Plan is a thoughtful and comprehensive compilation of many community members' visions for Moloka'i.

As discussed in the Draft EIS, both the La'au Point project and the Kaluako'i Hotel renovation and re-opening are just two pieces of a comprehensive Master Plan. As stated in Section 2.1.7 of the Draft EIS, the objectives of the La'au Point project are rooted in our company's desire to create a sustainable future for Moloka'i and Molokai Ranch through the implementation of the Master Plan. The goal of the Master Plan was to create new employment and training opportunities for Moloka'i residents and to provide the community with certainty about its future. The objectives of the Master Plan are shared by the La'au Point project and include:

- Developing sustainable economic activities that are compatible with Moloka'i and the vision of the Moloka'i Enterprise Community (EC).
- Securing the role of the community in the management of MPL's 60,000+ acres.

Mr. Rydge-Alan Villa
SUBJECT: LĀ'AU POINT DRAFT ENVIRONMENTAL IMPACT STATEMENT
November 1, 2007
Page 2 of 2

- Re-opening the Kaluako'i Hotel and creating over 100 jobs.
- Protecting cultural complexes and sites of historic significance on MPL lands.
- Protecting environmentally valuable natural resources, agricultural land, pasture, and open space.
- Providing an endowment that serves as a continuous revenue stream for the Moloka'i Community Development Corporation (CDC).
- Protecting and enhancing subsistence gathering, an important element of life on Moloka'i that includes ensuring public access to and along the shoreline area adjacent to the project.
- Protecting Molokai's water resources, by minimizing drinking (potable) water use.

Since the Lā'au Point project is the primary financial component to achieve the Master Plan's objectives, non-implementation of the project means that most, or all, of the Master Plan may not be realized.

Please also note that Lā'au Point has not been sold, and the implementation of the Master Plan, which includes this project, was not "the fastest option." The Master Plan is the product of more than 150 community and special interest group meetings over a three-year span (see Section 2.4 of the Draft EIS).

Thank you for your participation in the EIS process. Your letter will be included in the Final EIS.

Sincerely,



Peter Nicholas
President and CEO
Molokai Properties Limited

cc: Anthony Ching, State Land Use Commission
Office of Environmental Quality Control
Jeff Hunt, Maui Planning Department
Thomas S. Witten, PBR HAWAII



January 9, 2007

TO Thomas S. Withen ASCA
President
PBR Hawaii
1001 Bishop Street
A-5B Tower, Suite 650
Honolulu, HI 96813

DR MR. Withen

As part of the Molokai community my family would like to ask for a 60 day extension of the Lae'o Point EIS Public comment period. We would like to have more time since many of us were busy during the holidays

Thank you for your consideration

Scott Schaefer
Scott Schaefer
P.O. Box 1308
Kaanakakai, HI 96748

January 16, 2007

Scott Schaefer
P.O. Box 1308
Kaanakakai, Hawaii 96748

SUBJECT: La'au Point Draft Environmental Impact Statement (EIS) Public Comment Period

Dear Mr. Schafer:

We have received your request for an extension of the public comment period for the La'au Point Draft Environmental Impact Statement (EIS).

Molokai Properties Limited will extend the deadline for comments from February 6 to February 23, 2007.

State law (Chapter 343, HRS) requires a 45-day public comment period for Draft EISs. The original 45-day public comment period for the La'au Point Draft EIS is from December 23, 2006 to February 6, 2007.

The extension to February 23 will provide for a public comment period of 63 days.

We look forward to your comments on the La'au Point Draft EIS and your participation in this public review process.

Sincerely,
John Sabas

John Sabas
General Manager of Community Affairs
Molokai Properties Limited

cc: Anthony Ching, State Land Use Commission
Genevieve Salmonson, Office of Environmental Quality Control



To whom it may concern,

Aloha! My name is Moana Milia Malinu- Calairo, I am in the leading class of the Hawaiian immersion program, which locates at Molokai High School. I am a 17yearold student who are doing a class assignment that was given to us by our teacher, so I want to talk about the drainage for the la'au point development.

I've read about the drainage, and it talks about how much water is being transmitted, about 9,000 feet north of the la'au point project site. It had said that water from well 17 is transported via rental space in the Moloka'i irrigation system to Mahana. The Kaluako I system does not use MIS water. And it's been put in about 1,111,111 gallons of water for every 1,000,000 gallons it takes out at its Mahana pump station, and the total amount to about 30,000,000 gallons.

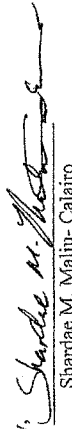
From Mahana pump station water is then pumped to a 7,000,000gallon reservoir at Pu'u Nana for treatment. The water that is been treated is then piped to a 3,000,000gallon reservoir in Maunaloa and gravity fed to Kaluako'i.

Questions:

1. How can more water be transmits to La'au point?
2. Does La'au point really need's the water?

I feel that no one should develop any housings down the La'au point area, because there is no water for the people to use, and taking so much water from mahana is not a good idea, because then we would be lack of water.

Sincerely,


Shardae M. Malinu- Calairo

November 1, 2007

Shardae M. Milinu-Calairo
Moloka'i High School
P.O. Box 158
Ho'olehua, Hawaii'i 96729

SUBJECT: LA'AU POINT DRAFT ENVIRONMENTAL IMPACT STATEMENT

Dear Ms. Milinu-Calairo:

Thank you for your letter regarding the La'au Point Draft Environmental Impact Statement (EIS). Your comments deal with water even though you have used the term, "drainage."

In connection with the *Community-Based Master Land Use Plan for Molokai Ranch* (Master Plan), we developed a proposed Water Plan. A copy of the proposed Water Plan is provided as Chapter 6 in the Master Plan (Appendix A of the Draft EIS). A key feature of the Water Plan is that only existing sources, at currently permitted amounts, will be utilized to meet all of the potable water needs for the current customers of the two private water systems operated by MPL and MPL's future developments proposed under the Master Plan.

Water is necessary for the use of the homeowners and to maintain the parks and cultural sites. We are seeking to transmit Kakalahale brackish water across existing easements through existing pipelines.

Thank you for your participation in the EIS process. Your letter will be included in the Final EIS.

Sincerely,



Peter Nicholas
President and CEO
Molokai Properties Limited

cc: Anthony Ching, State Land Use Commission
Office of Environmental Quality Control
Jeff Hunt, Maui Planning Department
Thomas S. Witten, PBR HAWAII

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FEB 21 2007

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Shona Barnes
92-648 Malahuna Loop
Kapolei, HI 96707

February 19, 2007

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State Land Use Commission
PO Box 2359
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Attention: Anthony Ching
Telephone: (808) 587-3822
Fax: (808) 587-3827

Office of Environmental Quality Control
235 S. Beretania St., Suite 702
Honolulu, HI 96813
Fax: (808) 586-4185

Dear Mr. Nicholas:

I am writing you today regarding the DEIS for the La'au Development on Moloka'i. I have had the privilege of visiting Moloka'i on several occasions and was impressed by the quiet, rural lifestyle so different from what I experience on Oahu. Living on Oahu, all of us are battered everyday from the congested roadways, petty crime and high real estate that make it difficult to remember what paradise once was. Moloka'i has escaped these pitfalls and remains a place where Hawaiian values still exist.

Now, Moloka'i Ranch wants to bring large development to a pristine area of west Moloka'i, La'au Point. The Master Plan proposed trades over 20,000 acres of kiawe filled, mostly unusable land for La'au, in order to cater to the desires of millionaires to have yet another piece of Hawaii's beautiful coastline. Issues regarding the social impact of the plan have not been adequately addressed in the DEIS. Will Moloka'i become an economically stratified place of haves and have not's? Will local folks struggle to hold on to their homes because a drastic rise in real estate values caused by the development? Will an "ownership" mentality among the homeowners prevent public access to La'au to the local community? How will traditional cultural practices of native Hawaiians at La'au be affected? Will a small minority of homeowners use their wealth and connections to politically control the island and allow for further development? These questions as well as the overwhelming disapproval of Moloka'i residents to the plan have been ignored. The recent election of anti-La'au development candidates to the Moloka'i Enterprise Community with 66% of the vote, show that the "silent majority" often discussed by Moloka'i Ranch executives have spoken -- and they are not in support of the Masterplan for La'au Point.

Please consider the social impact to Moloka'i that may be caused by this development. Let us not repeat the mistakes of the past and allow Moloka'i to become another Maui or Oahu. Stop development at La'au and keep the Moloka'i way of life preserved for future generations.

Sincerely,


Shona Barnes

Cc: Thomas Witten, PBR, Anthony Ching, State Land Use Commission, Office of Environmental Quality Control.



November 1, 2007

Shona Barnes
92-648 Malahuna Loop
Kapolei, Hawaii 96707

SUBJECT: LĀ'ĀU POINT DRAFT ENVIRONMENTAL IMPACT STATEMENT

Dear Ms. Barnes:

Thank you for letter dated February 19, 2007 regarding the Lā'āu Point Draft Environmental Impact Statement (EIS). Below, we respond to your comments.

1. *Issues regarding the social impact of the plan have not been adequately addressed in the DEIS. Will Moloka'i become an economically stratified place of haves and have not's?*

Response: Social impacts were previously discussed in Section 4.8 of the Draft EIS, and the Social Impact Assessment was included as Appendix M.

We note that Lā'āu Point will not add a new element of luxury housing on Moloka'i as "luxury" housing is evident all over the island. Interaction between people of different economic status is already occurring, and stratification is not evident.

2. *Will local folks struggle to hold on to their homes because a drastic rise in real estate values caused by the development?*

Response: Increase in real estate values due to new development typically occurs in immediate proximity to the new development and when infrastructure, such as roadways and water lines, are improved. Papohaku Ranchlands and Kaluako'i condominiums are the closest to the proposed project. These types of improvements will benefit residents in these communities, and impacts on real estate values are generally limited to the extent that shared roadways and other infrastructure are improved. An analysis of the project's impact on real property taxes was provided as Appendix L of the Draft EIS.

3. *Will an "ownership" mentality among the homeowners prevent public access to Lā'āu to the local community?*

Response: Homeowners at Lā'āu will be required to take part in an educational program that will cover the rights of the community to use Lā'āu Point beaches. The two community access points and the minimum 250-foot shoreline setback are also designed to minimize any implication that Lā'āu is not open to the public.

The Shoreline Access and Management Plan (SAMP), which has been appended to the Final EIS, outlines in great detail access and plans by the Moloka'i Land Trust and the homeowners to share management of the Conservation District areas adjacent to the beaches.

Shona Barnes
SUBJECT: LĀ'ĀU POINT DRAFT ENVIRONMENTAL IMPACT STATEMENT
November 1, 2007
Page 2 of 3

4. *How will traditional cultural practices of native Hawaiians at Lā'āu be affected?*

Response: Section 4.2 and Appendix F of the Draft EIS provided detailed discussion of the cultural resources.

5. *Will a small minority of homeowners use their wealth and connections to politically control the island and allow further development?*

Response: The level of population increase is not likely to change the political climate on Moloka'i. As discussed in Section 5.1 of Appendix M (Social Impact Assessment) in the Draft EIS, the project permanent population at build-out is estimated at 174 persons, which is only two percent of the forecasted 2025 population. On the average Lā'āu Point residents will make up three percent of the island 2025 population. Further, the new Lā'āu Point residents will not be the only new Moloka'i residents. In comparison, the residents in proposed new DHHL projects, who would account for 13 percent of the forecasted population in 2025, are more likely have political influence.

6. *The recent election of anti-Lā'āu development candidates to the Moloka'i Enterprise Community with a 66% of the vote, show that the "silent majority" often discussed by Moloka'i Ranch executives have spoken – and they are not in support of the Master plan for Lā'āu Point.*

Response: We respectfully disagree with your conclusion that there is a direct correlation between the election results and the Lā'āu Point project. The election held on January 31, 2007 was for two board members the Moloka'i Enterprise Community (EC) Governance Board. While some candidates ran on platforms that included stances on the proposed development at Lā'āu Point, the proposed development at Lā'āu Point is not a project of the EC.

The EC facilitated the *Community-Based Master Land Use Plan for Molokai Ranch* (Master Plan) planning process (as discussed in Section 2.1.6 of the Draft EIS), and later voted to support the Plan based on the strong recommendation from the Land Use Committee. The EC has also stated that the Plan represents the fulfillment at the highest levels of the key principles of the USDA's Empowerment Zone/ Enterprise Community program, which are: 1) Economic Opportunity; 2) Sustainable Community Development; 3) Community-based Partnerships; and 4) Strategic Vision for Change.

A total of 1,284 voters turned out for the January 31, 2007 EC election, casting a total of 2,541 votes (2 votes per person minus 27 abstentions and voided ballots). This turnout, while record-setting for EC elections, represents only 25.6% of Moloka'i residents over 18 (According to the 2000 Census, the Moloka'i population over 18 years of age is 5,015). Bridget Mowat and Leila Stone, who won the two seats and campaigned on an "anti-Lā'āu" platform, received a combined 1,683 votes, or 65.5%, equivalent to 841.5 voters. A total of 841.5 voters represent only 16.8% of Moloka'i's eligible voting age population.

To assume that an election for Board Directors of a private nonprofit corporation is equivalent to a referendum on the Master Plan or a mandate for the Lā'āu Point project, no matter what the

Shona Barnes
SUBJECT: LĀ'ĀU POINT DRAFT ENVIRONMENTAL IMPACT STATEMENT
November 1, 2007
Page 3 of 3

candidates' platforms, is not only a misrepresentation of fact on many levels, but could also be seen as disenfranchising the other 3,731 eligible Moloka'i residents (74.4%) who did not turn out to vote.

A community vote on the Master Plan never occurred; there is no provision for one. Regulatory organizations are charged with making the decisions on entitlement issues such as with Lā'au Point. The EC election was for Board Directors that have no such regulatory power.

We thank you for participating in the EIS process. Your letter will be included in the Final EIS.

Sincerely,



Peter Nicholas
President and CEO
Molokai Properties Limited

Cc: Anthony Ching, State Land Use Commission
Office of Environmental Quality Control
Jeff Hunt, Maui Planning Department
Thomas S. Witten, PBR HAWAII



Sis Naehu i Ohana
HC01 Box 750
Kauakakai, HI 96748
Jan. 9, 2007

January 16, 2007

Sis Naehu
HC01 Box 750
Kauakakai, Hawaii 96748

SUBJECT: Lā'au Point Draft Environmental Impact Statement (EIS) Public Comment Period

Dear Ms. Naehu: *Mahele*

We have received your request for an extension of the public comment period for the Lā'au Point Draft Environmental Impact Statement (EIS).

Molokai Properties Limited will extend the deadline for comments from February 6 to February 23, 2007.

State law (Chapter 343, HRS) requires a 45-day public comment period for Draft EISs. The original 45-day public comment period for the Lā'au Point Draft EIS is from December 23, 2006 to February 6, 2007.

The extension to February 23 will provide for a public comment period of 63 days.

We look forward to your comments on the Lā'au Point Draft EIS and your participation in this public review process.

Sincerely,
John Sabas
John Sabas
General Manager of Community Affairs
Molokai Properties Limited

cc: Anthony Ching, State Land Use Commission
Genevieve Salmonson, Office of Environmental Quality Control

Mr. Witten:
Please may we be permitted a 60 day extension of the Lā'au Point (EIS) Environmental Impact Statement Public Comment Period due to holidays that shortened the time period.
Mahele
Pro Julem i Ohana

From: Steve Morgan/ Consultant Party to EIS
P.O. Box 72
Maunaloa, Molokai, HI
96770

Date: 2/22/07

Re: Questions in regard to Draft Environmental Impact Statement

To: Thomas S. Witten, ASLA
President
PBR Hawaii
1001 Bishop St
ASB Tower, Suite 650
Honolulu, HI 96813

Throughout this document the name Molokai Ranch shall also refer to the name MPL. Regarding the Draft Environmental Impact Statement, Molokai Ranch has chosen to ignore the cumulative impact of other future development in the Kaluako'i area. Subdivisions already exist on MPL owned lands in the Kaluako'i area. These subdivisions include the following- 6 additional hotel sights, 3 additional multi family zoned areas, 1 additional single family zoned area and a considerable area (possibly over a thousand acres) zoned rural which could allow for 500- 1,000 additional homes. An additional golf course is also a part of the future development of this area.

*See exhibit B

Where will the water resources for the aforementioned resort development come from and what would the cumulative impact on our island be? Please include the effect on the following - Cultural Impact, Social Impact, Traffic Impact, Impact on natural terrestrial and marine environments, Impact on Community services including emergency services, and all other impact issues found in the Draft EIS.

Another major concern regarding cumulative future development of this area is the subdivision of existing residential/ ag lots in the Papohaku Ranchland and Moana Makani areas. Currently 306 lots exist allowing for up to 612 homes. If homeowners exercise their legal right to subdivide, up to 769 lots could exist with 1,538 homes.

*See exhibits E1-E6.

Where will the water resources for the aforementioned residential development come from and what would the cumulative impact on our island be? Please include the effect on the following - Cultural Impact, Social Impact, Traffic Impact, Impact on natural terrestrial and marine environments, Impact on Community services including emergency services, and all other impact issues found in the Draft EIS.

From the beginning of MPL's intent to develop La'au, the Molokai Community has been reminded that the Sales of La'au Lots are crucial to the funding of Kaluako'i Hotel renovations and that Molokai Ranch has been operating at a loss of 3.7 million dollars annually. Their is no real declaration as to what these losses include so we are left in the dark in this matter.

Regardless, we not only need to know the expenses of MPL, we also need to know sales and inventory figures so that we can understand the real profit/ loss statement of this company. In the case of a company whose primary business is real estate, the value of the inventory or their equitable holdings is the single most important aspect of their financial statement and this is being entirely ignored.

In 2001 MPL made the single greatest real estate investment ever made on Molokai. At an all time market low, the Kaluako'i resort area was sold far below even the market value of that time for the amount of \$ 9,000, 000. Few people understood the real worth of this investment or what it included. Within a few years following this purchase, under the names of Kaluako'i Properties and Molokai Land Acquisition, MPL retrieved approximately \$24,000,000 in the sales of residential ag lands as a result of this purchase. This was only the tip of the iceberg however. This purchase not only included the residential properties of Kaluako'i and the existing hotel, this investment also included more than a dozen other subdivisions including 6 more hotel sights, and several residential subdivisions which could potentially allow for the development of 500 to 1,000 additional homes. It doesn't take much imagination to understand the enormous equitable increase that has taken place in MPL's land holdings as a result of this investment.

Income received by Molokai Ranch (MPL) between 2003 -2006 includes the following

Sales of MPL properties/ Kaluako'i 2003-2006 \$25,342,900.
Sales of MPL properties/ Maunaloa 2003-2006 \$9,182,856.
Profits of BIL (Parent company to MPL) 2003-2006 \$214,400,000.
Equitable increases on Land Holdings ??????

With these type of assets combined with the over all financial health of BIL, the parent company, why is it that MPL can not afford to finance the refurbishing of their own Hotel?

How was it that BIL was able to purchase the well known gambling casino "Clermont Club" in London last August 2006 for the amount of \$60,450,000. and yet there were supposedly no monies to facilitate the \$35,000,000 refurbishment of Kakuako'i hotel?

The annual report by BIL shows Molokai Properties to be cash positive in 2005/ 2006 This is contrary to what has been told to the Molokai Community. Please explain? *see exhibit D

Can MPL provide a breakdown of the expenses that make up the 3.7 million dollar annual loss incurred by MPL?

Molokai Ranch has stated that in turn for developing the La'au area, Molokai Ranch will donate 51,000 acres of land to the community, however it appears that in truth, the community will not be the recipient of these lands.

The aforementioned 51,000 acres will consist of two different venues of ownership and control.

24,950 acres of this land will remain under the ownership and operation of Molokai Ranch. Of this portion 10,560 acres will be zoned rural landscape. It remains unclear as to what this classification represents. The other 14,390 acres will be zoned agricultural. The only involvement of the Land Trust will be to oversee the enforcement to which these lands are dedicated. Although keeping this much land into agriculture sounds good, in truth the 14,390 acres of agricultural land could allow for the same kind of development that exists currently at Kaluako'i.

"The Plan" states that only "farm dwellings" will be allowed. All of the large homes in Kaluako'i and Kawela, the two largest residential areas of our island, are legally considered "farm dwellings". While we have begun to see concern and even legal battles over Ag lands being used for residential development, the issue is still yet unresolved. There is no prohibition of further subdivision within these 14,390 acres.

The remaining 26,200 acres is the land that will go directly into the Land Trust and will be owned and operated by the Land Trust.

Neither Molokai Ranch or The Molokai Land Trust, are the Community.

Molokai Ranch is a subsidiary of a large offshore corporation based in Singapore and its loyalty lies with its shareholders.

The Molokai Community Land Trust is only such by name. This is a private organization that requires no community input and offers no voting privileges outside of the trust itself. It is self perpetuating.

Why has Molokai ranch eluded to the fact that the community will be the recipient of these 51,000 acres?

Please include a thorough definition as to what "rural landscape refers to?

Molokai Ranch has maintained the position that the Molokai Community supports the Development at La'au, this despite the fact that meeting after meeting took place on Molokai with the vast majority in opposition to La'au Development, often being demonstrated by a show of hands at these meetings. On several occasions the recommendation was made to the EC board by it's own members to put the issue of La'au to a vote by the community. Strong opposition persisted by the Molokai EC with the most vocal opponent of the vote being Colette Machado, vice President of the EC at that time. The election process that took place on Jan 31 2007 was the first occasion in which the public was allowed to voice their opposition to the development of La'au in the form of some sort of elective process Supporters of MPL's project, have stated all along that a silent majority exists on Molokai that supports the development at La'au. The following is a news article which appeared immediately following the Jan 31 election

Molokai Dispatch

Thursday 2-1-07

Mowat and Stone Win EC Election Decisively as Molokai Voters Send a Clear Message

In the largest voter turnout in Molokai EC history, challengers Bridget Ann Mowat and Leila Dudoit Stone upset board members Colette Machado and Claud Sutcliffe on Wednesday January 31. Together, Mowat and Stone garnered roughly 66% of votes on the nearly 1,300 ballots cast- a landslide considering there were six candidates on the bill. Sutcliffe had dubbed the election a 'community referendum', because of the ideological split between the incumbents and eventual winners, over the EC decision to support the development of La'au Point. Mowat and Stone campaigned on a clear 'No to La'au development' platform, making the answer in this unofficial referendum a resounding NO; a favorable result for supporters of Hui Ho'opakele 'Aina and others who voted for the Mowat-Stone bloc and clearly believe La'au is worth saving.

In regard of the above information, does Molokai Ranch still maintain the position that the majority of residents on Molokai support the development of La'au as part of the community plan?

In previous statements made by Molokai Ranch, Molokai Ranch claimed that it would only proceed with their plan, which includes the development of La'au, if the Molokai community supported it. Please respond to this.

The victory of two inexperienced candidates over Colette Machado, an established community leader, was overwhelming. Why did such a landslide victory occur?

Project #7 of the EC requires that a water moratorium be in place prohibiting any new water transfer from East to West until a comprehensive water management plan exists.

Why has this water moratorium been ignored?

A recent investigation shows that between November 2002 and February 2003, the Molokai EC allowed for the deactivation of Project #7 without notification or consent of the public. This was one of the initial projects of the EC and was a part of the initial EC application giving this project a high priority. The MPL Plan which includes the proposed development of La'au is project #47. The current EC president, Stacy Crivello has been both vague and confusing in regard to this issue, citing that a USDA desk officer deactivated the project in 2002, but did not elaborate as to who gave the USDA the authority to do so and has yet to explain how the deactivation procedures work within the EC.

Was Molokai Ranch aware of the deactivation of EC project #7 when it was deactivated?

When did Molokai Ranch become aware of the deactivation of EC Project #7

The following water Statistics were presented by The Molokai Water Task Force

We're at a water crisis

By Kammy Purdy/ Molokai Water Task Force

1/21/2007

Molokai has a water crisis. There isn't enough water to support existing and approved development on the island now. Yet Molokai Ranch wants to pump one million new gallons a day to support its La'au Point development plans.

Here are the facts:

The water supply:

Molokai only has 33.5 million gallons per day of sustainable water supplies. (source: State DLNR Water Commission Report dated April 1996 (Molokai water working group) page 4)

When complete, all currently approved development on the island will need 54.45 million gallons of water per day (mgd). This includes 11.55 mgd for drinking and 42.9 mgd for agriculture and recreation.

The official unemployment rate on Molokai is 3.2%. This is less than the national average. So the question has to be asked "who will be receiving employment of the 100 new jobs created?"

These are primarily low paying jobs, of little benefit over the existing types of jobs that already exist on Molokai. The guaranteed future existence of the jobs being created by the reopening of the hotel must also be questioned. In the past the Kalukao'i Hotel operations, under three different management companies, have never successfully brought a profit to the hotel which ultimately lead to the demise and closure of the hotel. As far as I am aware of no unique business plan has been presented that will guarantee the future health and success of the hotel.

How will the past failures of the Kalukao'i Hotel not be repeated?

Does a unique business plan exist that will help guarantee the success of the renovated hotel?

MPL has boldly stated that property taxes will not increase as a result of the "La'au" development. As we have seen in the past, as real estate agents attract buyers to the island it is rare that these buyers only come and examine one part of the island. If La'au lots are placed on the market, potential buyers will naturally inspect other parts of the island and in some or even many cases, find other areas of the island to be more to their liking. The speculation of land on our island is already a grave issue. We are seeing property taxes rise significantly much of this being the cause of speculative flipping of land. The consequences of such being a higher cost of living including higher prices on home purchases and home rentals. The development at La'au will only add more fuel to an already significant problem.

If Molokai Ranch firmly believes that property taxes will not rise as a result of Development at La'au, would they be willing to guarantee this to the community in writing and be willing to compensate the community if they are found in error?

(Source: State DLNR Water Commission Report dated April 1996 (Molokai water working group) Exhibits 4 & 5) According to DLNR's report, Molokai will be short of water by 20.95 mgd once all approved developments are completed.

La'au Point was NOT one of the developments included in the DLNR's 1996 projections. Sings_of_crisis_today.

Three of Molokai's drinking water wells are going salty:

County's well at Kawela (now above the legal limit for salinity in drinking water)

County's well at 'Ualapu'e

DHHL's well at Kualapu'u

DHHL can't get approval to pump any of the 2.9 mgd of water that it reserved in the 1990's for Ho'olehua and Kalama'uia

In 2000, Molokai Ranch opposed DHHL's request for 500,000 gallons to serve Ho'olehua. DHHL still doesn't have approval to use this water from its legal reservation.

In August 2006, the federal USGS hydrologist Delwyn Oki told DHHL that they won't be able to get their 2.9 mgd water reservation from Kualapu'u. He told DHHL it will have to go East for more water.

The county has also been told that it will have to go East to drill for any new water.

Existing lots at Kaluakoi can now be subdivided with two houses per lot. If all Kaluakoi landowners do this, there could be up to 784 lots with two houses on each lot (1,568 houses total). If just two people live in each house, the Ranch will have to supply more than 3,000 people with water. The Ranch has no plans on where this water would come from, but it is legally obligated to supply water to all Kaluakoi residents. At full occupancy, total water needed for these subdivided lots would be 2.4 mgd (3,000 gallons per household). (Source: Molokai Ranch LUC application Draft EIS, page 150)

La'au Point development will require one million gallons per day more water than is being used now.

Molokai has only so much water. And all new development is limited by the availability of water. The shortage warning signs are already here. We must protect our limited water resources for future generations!

**Does Molokai Ranch believe that there is a water crisis?
Can Molokai Ranch respond to each of the aforementioned points demonstrated by the Molokai Water Task Force?**

The Development at La'au would consume approximately five miles of untouched native coastline. As far as I know this is more than any other single development has consumed in the recent history of our state. Cultural sights ranging from heiau to ko'a are easily found in this area. This area is also a refuge for one of the most endangered mammals on the face of the planet, the Hawaiian monk seal. With less than 1,000 monk seal left, they remain in abundance in this area. It is rare to not see at least several of these magnificent creatures in the area. See exhibit A

Does Molokai Ranch believe that native Hawaiian Seal Populations in the La'au area will be unaffected by the proposed residential properties in the area?

Statements made by the National Marine Fisheries Service in regard to Native Monk Seal Populations appear to be in conflict with Statements made by Molokai Ranch in the EIS. Please comment in full regarding the letter provided by the National Marine Fisheries. exhibit D

Is Molokai Ranch aware of any other single development that has used this much coastal area? In the last 10 years? 20 years? 50 years?

In 2001 MPL purchased the 7000 acre Alpha parcel or what is known as "La'au" for the amount of six million dollars.

How much profit does MPL hope to make from the sales of Lots at La'au?!

Isaac Hall, who was hired for his expertise in the environmental assessment process has been absent through out the EIS process. He is listed as one of two attorneys for Molokai Ranch on the Environmental Impact State Prep Notice.

The other attorney listed is Ms. Linnel Nishioka, who I understand passed away several months ago. Testimony was given at an earlier EIS meeting that some in the community believe that Mr. Hall was hired by Molokai Ranch so that those in the community opposed to La'au would not be able to hire him.

Can MPL please respond to this and explain Mr. Halls absence from La'au EIS meetings held on Molokai?

The cultural significance of the La'au area has never been thoroughly discussed or questioned by MPL and there is little discussion in the draft EIS

-as shared by highly respected native practitioner and Kumu, Vanda Hankahahi.

"The Makahiki was one of the most important events in Hawaiian history. It was a time of peace and planting and a time when all wars came to an end. On Moloka'i there were two sacred areas marking the Wehe and the Pani of Makahiki (the opening and closing). On the eastern side of Moloka'i the Wehe was located at Kapu'upo'i in the proximity of Halawa. On the leeward side of the island the Pani of the Makahiki was at La'au. As you can imagine, the significance of these two locations was profound to Hawaiian culture. These were two of the most sacred areas of our island. The annual cycle that directed the course of the Hawaiian culture was determined by the natural and ceremonial events surrounding these areas. It was recognized that the blessings of our island which included the abundance of food and the well being of our people were directly linked to the prayers that occurred at La'au, (the Pani of the Makahiki). The sacredness of La'au was not arbitrary, it was created to be something permanent."

Why was a cultural significance of this magnitude not mentioned in the EIS?

MPL clearly understands the the importance of cultural sights to the people of Moloka'i. Why has MPL not set aside and protected these areas in the past. It appears as though the preservation of these sights is being used as a bargaining tool. Please respond.

To minimize the destructive effects of La'au development, MPL has assured the community that it will put conditions, covenants and restrictions (CC&R's) into buyers' deeds. It says in its EIS that the CC&R's will be impossible to change. But it also says on page 386 of the EIS that it still needs to "get legal advice to ensure potential or future landowners within the subdivision cannot change these CC&R's."

Has such legal advice been acquired as to ensure that CC&R's can not be challenged in the future?

Hawaii courts seem to be very reluctant to enforce any restrictions on the use of privately owned land. In one of the Hawaii Supreme Court's lead cases on the issue, the Court ruled against enforcing a CC&R limiting the height of a Waikiki hotel, saying that: "Restrictive covenants restrain the free use of property and are strictly construed in favor of the grantee of the property and against the grantor. The general rule does not favor restrictions imposed upon the use of land, but rather the unrestricted use of property." *Waikiki Mallia Hotel v. Kinakai Properties* (1993). In this case, the seller had neglected to note a height restriction in the land transfer documents for the sale. So the court refused to uphold it.

Hawaii law is consistent with bedrock land use principles upheld throughout the United States and England. Once someone owns a piece of property, courts believe it should be their right to do whatever they want with it, usually subject only to governmental (not private) restrictions like zoning, etc. Thus, although land owners may abide by CC&R's for awhile, it's virtually impossible to enforce them permanently. And if the CC&R's infringe on basic human needs (e.g., limiting potable water use to 600 gallons per day), it's even more likely that some future La'au seller will "forget" to tell a buyer about them -- as in the case with the Waikiki hotel -- thus giving the buyer strong grounds to contest the restriction.

The CC&R's are the legal lynchpin for all of MPL's promises to protect the area from environmental degradation. But it is in question as to whether MPL has yet even done its homework to determine whether they will work.

MPL relies heavily on the CC&R's in its La'au development plans. For a direct-quote list of all the issues that the CC&R's will address (see page 81 and pages 29-30 in MPL's draft EIS): *see Exhibit E

Please comment thoroughly on the previously aforementioned.

There are many provisions in the proposed CC&R's of the proposed LA'au development, among other things stating that residents will be educated to understand the culture and to take care of the land. Can MPL demonstrate a similar case where such CC&R's have worked successfully?

What is being done to enact State legislation to protect subsistence up to a quarter mile from the La'au shoreline?

If a second home is allowed on the lots at La'au, how large can the second home home be?

Can the second home be rented out on a full time basis?

Can the main home be rented out on a full time basis?

The roads owned and operated by Molokai Ranch in the Kaluakoi area have been neglected for years. What guarantee is there that the same will not take place in the La'au area?

U.S. DEPARTMENT OF COMMERCE
 National Oceanic and Atmospheric Administration
 NATIONAL MARINE FISHERIES SERVICE
 Pacific Islands Regional Office
 1601 Kapiolani Blvd., Suite 1110
 Honolulu, Hawaii 96814-4700
 (808) 944-2200 • Fax (808) 973-2941



FEB 0 5 2007

Mr. John Sabas
 Molokai Properties Limited
 745 Fort St. Mall, Suite 600
 Honolulu, HI 96813

Exhibit A-1

Dear Mr. Sabas:

This letter serves as comment on the Draft Environmental Impact Statement (DEIS) for the proposed La'au Point development project on the island of Molokai, Hawaii. The National Marine Fisheries Service, Pacific Islands Region (NMFS), is concerned about how the development may affect the endangered Hawaiian monk seal (*Monachus schauinslandi*). The letter incorporates comments and concerns both from our regional office's Protected Resources Division and the Pacific Islands Fisheries Science Center.

The monk seal is protected under the Endangered Species Act (ESA) and the Marine Mammal Protection Act (MMPA). The DEIS acknowledges the presence of monk seals in the area and also mentions that two seals were observed resting on Sam Wrights Beach north of La'au Point during the fauna surveys (p.44).

Use of La'au Point area by Hawaiian monk seals

The Project Area identified in the DEIS (from Kaupo Beach south to La'au Point and east to Hale O Lono), hereafter referred to as "La'au Point" is known to be frequently used by Hawaiian monk seals.

The only systematic surveys of seals in the main Hawaiian Islands (MHI) were conducted using aircraft in 2000 and 2001 (Baker and Iohanos 2004). In both years, seals (two in 2000, and one in 2001) were seen during the days Molokai was surveyed. In 2000, the aerial survey pilot (John Weiser), a resident of Molokai, related that he usually saw seals when flying by La'au Point.

The NMFS also maintains records of non-systematic monk seal sightings provided by a number of sources (public, other agency staff, and NMFS biologists). These data corroborate the conclusion that La'au Point is important habitat for seals. Since 1984, a total of 169 monk seal sightings have been documented on the shorelines of the project area. Most of these sightings (125) were documented in 2005-2006 when increased observation effort occurred. A total of 18 uniquely identifiable individual seals have been documented among these sightings, demonstrating that this area is used by a significant number of animals rather than just a few seals accounting for the many sightings. It should be noted that because not all seals are tagged or well-identified by natural marks, these 18 represent a minimum number of individuals that have used the area. Of the 18 identified seals, nine were known to have been on Molokai. Eight of these nine were born at Kalaupapa Peninsula, and one pup was born in 1996 at a small pocket beach between La'au Point proper and Hale O Lono.



The West End of Molokai hosts a larger percentage of elderly persons than any other part of the island as well as poses to be one of the most significant areas in danger of fire hazard.

Why have no serious measures been taken or supported by Molokai Ranch to improve emergency services to the West End of Molokai?

In the EIS Molokai Ranch states that a fire truck could travel from Ho'olehua to La'au in 25 minutes. The fire department claims that it takes at least 25 minutes for a fire truck to arrive at Maunaloa and estimates that even with exceptional roads an additional 10 -15 minutes should be added. Can Molokai Ranch please explain how the 25 minute figure was arrived at?

Molokai Ranch states that as a result of the La'au Development, access to the La'au coastline for subsistence purposes will be made available. It is my understanding that because the coastal trail dates prior to 1893 that this trail can be freely accessed by the public with or without the development. Please respond.

A major "selling point" of Molokai Ranch's plan to the community has been that the La'au development would be the last development on Molokai Ranch Lands. Advertisements in local newspapers even boasted "One Last Development". In more recent promotions including a recent DVD promotional package that was mailed out, this statement is repeated by Molokai Ranch however in much smaller writing and less noticeable is "outside of the Kalaupapa resort" referring to one last development with exception of the Kalaupapa resort.

Does Molokai Ranch believe that the community really understands what this means and that it includes the possibility of 6 hotels, 3 condo areas, one single family residential area, rural zoning for possibly another 400-500 homes and an additional golf course? Please comment.

13-A tidial x3
Exhibit A-3

likely outcomes are increased interactions between fishers, their gear and seals (including seals removing bait and catch), seals being hooked and injured, and increased risk of seals becoming entangled in laynets/gillnets to the extent these will be used in the area. ^{to evaluate the extent of entanglement and to determine the appropriate mitigation measures}

Monk seals have evolved in the absence of terrestrial predators, and therefore, despite their large size, are vulnerable to attack by dogs. The presence of dogs on beaches with monk seals pose a variety of risks, including direct attack and harm, displacement from land, and disease transfer. The proposed action is likely to greatly increase the presence of dogs. These may include pets of residents and public beach visitors, as well as hunting dogs that may range to the shoreline from newly accessible hunting areas inland. The DEIS states that dogs will not be allowed for deer hunting. It is unclear whether other types of hunting might involve dogs. ^{to evaluate the extent of entanglement and to determine the appropriate mitigation measures}

Concerns regarding proposed mitigating measures ^{to evaluate the extent of entanglement and to determine the appropriate mitigation measures}

The DEIS proposes to limit public entry points to just two sites at opposite ends of the project area. However, even these two entry points will facilitate far greater access to the area beaches, which indeed is a goal of the plan. Further, it seems clear that residents of the proposed housing development will have multiple beach access points. It is not clear how members of the public will be prevented from accessing the shoreline from the residential areas.

The DEIS states that residents and visitors will be educated about proper behavior when monk seal are encountered in the project area, though details of how this will be achieved are not provided. This is a laudable goal and may indeed reduce the risks of some impacts on monk seals, especially among people who are compliant by nature. However, education without enforcement will not address the problem of persons who do not choose to respect guidelines of behavior. Additionally, one of the challenges of such education programs in Hawaii is that there is a large transient population of tourists. This segment of the population will also enjoy greater access to La'au Point if the proposed development occurs, and it is not clear how these people will be educated and policed.

A measure proposed to mitigate impact of increased shoreline access is: "...a caretaker or Land Trust steward will supervise access to ensure that damage to the environment does not take place, and that those who access the area have taken the appropriate education classes in traditional subsistence gathering and access responsibilities, safety and protocol." The apparent intention of this measure is primarily to allay concerns that opening the area to fishing will result in depletion of subsistence resources. It is not clear that the Land Trust steward would be charged with ensuring protection of monk seals. Moreover, it is not clear what authority the steward would have to actually police and enforce fishing practices, or any other behavior of beach visitors. Thus, we must anticipate that this measure will not provide adequate protection to monk seals at La'au Point.

The DEIS states that "A State Land Use District Boundary Amendment is proposed to protect and expand the existing Conservation District (shoreline area) by 254 acres, thereby increasing the amount of shoreline and habitats, such as for monk seals, put into permanent protection." (p. 17). This statement appears to suggest that if the plan is implemented, monk seals will somehow be afforded greater protection than they currently enjoy. In fact, the elements of the proposed plan discussed here suggest just the opposite will occur.

Exhibit A-2

Favorable characteristics of the La'au Point area as monk seal habitat
A number of features of the La'au Point area seem to make it especially good monk seal habitat.

Remoteness and limited access

While certain individual monk seals appear to be particularly tolerant of human presence at sites such as Poipu Beach, Kawai and certain Oahu beaches, these animals seem to be the exception rather than the rule. Aerial surveys revealed a strong trend for seals to land at remote areas of the MHI where human presence was relatively low (Baker and Johannes 2004). As noted in the DEIS, La'au Point is currently quite isolated. Few people visit the beaches and fishing activity is low. As a result, monk seals that land at La'au Point are currently unlikely to be molested by people or dogs.

Sandy beach substrate

Monk seals land on a variety of substrates in the MHI, but most sightings occur on sandy beaches, of which there is a considerable amount in the La'au Point area.

Proximity to foraging areas

Monk seals are believed to forage primarily on or near the sea floor in waters 200 meters deep or less, based upon studies conducted in the Northwestern Hawaiian Islands and to a lesser extent in the MHI (Stewart et al. 2006; Litnan et al. 2006). Around most of the MHI, the ocean floor falls away quite rapidly such that there is only a narrow band of shallow water. Penguin Banks, in contrast, a relatively shallow (generally less than 60m) flat-topped bank that extends from the west coast of Molokai approximately 70 km to the southwest. La'au Point is the nearest land to Penguin Bank, suggesting that proximity to favorable foraging grounds may make it an attractive place for monk seals to rest. This is supported by data from two monk seals captured at La'au Point and subsequently tracked with satellite transmitters. Both animals, an adult female and a yearling male, the latter born at Kalaupapa, commuted repeatedly between La'au Point and Penguin Bank for several months (Litnan et al. 2006). These data, combined with the information noted above (total of eight Kalaupapa born seals documented at La'au Point), suggest that while Kalaupapa provides favorable birthing habitat, La'au Point is desirable for its proximity to productive foraging grounds.

Potential deleterious effects of proposed action

The specific threats to monk seals that can be expected to increase considerably as a result of the proposed development include:

- 1) Human-caused disturbance (both unintentional and deliberate harassment)
- 2) Disturbance, physical harm and potentially disease transfer from dogs.
- 3) Hooking and entanglement associated with shore-based fishing

Residential development will vastly increase number of people present on the shoreline associated with the new homes. Additionally, a goal of the proposed development is to facilitate public access to this currently quite isolated area of Molokai. Specifically the plan designates a "subsistence fishing zone" which encompasses the entire La'au Point area where monk seals have been documented. Given that access to these shorelines is currently highly restricted, the plan will greatly increase the number and distribution of fishers in areas consistently used by monk seals. One can expect that this can only result in increased disturbance to the seals. Other

ONE LAST DEVELOPMENT ?

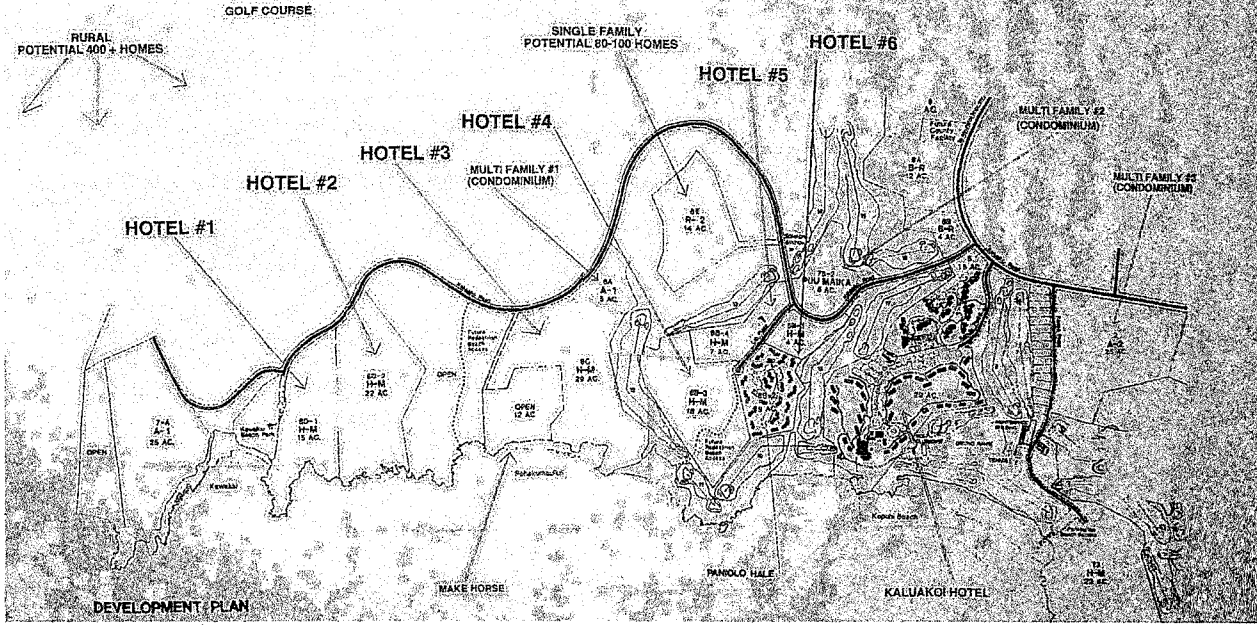


Exhibit "B"

7-10-02
 Exhibit A-4

In addition to our concerns, NMFS recently received a total of 22 letters from Moikoi residents voicing their concerns for the monk seals of La Pu Point. Residents are well aware of the importance of this currently remote and relatively undisturbed habitat to monk seals. While we typically do not respond to public outcry over coastal development, the letters are indicative of the degree of public support for protection of the seals and this valuable habitat.

Because this species is highly endangered and susceptible to disturbance by human presence, we are very interested in ensuring that the mitigation measures developed for this project will effectively protect seals when they haul out on beaches in the development area. In particular, we believe that the potential for increased disturbance warrants your consideration of hiring a full-time Hawaiian monk seal protection specialist, who could both educate the public about the seals and also protect them from the expected interactions. We are available to discuss this suggestion as well as any other ideas you may have for ways to ensure that the seals will not be adversely impacted by this development.

Thank you for working to protect our nation's living marine resources. If you have any questions regarding these comments, please contact Jayne Lefors on my staff at (808) 944-2277 or at the e-mail address jayne.lefors@noaa.gov.

Sincerely,
 Chris E. Yates
 Chris E. Yates, Assistant Regional Administrator
 for Protected Resources

cc: Anthony Ching, State Of Hawaii Land Use Commission
 Thomas Witten, PBR Hawaii and Associates, Inc.
 Genevieve K. X. Salmonson, State of Hawaii Office of Environmental Quality Control

Exhibit D

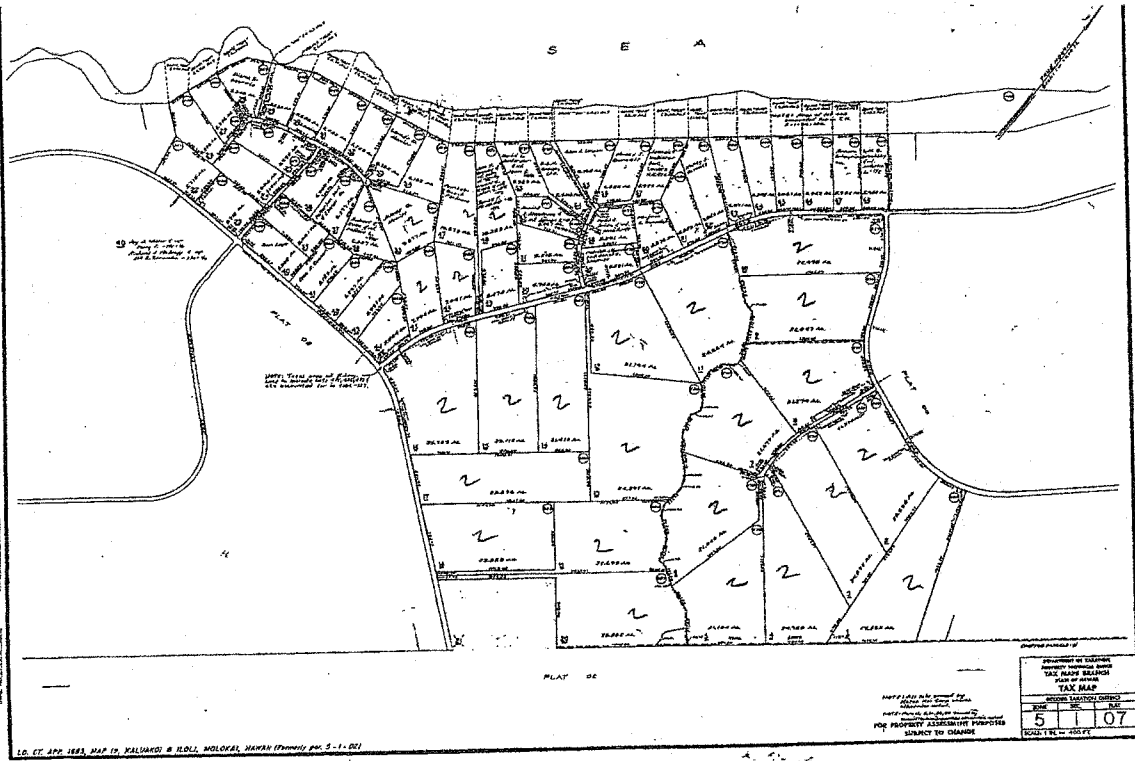


Exhibit E-1

Papohaku Ranchlands / Area #1

Under 6 acres = 1 additional house
 Over 6 acres = 2 additional houses

MOLOKAI PROPERTIES

During 2006, approval was reached with Molokai community leaders to move forward on the implementation of a Master Plan for MPT's 60,000+ acres. Since then, work has been underway on seeking various regulatory and related approvals.

This includes the entitlement process for the 200 2-acre lot subdivision at La'au Point on the island's south-western shoreline, the establishment of a Molokai Land Trust and the design and preliminary work that is necessary to renovate the 152-room Kaluakoi Hotel and Golf Course.

The planning, regulatory and entitlement process for the subdivision and for the hotel renovation are expected to be completed in the second half of 2007.

The Molokai Properties operation continued to remain cash-positive in 2005/2006 by the further sale of non-strategic lots in subdivisions that were developed in the 1980's and 1990's and by keeping a strict control on costs.

Both occupancy and revenue per available room at the company's two existing tourist establishments, the luxury 22-room Molokai Lodge and the 40-tent platform Beach Village improved significantly over the previous year.

BASS STRAIT OIL & GAS ROYALTY

This investment is a 2.5% royalty granted by BHP/Esso on the gross value of all hydrocarbons, liquid or gas produced and recovered in designated areas within Australia's Bass Strait. The royalty was originally granted to US geologist, Dr. Lewis Weeks, in exchange for consultancy services in relation to oil exploration in the area.

BLI received its share of the entitlement to 55.11% of the royalty payments in 1990, through its acquisition of Australian Consolidated Investments Limited. In 1997, it monetised the next 10 years' cash flows from the royalty through the issue of 44 million ordinary stock units in the Bass Strait Oil Trust (BSOT), which was floated on the Australian Stock Exchange. The units will expire in 2007 and all future cash flows will revert to BLI.

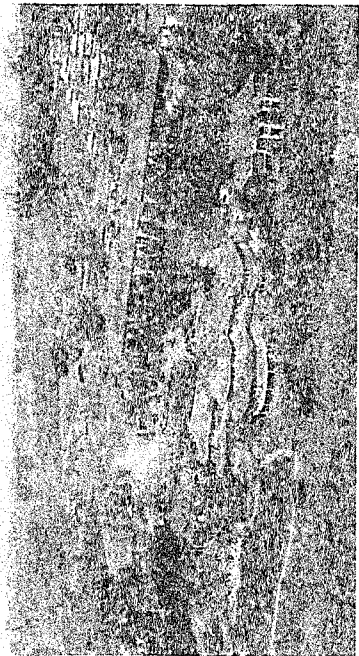
BLI currently owns 20 million of the BSOT ordinary stock units.

DENARAU PROPERTIES

Denarau Island is Fiji's largest and most prestigious tourism resort. The resort has approximately 2,000 rooms, a championship golf course, marina and residential development.

BLI is responsible for the overall development of the resort. Since the year 2000, BLI has completed eight residential development projects and two hotel projects, the Golf Terraces and Denarau Villas.

The Lodge at Molokai Ranch with the town of Maunaloa in the background.



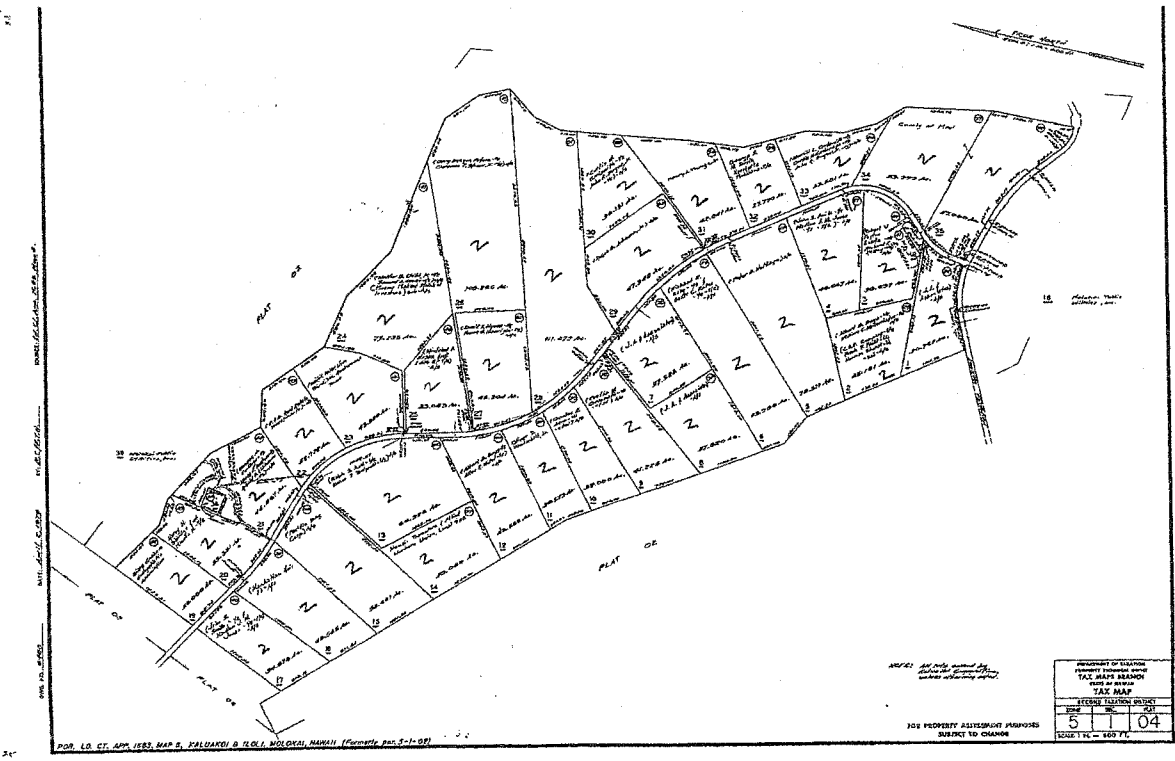


Exhibit E-3 Moana Makani

All Lots 2 additional Houses

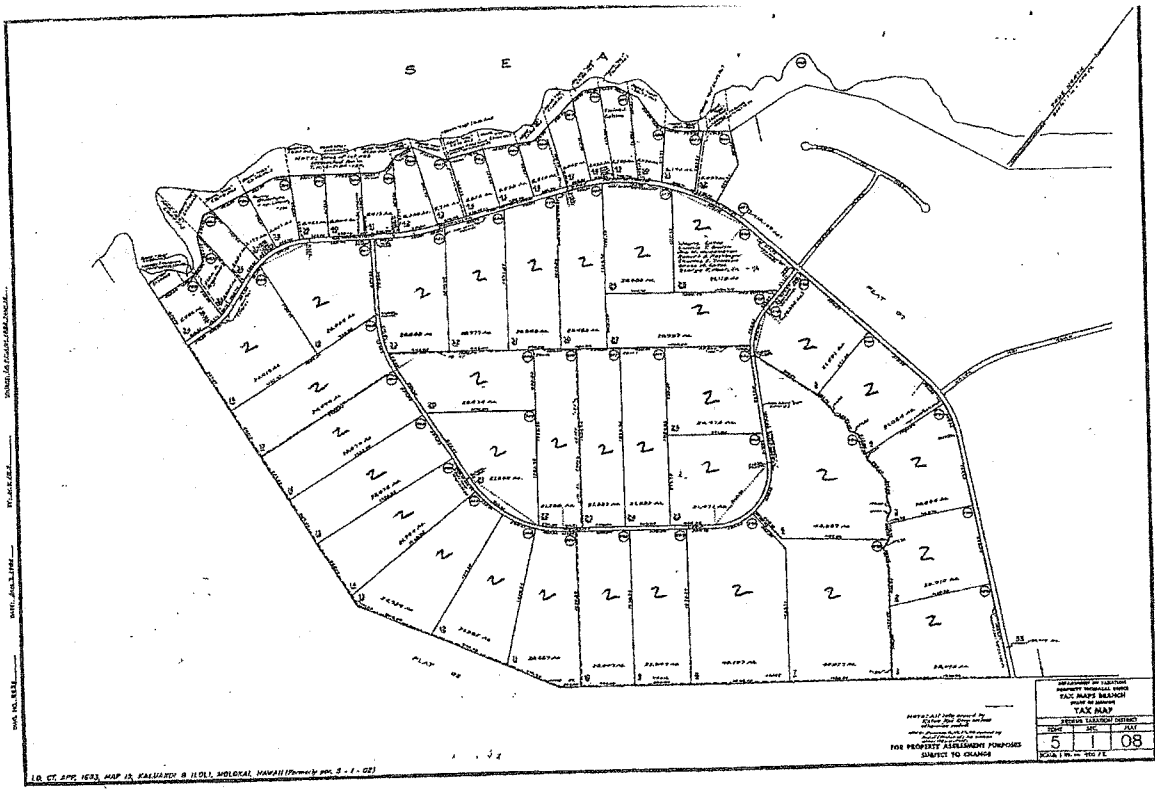


Exhibit E-2 Papohaku Ranchlands / Area #2

Under 6 acres = 1 additional house
 Over 6 acres = 2 additional houses

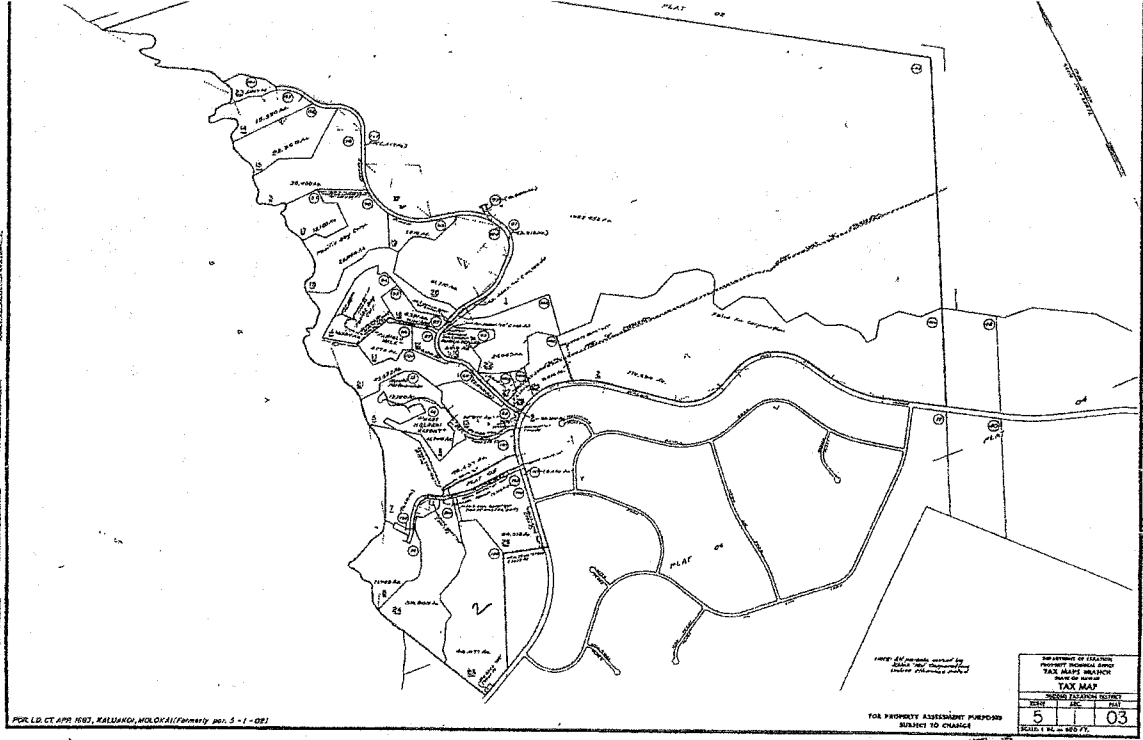


Exhibit E-5 Rural Zoning North of Resort
400 + homes possible

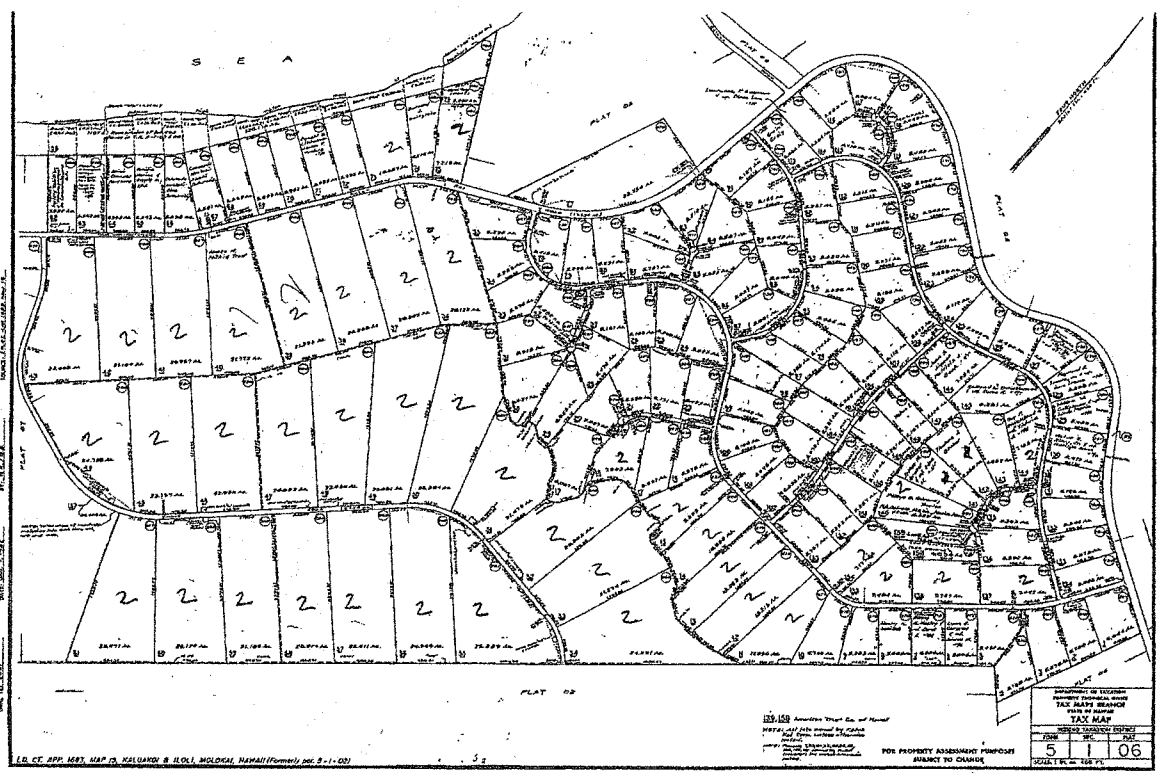


Exhibit E-4 Papohaku Ranchlands / Area # 3
Under 6 acres = 1 additional lot
Over 6 acres = 2 additional lots



Vacant Land - 4-Up Gallery
 4 of 6

Address: LOT 401-B PAPOHAKU RAN...
 Subdivisi... PAPOHAKU RANCHLANDS
 Land (sq/acre): 139992 / 3.200000
 Neighborhood: KALUAOKOI RESORT
 Lot Dimensions: TMK: 2 - 5 - 1 - 6 - 75
 Property Taxes \$/Mo: 242.00
 County Z...
 Tax Year: 2005
 General Land Class: Improved Residential
 Restrictions: Building, Covenants
 Disclosures:

MLS #: 316319
 Status: ACTIVE
 Fee Simple %:
 Fee Price: \$:
 Sale Price:
 Closing Date:
 District: Moikeai
 Topography: LEV
 Flood Zones: Yes
 Assess-Land:
 Setbacks:
 Listing: Exclusive Right to Sell

A very RARE opportunity to own an oceanfront golf course lot on the 4th fairway of Kuluakoi Golf Course. 3.2 acres of land steps from the white sands of Papohaku Beach. Commanding views of white water and Kaiakea Rock. Relax and watch our brilliant sunsets or jump in your golf cart and head off for a round of golf.

Exhibit F-1

MPL relies heavily on the CC&R's in its La'au development plans, following is a direct-quote list of all the issues that the CC&R's will address (see page 81 and pages 29-30 in MPL's draft EIS):

- Landscaping and irrigation. Landscaping irrigation systems will be from re-use water from the wastewater treatment plant or collected in catchments systems; only drip irrigation systems will be permitted. Landscaping will be restricted to appropriate native and Polynesian species that are drought-tolerant and suitable for coastal locations; xeriscaping aims to reduce water use.
- Storage Tank. All houses will be required to have at least a 5,000-gallon storage tank for water captured from roofs.
- Water covenants. Requirement of a dual-water system split into safe drinking and non-drinking water; safe drinking water will be limited to 500-600 gpd. Homes will be required to use double flush toilets and specially-designed showerheads for water conservation.
- Drainage Systems. Require drainage systems that retain any run-off within the disturbed area of the lot. Maximize recharge into the ground. Restore land areas that have eroded by re- establishing vegetative cover. Minimize impervious (paved) surfaces on the Lot.
- Restriction to prevent a gated community. Gates will be prohibited across roads and access roads. No street-facing walls or barriers may be higher than four feet.
- Subdivision. No further subdivision of lots will be allowed.
- Buildable area. Allow disturbance of no more than 30 percent of the lot. (2-acre Lot = +/-26,000 s.f. or about 1/2 acre). Require some level of maintenance of lot area to reduce fire hazard (remove dead wood). Building must be set back at least 50 feet inland from oceanfront property lines.
- Building code. Restriction on building height; maximum height of 25 feet and one-story. Restrictions on building envelope and footprint. Restriction on building materials, color, and roof; homes should blend into landscape.
- Green architecture. Require "green" architecture that incorporates recycled materials, energy efficient equipment, natural ventilation, solar and photovoltaic systems, etc.
- Solar power. Solar panel requirement for water heating and to supplement electric power for appliances.
- General energy. All energy systems shall be designed and constructed to meet United States Environmental Protection Agency conservation standards.
- Pesticide/Fertilizer restriction. Pesticide use will be prohibited. Only organic fertilizers will be allowed.
- Lighting. Exterior lighting must be shielded from adjacent properties and the ocean.

Subdivided Lot- Owner created 2 lots- 401-A and 401 B
 401 B was being offered at 1.6 million, now at 1.9 million

Exhibit E-6

Exhibit F-2

- Landscaping and irrigation. Landscaping irrigation systems will be from re-use water from the wastewater treatment plant or collected in catchments systems; only drip systems will be permitted. Landscaping will be restricted to appropriate native and Polynesian species that are drought-tolerant and suitable for coastal locations; xeriscaping aims to reduce water use.
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- Water covenants. Requirement of a dual-water system split into safe drinking and non-drinking water; safe drinking water will be limited to 500-600 gpd. Homes will be required to use double flush toilets and specially-designed showerheads for water conservation.
- Drainage systems. Require drainage systems that retain any run-off within the disturbed area of the lot. Maximize recharge into the ground. Restore land areas that have eroded by re-establishing vegetative cover. Minimize impervious (paved) surfaces on the Lot.
- Soil erosion. No building allowed on slopes greater than 50 percent. Manage open space common areas to reduce/eliminate soil erosion by restoring the vegetative cover. Deer and livestock fence will be placed at the rear of the subdivision.
- Water quality monitoring. Water quality will be continuously monitored at stormwater drains and in the ocean for: temperature, salinity, total suspended solids, total nitrogen, ammonia nitrogen, nitrate and nitrite, total phosphorus, chlorophyll A and silicate.
- Land Trust easements. The State Conservation District, flood areas, archaeological sites, etc. are subject to easements from the Land Trust; the Land Trust will have adequate representation on the homeowners' association (HOA). Both the Land Trust and HOA will share the responsibility and cost to care for the area.
- Subsistence access. Perpetual right to subsistence gathering activities at La'au Point.
- Subsistence hunting. Buyers must accept that hunting occurs in the broader surrounding area.
- Fence to demarcate private property from public access areas. A clear physical demarcation, such as a log fence, running along the individual property lines will distinguish the private near-shoreline lots from the expanded public Conservation District areas.
- L'au Point community education. Every owner must commit to undergo a certain amount of education about the Moloka'i community and its desires and aspirations.
- Rentals. Renting properties to third parties will be prohibited.
- CC&Rs. The final CC&Rs cannot be changed.



November 1, 2007

Steve Morgan
P.O. Box 72
Maunaloa, Hawai'i 96770

SUBJECT: LA'AU POINT DRAFT ENVIRONMENTAL IMPACT STATEMENT

Dear Mr. Morgan:

Thank you for letter dated February 22, 2007 regarding the La'au Point Draft Environmental Impact Statement (EIS). Below, we respond to your comments.

We understand that you filed a "notice to intervene" with the State Land Use Commission (LUC) in May 2006 regarding the La'au Point State Land Use District Boundary Amendment petition. If you plan to formally file a "petition to intervene," you will need to comply with LUC Rules (HAR §15-15-52 Intervention in proceeding for district boundary amendments). The LUC rules can be obtained on its website at <http://luc.state.hi.us/docs/luc_rules.pdf>.

1. *Where will the water resources for the aforementioned resort development come from and what would the cumulative impact on our island be? Please include the effect on the following - Cultural Impact Social Impact, Traffic Impact, Impact on natural, terrestrial, and marine environments, Impact on Community services including emergency services and all other impact issues found in the Draft EIS.*
2. *Where will the water resources for the aforementioned residential development come from and what would the cumulative impact on our island be? Please include the effect on the following - Cultural Impact, Social Impact, Traffic Impact, Impact on natural, terrestrial and marine environments, Impact on Community services including emergency services, and all other impact issues found in the Draft EIS.*

Response: Discussion of the original Kahaiko'i Master Plan, which you refer to in your comment, is not required as the development plans set forth in the *Community-Based Master Land Use Plan for Molokai Ranch* (Master Plan) supersede the Kahaiko'i plan. There are no plans to develop the area north of the Kahaiko'i Resort.

Analysis and discussion of cumulative impacts are restricted to those future actions that are reasonably foreseeable. The actual development of the area north of the Kahaiko'i Resort zoned for hotels and multi-family units cannot be said to be reasonably foreseeable for the purposes of this EIS. At the time the development plans proceed for Kahaiko'i Resort, you will have the opportunity for input through the disclosure and entitlement processes.

3. *With these type of assets combined with the over all financial health of BL, the parent company, why is it that MPL can not afford to finance the refurbishing of their own Hotel?*

Mr. Steve Morgan
SUBJECT: LA'AU POINT DRAFT ENVIRONMENTAL IMPACT STATEMENT
November 1, 2007
Page 2 of 18

Response: MPL has no debt and no borrowing capacity because it is operationally cash negative and would not meet any bank's requirements for interest cover on any debt funding to re-open the hotel.

MPL estimates that to re-open the Kaluako'i Hotel will, in 2007 dollars, require \$30 million and additional cash costs of up to \$5 million to fund initial losses before the hotel operation becomes cash positive. Land sales cannot fund the re-opening of the hotel as well as fund operational losses.

The fact that a company has assets bears on relevance to its ability to raise funds or to meet interest payments. In fact the majority of MPL's assets produce no, and in many cases, negative earnings.

4. *How was it that BIL was able to purchase the well known gambling casino "Clermont Club" in London last August 2006 for the amount of \$60,450,000, and yet there were supposedly no monies to facilitate the \$35,000,000 refurbishment to Kaluako'i hotel?*

Response: BIL, not MPL, purchased a London Casino in 2006 with debt funding. The London operations have the ability to meet those debt repayments. Any surpluses available from the London operation will be used to pay down BIL debt.

Currently, MPL has no means of borrowing funds and no way of meeting debt commitments from such a venture as the Kaluako'i Hotel re-opening.

5. *The annual report by BIL shows Molokai Properties to be cash positive in 2005/2006. This is contrary to what has been told to the Molokai Community. Please explain.*

Response: The losses from operations include:

- The Lodge and Beach Village.
- The Kaluako'i Golf Course and costs associated with the Kaluako'i Hotel such as maintenance, water and land taxes.
- Maintenance of the property, such as maintenance of roads at Kaluako'i and coral roads throughout the property, and maintenance of parks etc in Maunaloa.
- Losses associated with keeping Lucky's Gas Station in Maunaloa.
- Losses from keeping 500 head of cattle and maintaining fences throughout the property.
- Losses from MPL's two water companies, Waiola and Molokai Public Utilities and losses from its sewer company, Mosco.

Both 2004/5 and 2005/6 years for MPL showed cash deficits from operations of \$ 4.6 million and \$5 million respectively. The Economic and Fiscal Impacts Report (Appendix J in the Draft EIS) outlined MPL accumulated deficits over the 2001 to 2006 period. MPL was able to remain cash positive only by the sale of land which offset the cash costs from operations.

6. *Can MPL provide a breakdown of the expenses that make up the 3.7 million dollar annual loss incurred by MPL?*

Mr. Steve Morgan
SUBJECT: LA'AU POINT DRAFT ENVIRONMENTAL IMPACT STATEMENT
November 1, 2007
Page 3 of 18

Response: The Economic and Fiscal Impacts Report (Appendix J in the Draft EIS) outlined MPL-accumulated deficits over the 2001 to 2006 period and their composition. This report summarizes accumulated losses in categories. A more detailed breakdown is considered to be commercially sensitive.

7. *Why has Molokai ranch eluded to the fact that the community will be the recipient of these 51,000 acres?*

Response: As provided by Master Plan, the Land Trust will be given over 55,000 acres in land donation and easements. The Land Trust, on behalf of the community, will oversee these lands.

No member of the Land Trust is from MPL. Most of the Land Trust's initial directors were part of a volunteer steering committee under the guidance of KAL for the purpose of creating a land trust that would protect culturally and environmentally important lands on Moloka'i. The committee members, who are all members of the Moloka'i community, spent several hundred hours educating themselves on the land trust model and working with consultants and experts in the land conservation field to create the Land Trust.

8. *Please include a thorough definition as to what "rural landscape refers to?"*

Response: It is stated in the Master Plan (page 35 of Appendix A, Draft EIS): "Maintenance of the rural landscape – to preserve the traditional Moloka'i character and to provide scenic viewsheds and open space buffers – is a principle objective. This designation applies to areas where multiple uses (e.g., traditional, recreational, scenic) are appropriate. Areas identified for this district should include those lands where various types of land use may be suitable, but that contain neither high-value development potential nor critical or highly sensitive resources."

9. *Molokai Ranch has maintained the position that the Molokai Community supports the Development at La'au, this despite the fact that meeting after meeting took place on Molokai with the vast majority in opposition to La'au Development, often being demonstrated by a show of hands at these meetings. On several occasions the recommendation was made to the EC board by its own members to put the issue of La'au to a vote by the community. Strong opposition persisted by the Molokai EC with the most vocal opponent of the vote being Colette Machado, vice President of the EC at that time. The election process that took place on Jan 31 2007 was the first occasion in which the public was allowed to voice their opposition to the development of La'au in the form of some sort of elective process. Supporters of MPL's project, have stated all along that a silent majority exists on Moloka'i that supports the development at La'au... In regard of the above information, does Molokai Ranch still maintain the position that the majority of residents on Molokai support the development of La'au as part of the community plan?*

Response: The election held on January 31, 2007 was for two board members to the Molokai Enterprise Community (EC) Governance Board. While some candidates ran on platforms that included stances on the proposed development at La'au Point, the proposed development at La'au Point is not a project of the EC.

A total of 1,284 voters turned out for the January 31, 2007 EC election, casting a total of 2,541 votes (2 votes per person minus 27 abstentions and invalid ballots). This turnout, while record-

Mr. Steve Morgan
SUBJECT: LA'AU POINT DRAFT ENVIRONMENTAL IMPACT STATEMENT
November 1, 2007
Page 4 of 18

setting for EC elections, represents only 25.6% of Moloka'i residents over 18 (According to the 2000 Census, the Moloka'i population over 18 years of age is 5,015). Bridget Mowat and Lella Stone, who won the two seats and campaigned on an "anti-Lā'au" platform, received a combined 1,683 votes, or 65.5%, equivalent to 841.5 voters. A total of 841.5 voters represent only 16.8% of Moloka'i's eligible voting age population.

To assume that an election for Board Directors of a private nonprofit corporation is equivalent to a referendum on the Master Plan or a mandate for the Lā'au Point project, no matter what the candidates' platforms, is not only a misrepresentation of fact on many levels, but could also be seen as disenfranchising the other 3,731 eligible Moloka'i residents (74.4%) who did not turn out to vote.

A community vote on the Master Plan never occurred; there is no provision for one. Regulatory organizations are charged with making the decisions on entitlement issues such as with Lā'au Point. The EC election was for the Board of Directors that has no such regulatory power.

MPL does still maintain that the majority of the community, and in particular those from the ahupua'a, do support the Master Plan and its contingent parts.

As with any new proposal, some people will feel threatened by a change in lifestyle that they fear that change will bring. Many people fought the advent of Kaupoa Camp in the 90s. However now, its establishment has provided jobs for the community and every quarter the camp is available at \$25 per person per night for the community to enjoy. Many community members take advantage of that offer, including some of the same people who fought the establishment of Kaupoa a decade ago.

10. In previous statements made by Moloka'i Ranch, Moloka'i Ranch claimed that it would only proceed with their plan, which includes the development of Lā'au, if the Moloka'i community supported it. Please respond to this.

Response: There is clearly support for the project and the Master Plan. The Master Plan was created by participating community members who volunteered their time at numerous meetings (see Section 2.4 of the Draft EIS) to plan a sustainable future for Moloka'i. The Master Plan is a thoughtful and comprehensive compilation of many community members' visions for Moloka'i. The Lā'au Point project and the Master Plan, which the project is an integral part of, is the product of more than 150 community and special interest group meetings over a three-year span. The Master Plan participants have made it clear their support through the creation of the Master Plan document.

MPL still believes it has the majority of support from the island, and in particular by far the majority of support from the ahupua'a, the area mostly affected by the implementation of the Master Plan.

11. The victory of two inexperienced candidates over Colette Machado, an established community leader, was overwhelming. Why did such a landslide victory occur?

Mr. Steve Morgan
SUBJECT: LA'AU POINT DRAFT ENVIRONMENTAL IMPACT STATEMENT
November 1, 2007
Page 5 of 18

Response: See our response to #9 above regarding the EC election.

12. The official unemployment rate on Moloka'i is 3.2%. This is less than the national average. So the question has to be asked "who will be receiving employment of the 100 new jobs created?"

Response: Moloka'i has historically had the highest unemployment rate in the state, with decades of double digit unemployment up until the past few years (unemployment rate of 17% in the 1990s). We assume you are referencing statistics used in an article of the Moloka'i Island Times ("Molokai jobless rate hits new low," January 31, 2007) or similar article, which states that the unemployment rate was 3.2 percent in December 2006. In that same article, it is stated, "Leroy Laney, a consultant for First Hawaiian Bank, thinks it will be just a matter of time before that number starts to creep up," and "Kevin Kimizuka, manager of the Workforce Development office of DLIR in Wailuku, says his staff has the impression that many Moloka'i people have moved to Maui for work." We agree that this is a reasonable explanation and an argument for the need to create jobs on Moloka'i so that people do not have to leave to find work. It is expected that creating more jobs on Moloka'i will prevent a large out-migration of Molokai residents to other islands. With over 100 jobs to be created, residents will have the opportunity to return to Moloka'i to work and will give remaining residents a choice of job opportunities.

To reflect this unemployment rate statistic, Section 4.8.4 of the Final EIS has been amended to include the following:

Historically Moloka'i has had decades of double digit unemployment up until the past few years. Although the unemployment rate was reported as 3.2 percent in December 2006, this figure may be deceptively low. A consultant for First Hawaiian Bank thinks it is just a matter of time before that number starts to creep up and a manager of the Workforce Development office of DLIR in Wailuku believes many Moloka'i people have moved to Maui for work. Creating more jobs on Moloka'i will prevent a large out-migration of Moloka'i residents to other islands.

13. How will the past failures of the Kaluako'i Hotel not be repeated? Does a unique business plan exist that will help guarantee the success of the renovated hotel?

Response: MPL will work cooperatively with the EC to develop a business plan for Kaluako'i Hotel that will be acceptable to the EC's vision for economic development on Moloka'i. MPL intends to use best practices to ensure that the Kaluako'i is run and operated in a viable and efficient manner.

Business plans for the Hotel will be developed as the project progresses and we have firmer plans of what the Hotel will actually look like and the number of rooms and room types will be made available.

The re-opening of Kaluako'i Hotel, along with implementing the tourism industry plan set forth in the Moloka'i Responsible Tourism Initiative Report (McGregor 2006) regarding Moloka'i's community-based tourism model, will be the economic engine for achieving desired outcomes of

the project and Master Plan. The tourism report can be found at:
<<http://hauinet.hawaii.dp.org/molokai/visitorindustry.htm>>

14. If Molokai Ranch firmly believes that property taxes will not rise as a result of Development at La'au, would they be willing to guarantee this to the community in writing and be willing to compensate the community if they are found in error?

Response: Property taxes are instituted by the County.

15. Project #7 of the EC requires that a water moratorium to be in place prohibiting any new water transfer from East to West until a comprehensive water management plan exists. Why has this water moratorium been ignored?

Response: The EC is a private, non-profit organization without any regulatory authority over water resources or water usage. To MPL's knowledge, neither the State Commission on Water Resource Management, which has regulatory authority over water resources, nor the County of Maui, which is responsible for developing a water use and development plan, has proposed a water moratorium for Molokai.

16. Was Molokai Ranch aware of the deactivation of EC project #7 when it was deactivated? When did Molokai Ranch become aware of the deactivation of EC Project #7?

Response: MPL was not aware of the deactivation of EC Project #7 (Water Use Plan). MPL became aware of the deactivation when other community members did around December 2006. To the best of MPL's knowledge, no community members expressed interest in implementing this project until December 2006.

17. Does Molokai Ranch believe that there is a water crisis? Can Molokai Ranch respond to each of the aforementioned points demonstrated by the Molokai Water Task Force?

Response: It should be clarified that the information cited is from the Report of the Molokai Water Working Group. The Water Working Group was originally appointed in 1992 by Bill Paty, who was then the Chairperson of the Water Commission. It was reconvened in 1995 by then Water Commission Chairperson Mike Wilson. The purposes of the Water Working Group were (1) to recommend to the Water Commission a plan for water development on Molokai that assists the county and community in developing its Water Use and Development Plan; and (2) to test a community "working group" model that, if it works, could be used elsewhere in the State when communities are faced with tough water issues. DLNR, and the Water Commission in particular, did not make the above-cited findings, e.g., that Molokai has only 33.5 mgd of sustainable water supplies.

Second, some clarification about, and updating on, the numbers contained in the Water Working Group report is warranted. In considering available water supplies on Molokai, the Water Working Group limited its analysis to groundwater. Although the island's ground water sustainable yield is 81 mgd (it was 83 at the time the Water Working Group's report was written), the Group decided to work with a conservative 41.5 mgd of developable yield. Of that amount, 33.5 mgd was considered "sweet" or potable water.

On the demand side, the Water Working Group projected a 2010 potable water demand of 11.55 mgd. That included 2.14 mgd for the Kaluako'i Resort and 2.0 mgd for the Alpha USA property. Since the Water Working Group report, MPL acquired Kaluako'i Resort and the Alpha USA property. MPL's current projected potable water demand for all of its existing and future developments is less than 1.5 mgd, significantly less than the 4.14 mgd projected need for just the Kaluako'i Resort and Alpha property that was utilized in the Water Working Group's analysis.

The big gap between water supply and demand, however, is reflected in the Water Working Group's non-potable water use projections. Total projected long-term non-potable water demand amounted to 42.9 mgd. Included within this amount was 10.6 mgd for Molokai Ranch's agricultural activities. Existing agricultural activities on Ranch lands are supplied with irrigation water from the Ranch's mountain system, not from ground water. There are no plans to convert these uses to ground water sources. Additionally, the Water Working Group projected that 5.8 mgd of non-potable water would be required for Kaluako'i Resort and the Alpha USA property. Under MPL's current ownership, and as identified in the Water Plan for the EC/Molokai Ranch Master Plan, the total long-term demand for non-potable ground water will be less than 1.5 mgd.

In other words, the gap between water availability and water need as identified in the Water Working Group's Report is, under present conditions, overstated, and the conclusion that "projections of water use exceed supply" is probably inaccurate.

The State Commission on Water Resource Management is reconvening the Molokai Water Working Group in 2007 in order to, among other things, update demand projections.

In response to your comments regarding water issues, as well as to address other questions and concerns received regarding water issues, Section 4.9.2 (Water) in the Final EIS has been revised as shown on the attachment titled, "Revised Section 4.9.2 (Water)"

18. Three of Molokai's drinking water wells are going salty. County's well at Kawela (now above the legal limit for salinity in drinking water) County's well at 'Ualapi'e DHHL's well at Kualapu'u

Response: Rising salinity in certain Molokai wells appears to be related to local phenomena associated with particular wells. In particular, the concentrated pumpage of the two DHHL wells (Well Nos. 0801-01 & 02), the County DWS well (Well No. 0801-03) appear to be the cause of chloride rise in these wells.

The DHHL and DWS wells are closely grouped and poorly located relative to each other. All three wells have upgradient/downgradient effects when the DWS well is running while one or the other of the DHHL wells is also operating. A 20 mg/L chloride rise - to levels of about 100 mg/L - in the DHHL wells was an almost immediate response to the start of pumping of the DWS Kualapu'u well in 1991. Chloride levels appear to have been stabilized in all three wells at the higher level.

Mr. Steve Morgan
SUBJECT: LA'AU POINT DRAFT ENVIRONMENTAL IMPACT STATEMENT
November 1, 2007
Page 8 of 18

Well 17 has been in use from 1952 to the present. There has never been a chloride response in the DHHL wells since they began operating in 1961 and 1981, or in the DWS well since it began operating in 1991 as a result of pumping the Well 17, even during periods of extended (continuous) pumping of Well 17 at a 1750 gpm pumping rate (2.5 mgd). The fact that chloride levels for Well 17 have remained stable at about half (or less) the levels in the DHHL and DWS wells is further evidence that pumping of Well 17 is not producing a chloride response in the DHHL/DWS wells, and vice versa.

The rising chloride levels in Kawela Shaft and 'Ualapu'e Shaft appear to be the result of localized phenomena, and the USGS and Maui County are exploring redistributing and increasing withdrawals to other locations, including locations within the Kawela and 'Ualapu'e aquifers.

In response to your comments regarding water issues, as well as to address other questions and concerns received regarding water issues, Section 4.9.2 (Water) in the Final EIS has been revised as shown on the attachment titled, "Revised Section 4.9.2 (Water)."

19. *DHHL can't get approval to pump any of the 2.9 mgd of water that it reserved in the 1990's for Ho'olehua and Kalama'ula*

Response: DHHL's lack of success in obtaining a permit for additional pumping was due to the fact that it wanted to increase pumping from its existing wells and not because of a lack of water resources in the Kualapu'u aquifer. In 1996, DHHL applied to increase its pumping from its two Kualapu'u wells from its currently permitted 367,000 gpd to 1,247 mgd. The Water Commission staff recommended that the application be denied because DHHL was proposing to increase pumping from wells that were already showing indications of localized upconing due to the close proximity of the two DHHL wells and the County well. Water Commission staff recommended that any increased withdrawals should be from new wells strategically located elsewhere in the Kualapu'u aquifer so as not to interfere with water quality in the existing wells.

DHHL proposed reducing the amount of increased pumping, but was not willing to consider a new well site.

In response to your comments regarding water issues, as well as to address other questions and concerns received regarding water issues, Section 4.9.2 (Water) in the Final EIS has been revised as shown on the attachment titled, "Revised Section 4.9.2 (Water)."

20. *In 2000, Molokai Ranch opposed DHHL's request for 500,000 gallons to serve Ho'olehua. DHHL still doesn't have approval to use this water from its legal reservation.*

Response: When DHHL applied for a water use permit to increase pumping from its Kualapu'u wells in 1996, DHHL was a party in a contested case proceeding on Waiola o Molokai's application for a new well and water use permit in the Kamiloa aquifer. In the Waiola contested case, DHHL took the position that pumping 1.25 mgd from the proposed Waiola well, which was more than 3 miles away from the Kualapu'u well field, would adversely affect existing pumping from the DHHL wells. According to DHHL, the transition zone was close to

Mr. Steve Morgan
SUBJECT: LA'AU POINT DRAFT ENVIRONMENTAL IMPACT STATEMENT
November 1, 2007
Page 9 of 18

the bottom of its wells, thus the additional pumping by Waiola would result in an unacceptable increase in chloride levels in the DHHL Kualapu'u wells. At the same time, DHHL contradicted itself by filing an application to pump more out of its existing wells. Waiola/Molokai Ranch did not oppose DHHL's application, but sought to explore this contradiction that through a contested case proceeding on DHHL's application.

DHHL did not receive a permit for additional pumping because the Water Commission staff recommended that the application be denied because DHHL was proposing to increase pumping from wells that were already showing indications of localized upconing due to the close proximity of the two DHHL wells and the County well. Water Commission staff recommended that any increased withdrawals should be from new wells strategically located elsewhere in the Kualapu'u aquifer so as not to interfere with water quality in the existing wells. DHHL proposed reducing the amount of increased pumping, but was not willing to consider a new well site.

To MPL's knowledge, DHHL has not submitted any subsequent application for a water use permit for the Kualapu'u aquifer.

In response to your comments regarding water issues, as well as to address other questions and concerns received regarding water issues, Section 4.9.2 (Water) in the Final EIS has been revised as shown on the attachment titled, "Revised Section 4.9.2 (Water)."

21. *In August 2006, the federal USGS hydrologist Delwyn Oki told DHHL that they won't be able to get their 2.9 mgd water reservation from Kualapu'u. He told DHHL it will have to go East for more water.*

Response: MPL's understanding is that Mr. Oki's statement was made in reference to a ground water model simulation that he conducted in 2006. USGS simulated the withdrawal of 2.905 mgd from four arbitrarily sited wells within the Kualapu'u aquifer. These arbitrarily chosen sites were spaced relatively close together and not far distant from the existing Kualapu'u well field. Under that scenario, USGS concluded that DHHL could not develop the full amount of its reservation from the Kualapu'u aquifer.

For DHHL to develop its 2.905 mgd reservation in the Kualapu'u aquifer, new and appropriately spaced wells east of the existing DHHL/DWS well field will be required. All of these new wells will be upgraded of the known subsurface intrusives, Pu'u Kākalahale and Pu'u Luahine. These subsurface intrusives create a barrier to groundwater flow, benefiting wells that are upgraded of the intrusives and adversely impacting the wells downgradient of the intrusives. They also limit the impact that wells on one side of the intrusives have on wells on the other side of the intrusives.

The Kākalahale Well will be down- and across-gradient, and on the downstream side of known intervening intrusive structures; from any wells that DHHL is likely to develop to access any part of its 2.905 mgd reservation. Therefore, an adverse impact on future DHHL wells is highly unlikely.

The Kākalahale well site is hydrogeologically isolated also from other areas within the Kamiloloa aquifer where there is a potential for developing potable water, such as the proposed Waioala well site. Thus, withdrawing 1 mgd from the Kākalahale well is unlikely to decrease the potential for developing potable water sources in the Kamiloloa aquifer in the future.

In response to your comments regarding water issues, as well as to address other questions and concerns received regarding water issues, Section 4.9.2 (Water) in the Final EIS has been revised as shown on the attachment titled, "Revised Section 4.9.2 (Water)."

22. *The county has also been told that it will have to go East to drill for any new water.*

Response: The Kākalahale well site is hydrogeologically isolated from other areas within the Kamiloloa aquifer where there is a potential for developing potable water, such as the proposed Waioala well site. Thus, withdrawing 1 mgd from the Kākalahale well is unlikely to decrease the potential for developing potable water sources in the Kamiloloa aquifer in the future.

23. *Existing lots at Kaluakoi can now be subdivided with two houses per lot. If all Kaluakoi landowners do this, there could be up to 784 lots with two houses on each lot (1,568 houses total). If just two people live in each house, the Ranch will have to supply more than 3,000 people with water. The Ranch has no plans on where this water would come from, but it is legally obligated to supply water to all Kaluakoi residents. At full occupancy, total water needed for these subdivided lots would be 2.4 mgd (3,000 gallons per household). (Source: Molokai Ranch LLC application Draft EIS, page 150)*

Response: This is speculative. The EIS cannot, and is not required to, analyze indefinite plans that are not reasonably foreseeable.

24. *La'au Point development will require one million gallons per day more water than is being used now.*

Response: We are requesting 1.0 mgd of brackish water for the implementation of the total Master Plan, not only La'au Point. Our potable water demand will be served by our existing water allocation permit.

25. *Molokai has only so much water. And all new development is limited by the availability of water. The shortage warning signs are already here. We must protect our limited water resources for future generations!*

Response: MPL believes that there is ample ground and surface water to meet DHHL's and the County's needs while still supporting MPL's plans for all of its lands. MPL's Water Plan does not adversely affect either DHHL's or the County's ability to develop the water resources they need for future uses.

MPL has committed to using only existing sources, at currently permitted amounts, to meet all of the potable water needs for its current water customers and MPL's future developments proposed under the Master Land Use Plan. A new non-potable source is being proposed. Currently permitted uses for potable water from Well 17 include more than 600,000 gpd for irrigation uses.

When non-potable water from the Kākalahale Well becomes available, those irrigation uses that are now supplied with potable water will utilize the new non-potable source, thus freeing up sufficient potable water to meet the demands of the La'au Point development.

The Kākalahale Well, the proposed new source of non-potable water, is situated where it is unlikely to have a measurable impact on the existing DHHL and DWS wells in Kualapu'u. First, the Kākalahale Well is down- and across-gradient from the DHHL and DWS wells. Second, the Kākalahale Well is approximately 12,200 feet (2.31 miles) away from the DHHL and DWS wells; at that distance, it is unlikely that pumping 1 mgd will create a measurable effect. Third, there are known subsurface intrusives between the Kākalahale and DHHL/DWS well sites, namely Pu'u Kākalahale and Pu'u Luahine, which are barriers to ground water flow.

The Kākalahale Well was developed in 1969 as a drinking water well for the Kaluako'i Resort. However, due to the brackish quality of the water, the well was never put into production. Relative to its distance inland, chlorides of the Kākalahale Well are anomalously high. This anomaly is explained, however, by the presence of upgradient subsurface intrusives, i.e., the subsurface "plumbing" of Pu'u Kākalahale, which function as barriers to normal mauka-to-makai flow of groundwater. The upgradient intrusives, which create the brackish result in the Kākalahale Well, also function to limit the effect of pumping the Kākalahale Well on other wells upgradient of the intrusives, such as the DHHL and DWS wells in Kualapu'u.

Additionally, it is highly unlikely that withdrawing 1 mgd from the Kākalahale Well will have an adverse impact DHHL's ability to access its reservation amount from the Kualapu'u aquifer. For DHHL to develop its 2.905 mgd reservation in the Kualapu'u aquifer, new and appropriately spaced wells east of the existing DHHL/DWS well field will be required. All of these new wells will be upgradient of the known subsurface intrusives, Pu'u Kākalahale and Pu'u Luahine. These subsurface intrusives create a barrier to groundwater flow, benefiting wells that are upgradient of the intrusives and adversely impacting the wells downgradient of the intrusives. They also limit the impact that wells on one side of the intrusives have on wells on the other side of the intrusives.

The Kākalahale Well will be down- and across-gradient, and on the downstream side of known intervening intrusive structures, from any wells that DHHL is likely to develop to access any part of its 2.905 mgd reservation. Therefore, an adverse impact on future DHHL wells is highly unlikely.

Additionally, desalination is another alternative source of water that becomes increasingly viable with technological advances.

To ensure water availability to all, MPL, DHHL, and Maui County DWS are working cooperatively to coordinate future water development plans with the assistance of the USGS. It is anticipated that by proper placement of wells, the needs of DHHL, the County, and MPL for the foreseeable future can all be met at reasonable costs to the respective parties.

Mr. Steve Morgan
SUBJECT: LĀ'AU POINT DRAFT ENVIRONMENTAL IMPACT STATEMENT
November 1, 2007
Page 12 of 18

Nevertheless, MPL is keenly aware that water is our most precious resource, and, therefore, has incorporated into its plans water system improvements to increase efficiencies and decrease system losses and aggressive water conservation strategies to minimize water demands.

When MPL acquired the Moloka'i Public Utilities water system, inadequate maintenance had resulted in significant system losses amounting to approximately 200,000 gallons per day. MPL has already begun to implement system improvements and anticipates that system losses can be cut in half.

To minimize water demands, MPL will use a number of different strategies. Conservation rates that provide financial incentives to customers to conserve water have already begun to be implemented and its effectiveness has already been manifested. Additionally, covenants on Lā'au Point lots will limit further subdivision of the lots, restrict disturbance of each lot to no more than 30% (approximately 1/2-acre, require catchment systems for each residence for irrigation use, requiring drip irrigation systems, double flush toilets and other water conservation devices.

In response to your comments regarding water issues, as well as to address other questions and concerns received regarding water issues, Section 4.9.2 (Water) in the Final EIS has been revised as shown on the attachment titled, "Revised Section 4.9.2 (Water)."

26. Does Molokai Ranch believe that native Hawaiian Seal Populations in the Lā'au area will be unaffected by the proposed residential properties in the area? Statements made by the National Marine Fisheries Service in regard to Native Monk Seal Populations appear to be in conflict with Statements made by Molokai Ranch in the EIS. Please comment in full regarding the letter provided by the National Marine Fisheries.

Response: We consulted with the National Oceanic and Atmospheric Administration (NOAA) National Marine Fisheries Service about the monk seal population at Lā'au Point. The shoreline access management plan (SAMP) contains a plan and recommendations developed in consultation with the National Oceanic and Atmospheric Administration (NOAA) Monk seal program and elements were taken directly from their draft *Recovery Plan for the Hawaiian Monk Seal* (November 2006).

The SAMP also provides rules to ensure non-disturbance of Hawaiian monk seal habitat and the promotion of Lā'au Point as an area for Hawaiian monk seals to frequent and "haul out." Rules have been developed on removal of gear, the use of certain types of gear, and responses to Hawaiian monk seal sightings. No domestic pets and animals (including hunting dogs) will be allowed in the managed area. The use of toxins and pesticides is specifically prohibited and equipment will be purchased for cordoning off areas where Hawaiian monk seals have come ashore.

To ensure that the project does not alter behavior of Hawaiian monk seals that visit the area, residents and visitors will be educated about possible interaction with these animals and the appropriate human behavior for that interaction. Appropriate protocol if one encounters a Hawaiian monk seal on the beach is to notify National Marine Fisheries Service (NMFS), who

Mr. Steve Morgan
SUBJECT: LĀ'AU POINT DRAFT ENVIRONMENTAL IMPACT STATEMENT
November 1, 2007
Page 13 of 18

will check if the animal is injured or entangled, then put tape around the site to keep people from approaching too closely. Due to the lack of available NMFS staff on Moloka'i, a Resource Manager will monitor the Lā'au shoreline area daily.

The established mitigation measures for protecting hauled-out monk seals have been generally effective elsewhere in the Main Hawaiian Islands, and this segment of the monk seal population appears to be increasing. Prohibition of domestic animals from the shoreline may be of greater significance in limiting behavioral disturbances.

To reflect the above information in the Final EIS, as well as to address other questions and concerns regarding impacts to fauna in the Final EIS, Section 3.7 (Fauna) has been revised as shown in the attachment titled, "Revised Section 3.7 (Fauna)."

27. Is Molokai Ranch aware of any other single development that has used this much coastal area? In the last 10 years? 20 years? 50 years?

Response: The Lā'au Point residential community should not be compared to other coastal developments because it is not directly on the shoreline, and not within the Special Management Area (SMA). The project proposes an expansion of the Conservation District by 254 acres along the shoreline and related resource areas. The residential lot lines will be set back at least 250 feet from the designated shoreline or high water mark. Using the current Conservation District boundary, which is approximately 150 to 200 feet inland from the shoreline, as a base, residential lot boundary lines for Lā'au Point were determined to be at least 50 feet beyond the current Conservation District. In addition, boundaries for the makai lots fronting the proposed expanded Conservation District will have covenants requiring an additional 50-foot building setback. These specified setbacks result in providing substantial building setbacks from the shoreline; in some areas, this is as much as 1,000 feet.

28. How much profit does MPL hope to make from the sales of Lots at Lā'au?

Response: MPL estimates it will cost \$80 million in construction costs for the Lā'au development and it anticipates that, over time, it will sell the 200 lots for approximately \$200 million. However in the current market that revenue estimated maybe over-stated by as much as between 10% and 20%.

Real estate agents fees, the cost of obtaining entitlements and the planned 5% of revenue that goes to the Land Trust from initial lots sales are likely to cost another \$30 million.

Added to that sum will be the interest costs on funding the construction over a two year period and uncertainty as to when there will be enough revenue to re-pay the debt and accumulated interests costs associated with the lots, road and infrastructure construction.

29. Can MPL please respond to this and explain Mr. Halls absence from La'au EIS meetings held on Molokai?

Response: As MPL's attorney, Isaac Hall will be present at meetings with regulators such as the Land Use Commission and the Molokai Planning Commission hearings. Mr. Isaac Hall was present at the August 25, 2006 meeting with EIS consulted parties. We do not understand what other meetings you are referring to which Mr. Hall should have attended.

30. Why was a cultural significance of this magnitude not mentioned in the EIS? MPL clearly understands the importance of cultural sights to the people of Molokai. Why has MPL not set aside and protected these areas in the past. It appears as though the preservation of these sights is being used as a bargaining tool. Please respond.

Response: The Cultural Impact Assessment (provided as Appendix F in the Draft EIS) contains a comprehensive discussion of the cultural significance of Lā'au Point.

The CIA includes this cultural significance on p. 100 as follows:

- Underwater Heiau: According to intervener Vanda Hanakahi, Lā'au is an important place for fishing. In ancient times, every ahupua'a (district) had an underwater heiau (temple) constructed in the ocean outside the ahupua'a. The first heiau along Molokai's southern coastline is located at Lā'au. Again, this meant Lā'au had great significance for our ancestors, who depended on the ocean for their survival.
- Lā'au is a Wahi Kapu Where Kahuna Gathered: According to intervener Vanda Hanakahi, Kahuna (expert teachers and practitioners) did not gather at just any place. But they gathered at Lā'au, which means that they regarded it as sacred. Lā'au is a wahi kapu (sacred place). Places that are sacred should be revered and left alone. Lā'au is a sacred place that should never be desecrated. Some families don't go down there because it is a kapu or sacred area. Ohana has mele about these places.
- Place of Mana: Informants spoke of Lā'au being a place of mana or spiritual power. They said that when they go to fish in the Lā'au area that there is a spiritual quality. There are ho'aloana or spiritual signs that guide them.
- Sightings: One informant said that at night, while camping near Kaupoa, she saw fireballs. She has also seen menehune through the trees at night in the same area. Another informant spoke of seeing an island offshore when they were camping overnight and fishing on the south coast at Lā'au Point. It was close enough to swim to.

Regarding your comment as to why MPL has not set aside and protected these areas in the past, we cannot respond to past non-practices because Molokai Ranch has been through several different ownerships. What is important now is our commitment to the Master Plan and the cultural protection measures provided in the Master Plan.

31. Has such legal advice been acquired as to ensure that CC&Rs can not be challenged in the future?

Response: Yes.

32. The CC&Rs are the legal lynchpin for all of MPL's promises to protect the area from environmental degradation. But it is in question as to whether MPL has yet even done its homework to determine whether they will work. MPL relies heavily on the CC&Rs in its La'au development plans...Please comment thoroughly on the previously aforementioned.

Response: The CC&Rs will be monitored and enforced by the Board of the Association of Owners of Lā'au Point, affected lot owners, and in certain circumstances, Molokai Properties Limited as the Declarant under the CC&Rs. To include this information in the Final EIS, Section 2.3.6 (Covenants) will be revised as follows:

As previously stated, Lā'au Point aims to attract people who respect the unique character of the site and Molokai, and who support conservation, cultural site protection, and coastal resource management. Residents of Lā'au Point will be educated and informed about the environment and culture, and taught to "mālama āina," take care of the land and sea, through strict Conditions, Covenants, & Restrictions (CC&Rs) attached to the subdivision. The CC&Rs provide that every person whose name is on the property title must commit to undergo a certain amount of education about the Molokai community and its desires and aspirations with kupuna and the Maunaloa community. This will be conducted under the guidance of the Molokai Land Trust. The CC&Rs have been strengthened to protect the environment and resources at Lā'au Point. Enforcement and substantial penalties will be put in place to ensure that the covenants are respected and upheld. Although the CC&Rs are currently under development, because of the Master Plan process (Section 2.1.6), MPL does have a general idea of what the CC&Rs and some of the key provisions and concepts will be.

The CC&Rs will be monitored and enforced by the Board of the Association of Owners of Lā'au Point (the Board), affected lot owners, and in certain circumstances, the Molokai Land Trust as a signatory, and Molokai Properties Limited as the Declarant under the CC&Rs. Failure to comply with the terms of the CC&Rs would expose the non-complying owner to sanctions which include monetary fines, suspending an owner's right to vote, suspending services provided by the Association, exercising self-help or taking action to abate any violation, removal of the non-compliant structure or improvement, precluding contractors, agents, or employees of any owner who fails to comply with the terms of the CC&Rs.

As of November 2007, a draft of the CC&Rs was being developed by MPL in conjunction with the Land Trust. The Land Use Commission and other regulatory agencies may further require changes to the CC&Rs during their review process; therefore, a final version of the CC&Rs is not available as of November 2007, and the issue of the completion of the CC&Rs is included as an unresolved issue in the Final EIS. The CC&Rs will be available for review at the Land Use Commission hearings on the State Land Use District Boundary Amendment petition.

33. There are many provisions in the proposed CC&Rs of the proposed La'au development, among other things stating that residents will be educated to understand the culture and to take care of the land. Can MPL demonstrate a similar case where such CC&Rs have worked successfully?

Response: Lā'au Point will be unlike any other community in Hawai'i, and therefore, cannot be compared to other developments. What is unique about the Lā'au Point project is the community

planning that went into ensuring that exceptional views are preserved and that development would be environmentally and culturally sensitive. Lā'au Point aims to attract people who respect the unique character of the site and of Moloka'i, and who support conservation, cultural site protection, and coastal resource management. Brochures, sales material, and other promotional documents will be reviewed by the Land Trust or the EC for accuracy and adherence to their principles.

34. *What is being done to enact State legislation to protect subsistence up to a quarter mile from the Lā'au shoreline?*

Response: Legislation is not required. Section 2.3.7 of the Final EIS will include the following:

Special Legislation will not be required to establish the subsistence fishing zone. The 1994 Hawaii State Legislature created a process for designating community-based subsistence fishing areas (Act 271/94). The guidelines for a community-based subsistence fishing management area in The Master Plan would need to be developed into a management plan and draft administrative rules for adoption by the Department of Land and Natural Resources (DLNR) Division of Aquatic Resources (DAR) working in coordination with the landowners, the community and the subsistence fishers and gatherers. The administrative rules would need to undergo a public hearing process on Moloka'i, O'ahu and other neighbor islands. Overall, the process would take from 18 months to 2 years. The development of guidelines and policies for such a management area within the Master Plan is the first step toward its establishment.

Once the community-based subsistence fishing management area is established through the DAR rule-making process the rules will be enforced by DOCARE in conjunction with the shoreline resource managers who will be hired jointly by the homeowners and the Moloka'i Land Trust.

35. *If a second home is allowed on the lots at Lā'au, how large can the second home be?*

Response: The main residential dwelling and accessory structures are limited to 5,000 square feet in total.

36. *Can the second home be rented out on a full time basis? Can the main home be rented out on a full time basis?*

Response: As discussed in Section 2.3.6 of the Draft EIS, no rentals will be allowed at Lā'au Point.

37. *The roads owned and operated by Molokai Ranch in the Kahuako'i area have been neglected for years. What guarantee is there that the same will not take place in the Lā'au area?*

Response: The roads at Lā'au Point will be owned and maintained by the homeowners' association. They will be built to County standards and may be dedicated to the County.

38. *Why have no serious measures been taken or supported by Molokai Ranch to improve emergency services to the West End of Molokai?*

Response: Although addressed in Section 4.10.3 (Fire Protection) of the Draft EIS, the following revision will be added in the Final EIS as clarification:

The project may impact fire protection services due to the increased demand generated by additional population, the presence of more structures, and potential increased activity at the parks and along the shoreline. The project area is about 25 to 35 minute response time from the Ho'olehua fire station and about 20 additional minutes from Kaunakakai's station. These response times are estimates and emergency response times may take longer. Currently access to the area is via unimproved and dirt roads. With the project, the access road will be paved, improving the road conditions, which may reduce emergency response times.

Most responses to the project area would probably be medical related given the older population. Further, there is a risk of brush fires in the area due to dryness and high winds, although fire breaks will be cut regularly during summer months.

A water storage tank or reservoir will be constructed above the project site to provide adequate pressure and to meet the storage requirements for fire protection. Fire hydrants will be installed along the road spaced at intervals between 450 to 500 feet.

To provide increased fire protection at Lā'au Point until there is a fire station within the five road miles required to have a favorable fire insurance rating as determined by the Hawaii Insurance Bureau, the Lā'au Point Covenants, Conditions, and Restrictions (CC&Rs) will require all residential structures to have sprinkler systems meeting standards specified in the Fire Code. The Fire Department does not require MPL to provide a fire station on the West End for Lā'au Point.

Fire and rescue emergency services will be able to access Lā'au Point and the shoreline from the new paved access road from Kahuako'i and the existing emergency access dirt road from Hale O Lono Harbor, with access to the shoreline through the subdivision at designated locations. Emergency responders can also use an existing emergency access dirt road from Hale O Lono Harbor and do not have to go all the way to Kahuako'i to access Lā'au Point.

39. *In the EIS Molokai Ranch states that a fire truck could travel from Ho'olehua to Lā'au in 25 minutes. The fire department claims that it takes at least 25 minutes for a fire truck to arrive at Maunaloa and estimates that even with exceptional roads an additional 10-15 minutes should be added. Can Molokai Ranch please explain how the 25 minute figure was arrived at?*

Response: See our response to #38 above. The 25-minute response time is an estimate; we concur that emergency response time can take longer. Currently, access to the area is via unimproved and dirt roads. With this project, the access road will be paved, improving the road conditions, which in turn can reduce emergency response time. In addition, emergency response does not have to go all the way to Kahuako'i to access Lā'au Point. They can use the existing emergency access dirt road from Hale O Lono Harbor.

Mr. Steve Morgan
SUBJECT: LA'AU POINT DRAFT ENVIRONMENTAL IMPACT STATEMENT
November 1, 2007
Page 18 of 18

40. *Molokai Ranch states that as a result of the La'au Development, access to the La'au coastline for subsistence purposes will be made available. It is my understanding that because the coastal trail dates prior to 1893 that this trail can be freely accessed by the public with or without the development. Please respond.*

Response: We concur that the coastline can be freely accessed by the public with or without the project.

41. *Does Molokai Ranch believe that the community really understands what this means and that it includes the possibility of 6 hotels, 3 condo areas, one single family residential area, rural zoning for possibly another 400-500 homes and an additional golf course? Please comment.*

Response: We are committed to the plans set forth in the Master Plan. As previously addressed in #1 above, there are no plans to develop the area north of the Kaluako'i Resort.

Thank you for participating in the EIS process. Your letter will be included in the Final EIS.

Sincerely,



Peter Nicholas
President and CEO
Molokai Properties Limited

Attachments:

Revised Section 4.9.2 (Water)
Revised Section 3.7 (Fauna)

cc: Anthony Ching, State Land Use Commission
Office of Environmental Quality Control
Jeff Hunt, Maui Planning Department
Thomas S. Witten, PBR HAWAII



November 1, 2007

Jeffrey Friedman & Susannah Iott
1634 Clark Street, Apt. D
Honolulu, Hawaii 96822

SUBJECT: LA'AU POINT DRAFT ENVIRONMENTAL IMPACT STATEMENT

Dear Mr. Friedman and Ms. Iott:

Thank you for your letter dated December 28, 2006 regarding the La'au Point Draft Environmental Impact Statement (EIS). You commented that development will dissolve Hawaiian cultural values, history, way of life, and Molokai's fragile ecosystem. Below, we respond to your comment.

Contrary to your assumptions, the La'au Point project and the *Community-Based Master Land Use Plan for Molokai Ranch* (Master Plan), which the project is a part of, preserves many aspects of Hawaiian cultural values, history, and way of life. The Master Plan and project will prevent development on a majority of the land. Benefits include the donation of 26,200 acres (which include Native Hawaiian legacy lands) to a Molokai Land Trust and Community Development Corporation (CDC), restrictive easements on another 24,000 acres of Molokai Ranch land, preservation of cultural and archaeological sites, increased subsistence gathering access, and permanent parks and open space. Appendix A of the Draft EIS contains the Master Plan in its entirety.

Other than re-opening the Kahuako'i Hotel, the proposed development adjacent to La'au Point will be the last major development on Ranch lands forever.

We also expect that those who choose to buy a lot and build a house at La'au Point will be attracted to the beauty and mystique of the area. It is very likely that new buyers will be willing to attend classes to learn how to protect the environmental resources and Molokai's lifestyle and culture. This attitude among newer residents is already occurring, whereby recent residents, and others who share your values, are actively participating in environmental advocacy and protection efforts. It is also very likely that the new permanent residents will choose to live on Molokai because of the island's uniqueness, which includes a strong appreciation for local food gathering and other shoreline practices. The buyers' profile and CC&Rs will help to ensure that the qualities you value will be protected and enhanced.

Thank you for your participation in the EIS process. Your letter will be included in the Final EIS.

Jeffrey Friedman
Susannah Iott

1634 Clark Street
Apt. D
Honolulu, HI 96822

808.946.6215
fractier@yahoo.com
sussetbluu@yahoo.com

Thursday, December 28, 2006

Office of Environmental Quality Control
235 S. Beretania Street
Suite 702
Honolulu, Hawaii 96813
Maui County Planning Department
250 S. High Street
Wailuku, Hawaii 96793

To Whom It May Concern,

Please accept this letter of two voices commenting against Molokai Properties Ltd. and their plans to develop La'au Point on Molokai. Though residing on Oahu, we fervently believe further land development on Molokai will ultimately dissolve Hawaiian cultural values, history, and way of life. Though traditional practices will face many obstacles as time wears on, facilitating this potential demise through active population growth and development is simply unnecessary. Furthermore, Molokai has a fragile ecosystem (e.g. watershed) and stressing this system is completely reprehensible in a day and age when energy and natural resource consumption is under ferocious public scrutiny.

Thank you for your time.

Best regards,

Jeffrey Friedman
Susannah Iott

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DEPT OF PLANNING
COUNTY OF MAUI
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Jeffrey Friedman & Susannah Iott
SUBJECT: LA'AU POINT DRAFT ENVIRONMENTAL IMPACT STATEMENT
November 1, 2007
Page 2 of 2

Sincerely,



Peter Nicholas
President and CEO
Molokai Properties Limited

Cc: Anthony Ching, State Land Use Commission
Office of Environmental Quality Control
Jeff Hunt, Maui Planning Department
Thomas S. Witten, PBR HAWAII



February 1, 2007

To whom it may concern,

Welina mai me ke aloha e na kupuna, na makua, na 'opio a me na po'e hou a'e o Moloka'i nei.

My name is Tearo Keanini, I am a senior in the Hawaiian Language Immersion Program ('O Hina I ka Malama) within the Moloka'i High School. I am one of many concerned students here on our beautiful island of Moloka'i. Being a Hawaiian immersion student, I've learned a lot about how important our culture is and how we should malama ka 'aina.

I was concerned about our island's population and how much of an impact it would be if this project went through. According to this impact statement, report say's that there will be a maximum of 325 people. But if there is 200 lots and 2.9 people in each household (according to the report) there should be approximately 580 residence. Explain why the report says two different things.

According to the report, it stated that there would be 174 permanent residents and 325 seasonal residents but wouldn't all residents impact on our island whether they are seasonal or permanent? And how can they guarantee that these residents will be seasonal?

It's also stated in the report that these people will not need services but if you think about it, most of the residents will be retirees. They will need emergency services just as everyone else, and eventually they will need rubbish pick-up and other county services. Please explain why the report says that these residents will not need county services.

What is the impact to Molokai when these residents start selling their property to bigger and younger families?

I feel that this Draft environmental impact statement is not accurate and shouldn't be used as a standard for the La'au decision. As a future adult resident, I will have to live with the real impact of this La'au decision.

As a Hawaiian I believe that we have the rights to be respected. It is my hope that the La'au project will not be past. We need to preserve our culture and way of life. Thank you for listening to what we "The 'opio of Moloka'i have to say".

Mahalo...

Tearo Keanini

November 1, 2007

Tearo Keanini
Moloka'i High School
P.O. Box 158
Ho'olehua, Hawaii'i 96729

SUBJECT: LA'AU POINT DRAFT ENVIRONMENTAL IMPACT STATEMENT

Dear Mr. Keanini:

Thank you for your letter regarding the La'au Point Draft Environmental Impact Statement (EIS). We respond to your comments.

1. *I was concerned about our island's population and how much of an impact it would be if this project went through. According to this impact statement, report say's that there will be a maximum of 325 people. But if there is 200 lots and 2.9 people in each household (according to the report) there should be approximately 580 residence. Explain why the report says two different things.*

Response: The estimate of 325 persons is the estimated seasonal population during peak season. This is based on 80 percent of the residential units being occupied at one time during peak season. The permanent year-round population is projected to be 174 persons.

Your calculation of 580 residents is based on an assumption that 100 percent of the units are occupied. Given the market for the La'au Point project is for second and third homeowners, most of whom will not occupy their properties full-time, it is highly unlikely that 100 percent of the units will be occupied at any given time.

2. *According to the report, it stated that there would be 174 permanent residents and 325 seasonal residents but wouldn't all residents impact on our island whether they are seasonal or permanent? And how can they guarantee that these residents will be seasonal?*

Response: Yes, all residents, seasonal or permanent, have an impact. We cannot guarantee that residents will be seasonal; it is a projection. However, it is based on the experience of similar projects in other Hawaiian islands.

3. *It's also stated in the report that these people will not need services but if you think about it, most of the residents will be retirees. They will need emergency services just as everyone else, and eventually they will need rubbish pick-up and other county services. Please explain why the report says that these residents will not need county services.?*

Response: The Draft EIS states: "Low occupancy rates would minimize the need for County services" (page 68). County services, such as emergency service, may be required when homes are occupied. Unoccupied homes will not require regular County services.

Tearo Keanini
SUBJECT: LA'AU POINT DRAFT ENVIRONMENTAL IMPACT STATEMENT
November 1, 2007
Page 2 of 2

Other County services, such as rubbish pickup, are not available to other West End residents in Kaluako'i, etc. There are private entities available for trash pickup that will be utilized by homeowners.

4. *What is the impact to Molokai when these residents start selling their property to bigger and younger families?*

Response: This is a hypothetical question about a future occurrence that may or may not happen. However, at the prices anticipated, it is more likely that those buyers will not be young people, but those who are older in life and have had a considerable period in the workforce to accumulate the necessary capital to enable them to purchase such properties.

Thank you for your participation in the EIS process. Your letter will be included in the Final EIS.

Sincerely,



Peter Nicholas
President and CEO
Molokai Properties Limited

cc: Anthony Ching, State Land Use Commission
Office of Environmental Quality Control
Jeff Hunt, Maui Planning Department
Thomas S. Witten, PBR HAWAII



1-9-07

Anna,

I am a resident of Molokai & would like to request that an extension of 60 days be given to the Molokai community to carefully review the material in the EIS. The EIS contains a lot of information that needs to be reviewed at the time that was given is not sufficient enough to ask for the community's input.

Mahalo
Tiare Ritte-Manangan

Tiare Ritte-Manangan
PO Box 2036
K'ia, HI 96748

January 16, 2007

Tiare Ritte-Manangan
P.O. Box 2036
Kaunakakai, Hawaii 96748

SUBJECT: Lā'au Point Draft Environmental Impact Statement (EIS) Public Comment Period

Dear Ms. Ritte-Manangan -

We have received your request for an extension of the public comment period for the Lā'au Point Draft Environmental Impact Statement (EIS).

Molokai Properties Limited will extend the deadline for comments from February 6 to February 23, 2007.

State law (Chapter 343, HRS) requires a 45-day public comment period for Draft EISs. The original 45-day public comment period for the Lā'au Point Draft EIS is from December 23, 2006 to February 6, 2007.

The extension to February 23 will provide for a public comment period of 63 days.

We look forward to your comments on the Lā'au Point Draft EIS and your participation in this public review process.

Sincerely,

John Sabas
General Manager of Community Affairs
Molokai Properties Limited

cc: Anthony Ching, State Land Use Commission
Genevieve Salmonson, Office of Environmental Quality Control



To whom it may concern:

I am a senior at Moloka'i High School and I am 17 years old, and I am writing this letter to you because this is one of the assignments in class that we have to do in our environmental class in our 7th period class, and it is to inform you about La'au Point. On the draft that I went read was about the building of 200 million dollar lots, and that the endangered species and all of the native plants will be destroyed and one of it is the pue'o, and if they will develop it then the pue'o will not have any place to live and will probably fly down town and make house over there and why cant we use the roads to go to the beach instead of just sharing it to the public.

Thank you and much mahalo's for taking the time to read over my letter that I wrote to you and hope to be heard in the future.

From a concerned person,

November 1, 2007

Timothy Matross
Moloka'i High School
P.O. Box 158
Ho'olehua, Hawai'i 96729

SUBJECT: LA'AU POINT DRAFT ENVIRONMENTAL IMPACT STATEMENT

Dear Mr. Matross:

Thank you for your letter regarding the La'au Point Draft Environmental Impact Statement (EIS). We acknowledge your concerns about the endangered species and native animals, such as the pueo, at La'au Point.

Sections 3.6 and 3.7 (pages 42-45) of the Draft EIS provide a more detailed discussion the project's impacts and mitigation measures for flora and fauna, including native and endangered species. Appendices B and C contain the full flora and fauna reports.

In his full report, provided as Appendix C in the Draft EIS, the biologist states that pueo is a likely species known to forage in the area; he just did not observe any during his survey. The biologist notes that pueo hunt in grasslands, agricultural fields, and forests, and nests on the ground in habitats with tall grass. To address the above information into the Final EIS, Section 3.7 (Fauna) of the Final EIS has been revised as shown:

No native land birds, native water birds, or seabirds were observed at the project site during an avifaunal and feral mammal survey (Appendix E) conducted in August 2006. The only native land bird species likely to forage in this area is the Hawaiian Owl or Pueo (*Asio flammeus sandwicensis*). This species is listed by the State of Hawaii as endangered on O'ahu but not elsewhere in the State. They hunt in grasslands, agricultural fields and forests and nest on the ground in habitats with tall grass.

With this project, the coastal ecosystem and shoreline habitats will be preserved by an expansion of the Conservation District by 254 acres along the shoreline and related resource areas. This proposed expansion will provide for a total of 434 acres of the project area to be protected in the Conservation District. The Land Trust will be in charge of managing La'au Point's Conservation lands.

Thank you for your participation in the EIS process. Your letter will be included in the Final EIS.

Timothy Matross
SUBJECT: LA'AU POINT DRAFT ENVIRONMENTAL IMPACT STATEMENT
November 1, 2007
Page 2 of 2

Sincerely,



Peter Nicholas
President and CEO
Molokai Properties Limited

cc: Anthony Ching, State Land Use Commission
Office of Environmental Quality Control
Jeff Hunt, Maui Planning Department
Thomas S. Witten, PBR HAWAII

February 23, 2007

PBR Hawaii
1001 Bishop Street
ASB Tower, Suite 650
Honolulu, HI, 96813

Dear Mr. Witten:

I am writing this letter in concern for La'au point. The proposed plan of development at La'au point will drastically change the entire area. The plants, animals, water and spirit of La'au will not benefit from this proposed development, there is no denying that. I don't understand why development on La'au is the best idea. Are there no other ways of making money for the ranch? One possibility could be advertising the resort more and getting tourism to increase there. Why are the other lots not yet sold? Why cannot other areas be considered other than La'au point?

From my understanding of La'au it is a area very close to the hearts of most Hawaiians. With so many other locations already transformed by development, why not keep La'au as pristine and beautiful as it is? Where else in the world is that a place like La'au, untouched and natural?

Please consider other ways of making money before you decide to destroy another great area of Hawaii. Once the development begins La'au point will only be a memory.

Sincerely,

Trevor Gilligan



November 1, 2007

Trevor Gilligan
2591 Dole Street, F905
Honolulu, Hawaii 96822

SUBJECT: LĀ'AU POINT DRAFT ENVIRONMENTAL IMPACT STATEMENT

Dear Mr. Gilligan:

Thank you for letter dated February 23, 2007 regarding the Lā'au Point Draft Environmental Impact Statement (EIS). We acknowledge your concerns about alternatives to the Lā'au Point project. We note that various alternatives to the project, including the same few ideas you mentioned, were previously considered and discussed in Section 6.0 of the Draft EIS.

The predecessors at MPL, prior to the appointment of Peter Nicholas in 2002, tried many different methods of generating revenue for the company. Most, if not all resulted in losses, although at least 140 community members have jobs and a livelihood as a result of those developments.

MPL would be eager to discover other methods of making profits, but has not heard or investigated any proposal or proposition from the community or from elsewhere that will enable the company to become sustainable as a business and re-open the Kaluako'i Hotel.

There have been many schemes proposed, but no person or company or entity has either proposed putting up the necessary funds or funding any project with MPL as a partner.

Thank you for participating in the EIS process. Your letter will be included in the Final EIS.

Sincerely,

A handwritten signature in dark ink, appearing to read "Peter Nicholas".

Peter Nicholas
President and CEO
Molokai Properties Limited

Cc: Anthony Chung, State Land Use Commission
Office of Environmental Quality Control
Jeff Hunt, Maui Planning Department
Thomas S. Witten, PBR HAWAII

O:\JOB17\1733-10 Molokai Ranch-Lau P. EIS\EIS\DEIS\Comment letters\Responses\Individuals\Final\Trevor Gilligan.doc

Molokai Properties Limited dba Molokai Ranch • 745 Fort Street Mall • Suite 600 • Honolulu, Hawaii 96813 •
Telephone 808.531.0198 • Facsimile 808.571.2279

RECEIVED

FEB 26 2007

PBR HAWAII

Trisha Kehaulani Watson

PBR Hawaii

1001 Bishop Street

ASB Tower, Suite 650

Honolulu, HI 96813

Attention: Thomas Wittten

Telephone: (808) 521-5631

Fax: (808) 523-1402

Molokai Properties Limited

745 Fort Street Mall, Suite 600

Honolulu, HI 96813

Attention: Peter Nicholas and John Sabas

Telephone: (808) 534-9502

Fax: (808) 521-2279

State Land Use Commission

PO Box 2359

Honolulu, HI 96804

Attention: Anthony Ching

Telephone: (808) 587-3822

Fax: (808) 587-3827

Office of Environmental Quality Control

235 S. Beretania St., Suite 702

Honolulu, HI 96813

Fax: (808) 586-4185

February 16, 2007

Dear Peter:

This serves as my comments to the Draft Environmental Impact State (DEIS) for the Lā'au Point development project. In short, I am adamantly opposed to any development at Lā'au Point. Your DEIS is fatally flawed in that it fails to recognize serious problems regarding water, environmental justice, social and cultural impacts, the protection of endangered marine animals, and fails to seriously consider alternatives

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to this project. It is entirely misleading as to community input and concerns. Further, it fails to offer mitigating measures as actually related to the impact area, instead it employs a "smoke and mirrors" tactic of using an irrelevant land swap from the master plan to justify the destruction of an area that must be protected.

Water

The plan fails to say where the water for this project is going to come from. Department of Hawaiian Homelands (DHHL) has already expressed opposition to this project, as the only possible water source is the DHHL water reserves. Your own DEIS acknowledges that "such a scheme appears overly optimistic, or even unrealistic." It is unrealistic. It is unrealistic as to the amount of water that will be used and the source of this water.

Environmental Justice

The increased encroachment of luxury development on the island of Moloka'i would be devastating. Whereas recent state legislation is calling for an increasing awareness of environmental justice issues in Hawai'i, the DEIS provides no analysis of the potential Diasporatic effect this development will have on the island of Moloka'i.

There is no doubt that such a development would impact surrounding land prices. On an island like Moloka'i, this means the entire island. Steeply increased property taxes would result in a severe negative impact on this island community. Would it force members of this primarily Native Hawaiian population off the island? I fundamentally disagree with the Hallstrom Group's analysis of the impact of development on real property taxes. Through the process of gentrification, we have seen how the development of new homes, even those "not [] comparable to the existing real estate" have been shown to eventually have a devastating impact on the existing real estate. Eventually, the needs of the new residents encroach upon the existing community. The reality of gentrification has been devastating for low-income and ethnically marginalized communities throughout the United States, and there is not evidence provided to even suggest that what has already begun throughout Hawai'i would not occur on Moloka'i with the Lā'au Point development.

Social Impacts and Cultural Impacts

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Your social and cultural impact statement is completely inadequate. It is nothing short of baffling that the cultural impact statement supports the development when the author's own book does not. Therefore, exactly how much was you're the author of the cultural impact statement paid for her services? The author has made public claims that the money has gone into a trust, please submit evidence of that transaction.

In her book, *Nā Kua āina*, McGregor acknowledges that traditional sources on the topic of Moloka'i "convey the image of Moloka'i as a child - small and fragile - that needs to be nurtured by the people who live there." Yet, the DEIS asks for outsiders to come in and care for the wahi pana of Lā'au Point. How could 499 strangers possibly care of a sacred place that's been in the care of Native Hawaiians for thousands of years?

Her book additionally points out a report from the University of Hawai'i that noted: "if tourist activities were expanded [on Moloka'i], they would encroach on traditional gathering spots. A resulting decline in supply of wild foods, coupled with a lessened interest in gathering due to competing forms of entertainment and increased demands on time, would effect a decrease in wild food exchange." Please specifically articulate a response to this statement and its apparent inconsistencies with the DEIS.

Her book also points out another study, which found "the preferred way of life on Moloka'i" was closely associated with rural living, Hawaiian culture, slow pace, everybody knowing everybody, family togetherness, and living off the land. Tourism, development, and high prices of were inconsistent with the preferred way of life on the island." This is consistent with the public outcry against the Lā'au Point development. So please explain how you can continue to justify a proposed development that is inconsistent with the Moloka'i way of life - as explained by the author of your cultural impact statement - and still claim this project has any public support.

Name one case in Hawai'i's history where a development has led to increased Native Hawaiian rights. The fanciful notion that any development would lead to enhancing indigenous rights is absurd. Despite claims made in the DEIS, it is for more likely and consistent with the history of development in Hawai'i that indigenous rights would be negatively affected by this development. Hopefully wishing that this project will someone bear different results that every other development that has ever come before it in Hawai'i simply is not enough to make it so.

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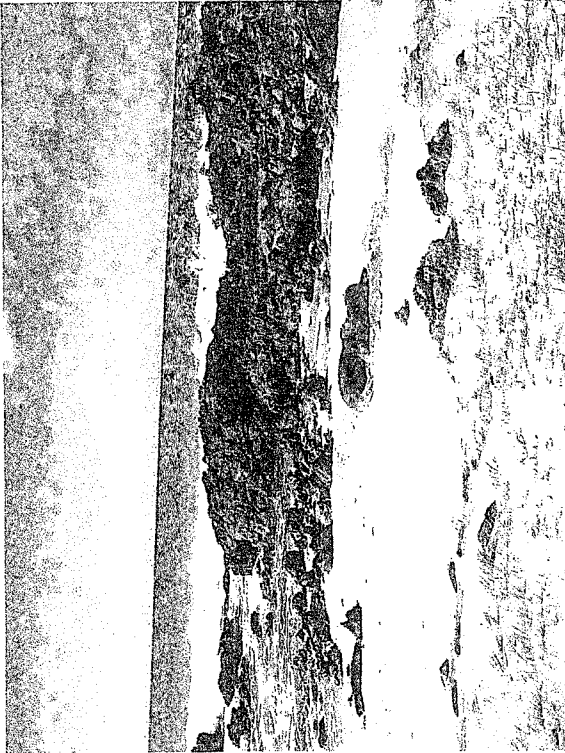
Further, the DEIS is completely inappropriate and insulting in its analysis of potential impacts and mitigation measures. The DEIS states that the social tension created by this proposed development "have been related to expectations and preconceptions of other social groups." They cite race as a factor. It's not race, it's culture. And it's insulting for the DEIS to imply that it's about anything else.

Moloka'i is unique. The kama'āina (the Native children of that place) are unique. There is culture to Moloka'i. It is different from O'ahu, Maui, Kaua'i and certainly places outside Hawai'i. And people who are not familiar with the ways of Moloka'i can upset that culture. Those of us who do not live on Moloka'i know and appreciate this. And the idea that culture and simply be taught in a few one-hour workshops is ridiculous. Culture is living and fluid; it cannot be bottled up into a CC&R or forced upon people. On one hand, they say the new residents will be isolated and not impact the culture. On the other, they say they're going to be forced to fit right in. All this double talk is just an effort to manage the overwhelming opposition to this project and hide the fact that MPL's snake-oil selling has disrupted this small island community. The only threat to the culture of Moloka'i is MPL. MPL knows this. And to turn around and say that the residents are inappropriately apprehensive is insulting to them. They are smart, wonderful, caring people. They are not easily swayed by "the media, experience, parents, authority, etc." They know what they have lived and what they have seen. They are rightfully apprehensive because they have lived through threats to their land and community. The social battles of the people of Moloka'i are historic. And the fact that the community has galvanized against this project only speaks to how wrong it is for this community.

Natural Resources

In looking at the DEIS response from NOAA, there is little doubt that this development will have serious negative impacts on the natural resources at Lā'au Point. Lā'au Point has a thriving monk seal population, as shown in these photos I personally took on the recent visit.

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It is mind-boggling to me that anyone would consider a development at this site when shark populations are being killed in the Northwestern Hawaiian Islands to protect monk seals there. As someone who sat on the Northwestern Hawaiian Island Cultural Working Group and was asked to vote on the taking of sharks from the Northwestern Hawaiian Islands to protect monk seals, I am greatly insulted that we are not affording this thriving monk seal population similar consideration. Why has there not been a more thorough study to look at the impact this development will have on this fragile population of monk seals? And why is development being considered in this area when we are going to such extreme measures to protect endangered animals and sites in other areas?

Mismanagement

MPL has mismanaged its Moloka'i properties for years. Now it's trying to whore off La'au Point to compensate for this mismanagement. One very viable alternative not explored in the DEIS, and one that must be considered, is having another company come in and manage the existing

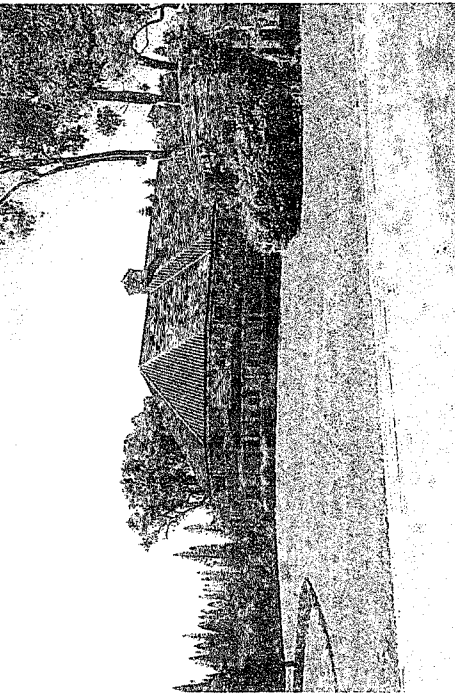
properties. Why are the MPL properties failing while similar properties on Lana'i are thriving?

The comparisons between Lana'i and Moloka'i are extremely noteworthy. Both have small populations. Both have lodges and hotels. Lana'i thrives while Moloka'i falters. Yet, Moloka'i has more tourist traffic. More flights. More car rentals. More Hawaiian cultural sites and other historic sights. By all reasonable standards, Moloka'i's properties should be doing better. The difference is management.

MPL should follow Rupert Murdoch's lead. He owns the island of Lana'i, yet the hotels are managed by another group, currently the Four Seasons. As a result of proper management, the hotels on Lana'i are thriving. As someone who has been to the properties on both Moloka'i and Lana'i, and as someone who loves Moloka'i, the properties on Moloka'i are a shameful comparison to those on Lana'i. As the photo below shows, the Lodge at Koele is a beautiful well-kept property with exemplary service. The quality of service and facilities at Koele and Manele are leagues above those at MPL properties. And there is no doubting that the facilities at the MPL properties could easily be brought on par with those on Lana'i, therefore it is simply an issue of management. It is unclear to me why BIL International would think they could manage hotels. In its 2006 annual report, BIL provided no audited report from MPL. **Please from an audited report for MPL for the last five years, providing actual documentation as to MPL's current state of financial despair, which MPL has repeatedly used as justification for this development.**

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There is no doubting from their history that those currently in charge of the MPL properties are completely incompetent and this development project is sure to fail, like every other project undertaken by MPL in their misguided and ill-conceived efforts to "save the ranch." So please provide an explanation as to why a model taken from the model being used on Lana'i would not be a more suitable alternative to the one proposed. Please provide a full and complete analysis, including demographics from both properties and a full history of the management of MPL properties with an assessment as to why they failed.

Conclusion

The turnout for the recent EC election and its results (the supporters of the Lā au Point development being voted out by an overwhelming margin) shows that this project has no community support, please provide a response to as how MPL can still maintain its position that this project has community support in light of the EC election.

Peter, you have stated at public hearings that the community would decide on Lā au. They have said no. Yet, you have moved forward. I personally witnessed your verbal attacks on former MPL employees who were fired when they took a stand against this project. MPL's threats and strong arm tactics cannot be tolerated. Please provide justification

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at community meetings thus cutting off all discussions with the community regarding Lā au Point.



BIL International, MPL's parent company, identifies MPL as a "land development" company. The business of land development is direct opposition to land conservation. MPL, as a domestic corporation, is legally obligated to maximize profits, thus it cannot ever put conservation or native rights above the bottom line. They have therefore been completely disingenuous in their promises to the community. Whereas MPL has done nothing but swindle the community, the LUC must act in the best interest of the land and community and not allow itself to also buy into the swindling of the MPL.

The purpose of the LUC is identified as:

In 1961, the Hawaii State Legislature determined that a lack of adequate controls had caused the development of Hawaii's limited and valuable land for short-term gain for the few while resulting in long-term loss to the income and growth potential of our State's economy. Development of scattered subdivisions, creating problems of expensive yet reduced public services, and the conversion of prime agricultural land to residential use, were key reasons for establishing the state-wide zoning system.

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To administer this state-wide zoning law, the Legislature established the Land Use Commission. The Commission is responsible for preserving and protecting Hawaii's lands and encouraging those uses to which lands are best suited.

Lā'au Point is already zoned appropriately. It need not be changed. The petition area must be preserved and protected. The master plan is irrelevant to this point and any of the trade-offs being offered by MPL should be completely disregarded by the LUC.

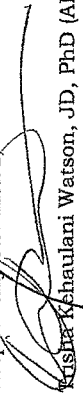
Further, the DEIS is inadequate because it does not focus on the petition area. The mitigation measures are not sufficient, because they do not focus on the petition area. Mitigation and alternatives should be focused on Lā'au Point, not all of MPL's properties. What MPL does on its property outside the petition area should have no bearing on the LUC's decision regarding the boundary amendment. The LUC is obligated to only consider the impact on the petition area, nothing else.

The LUC was created to stop "short term gain for the few" coming at the expense of the whole. Destroying Lā'au Point would only benefit a foreign parent company, while devastating the last truly Hawaiian island.

I have had the privilege of going to Lā'au Point. I have conducted cultural activities there. I have subsistence gathered there. I did not require MPL's help in these processes. I don't need a company to help me be Hawaiian.

You cannot imagine the majesty of Lā'au Point unless you have been there. And we Hawaiians have been finding our way there for thousands of years. What will exist there if this development occurs will not be Lā'au Point. Lā'au Point is the lack of electricity, the lack of running water, more fish than I have ever seen in my life circling my ankles as I stand in the shorebreak, monk seals sleeping on the beach with us. Its difficult access makes it sacred. Makes it special. So few places in Hawai'i like this still exist. It must be protected. And the only way to protect it is to leave it alone.

Respectfully submitted,



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November 1, 2007

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SUBJECT: LĀ'AU POINT DRAFT ENVIRONMENTAL IMPACT STATEMENT

Dear Ms. Watson:

Thank you for your letter dated February 16, 2007 regarding the Lā'au Point Draft Environmental Impact Statement (EIS). We respond to your comments.

Water

1. *The plan fails to say where the water for this project is going to come from. Department of Hawaiian Homelands (DHHL) has already expressed opposition to this project, as the only possible water source is the DHHL water reserves. Your own DEIS acknowledges that "such a scheme appears overly optimistic, or even unrealistic." It is unrealistic as to the amount of water that will be used and the source of this water.*

Response: We acknowledge your comments; however we respectfully disagree. DHHL has not formally expressed opposition to this project. Water sources have been clearly identified in the Draft EIS, Section 4.9.2. Potable water will be obtained from the already permitted 1.018 mgd from Well 17 and continued treatment of surface water from Molokai Ranch's mountain water system. Non-potable water sources include Molokai Ranch's mountain water system and, if permitted, the Kākalahale Well. Potential alternative sources of non-potable water include reclaimed wastewater, reclaimed water from the Palā'au Shrimp Farm, and desalinating brackish or salt water.

The Water Plan Analysis actually states: "At first blush, such a scheme appears overly optimistic, or even unrealistic. However, it is feasible because the Water Plan calls for (1) significantly decreasing current use of potable water for irrigation; (2) increasing efficiencies within existing systems; and (3) aggressive water conservation strategies." [Emphasis added.]

Environmental Justice

2. *The increased encroachment of luxury development on the island of Molokai would be devastating. Whereas recent state legislation is calling for an increasing awareness of environmental justice issues in Hawaii, the DEIS provides no analysis of the potential Diasporatic effect this development will have on the island of Molokai. There is no doubt that such a development would impact surrounding land prices. On an island like Molokai, this means the entire island. Steeply increased property taxes would result in a severe negative impact on this island community. Would it force members of this primarily Native Hawaiian population off the island? I fundamentally disagree with the Hallstrom Group's analysis of the impact of development on real property taxes. Through the process of gentrification, we have seen how the development of new homes, even those "not [] comparable to the existing real estate" have been shown to eventually have a devastating impact on the existing real estate. Eventually, the needs of the new residents encroach upon the existing*

Ms. Trisha K. Watson

SUBJECT: LĀ'AU POINT DRAFT ENVIRONMENTAL IMPACT STATEMENT
November 1, 2007

Page 2 of 12

community. The reality of gentrification has been devastating for low-income and ethnically marginalized communities throughout the United States, and there is not evidence provided to even suggest that what has already begun throughout Hawaii would not occur on Molokai with the Lā'au Point development.

Response: We acknowledge that you disagree with the Hallstrom Group's analysis of the impact on real property taxes. We, however, agree with the Hallstrom Group's analysis provided in Appendix L of the Draft EIS. The analysis provides that Lā'au Point would not compete in the same market or market area of other Molokai properties. Therefore, in response to your question ("Would it force members of this primarily Native Hawaiian population off the island?"), no, Lā'au Point would not "force" any member of the population off the island.

Social Impacts and Cultural Impacts

3. *Your social and cultural impact statement is completely inadequate. It is nothing short of baffling that the cultural impact statement supports the development when the author's own book does not. Therefore, exactly how much was you're the author of the cultural impact statement paid for her services? The author has made public claims that the money has gone into a trust, please submit evidence of that transaction.*

Response: As stated on page 6 in the Cultural Impact Assessment (provided as Appendix F of the Draft EIS), Dr. Davianna Pomaika'i McGregor conducted the cultural impact assessment on a pro bono basis so that the fee she would have received can be contributed to the Molokai Land Trust to support its mission. Her book supports the protection of cultural kīpuka by the kua'āina who have lived in rural communities for generations. There are kua'āina on both sides of the project's proposal to develop a rural residential subdivision on the west and south shores adjacent to Lā'au Point. These kua'āina support different strategies to protect the island of Molokai as a cultural kīpuka.

4. *In her book, Na Kua āina, McGregor acknowledges that traditional sources on the topic of Molokai "convey the image of Molokai as a child- small and fragile — that needs to be nurtured by the people who live there." Yet, the DEIS asks for outsiders to come in and care for the wahi pana of Lā'au Point. How could 499 strangers possibly care of a sacred place that's been in the care of Native Hawaiians for thousands of years?*

Response: Given that the area proposed for development has been the private property of Molokai Ranch, the primary cultural practitioners of the area are current and former Molokai Ranch cowboys and employees, their 'ohana and longtime kama āina residents of the Maunaloa community. The *Community-Based Master Land Use Plan for Molokai Ranch* (Master Plan) outlines cultural principles and policies for the establishment and management of a Cultural Protection Zone and Subsistence Management Zone, including areas of the proposed Lā'au Point project. The Master Plan is provided in its entirety as Appendix A of the Draft EIS.

Extraordinary measures will be taken by the Molokai Land Trust in cooperation with the homeowners, to work with the longtime residents of Maunaloa and longtime ranch cowboy and employee families, to protect subsistence hunting and fishing. These measures will also protect the quality of the cultural sites, complexes, and resources.

Ms. Trisha K. Watson

SUBJECT: LĀ'AU POINT DRAFT ENVIRONMENTAL IMPACT STATEMENT
November 1, 2007

Page 3 of 12

5. *Her book additionally points out a report from the University of Hawaii that noted: "if tourist activities were expanded [on Molokai, they would encroach on traditional gathering spots. A resulting decline in supply of wild foods, coupled with a lessened interest in gathering due to competing forms of entertainment and increased demands on time, would effect a decrease in wild food exchange." Please specifically articulate a response to this statement and its apparent inconsistencies with the DEIS.*

Response: If this concern addresses the planned re-opening of the Kaluako'i Hotel, the impact on the marine resources occurred with the original development of the Kaluako'i Hotel and resort complex and the Pāpōhaku Subdivision. Key informants noted that the opening of the West End of Molokai and off-island boaters severely impacted the marine resources along the West Coast from 'Ilio Point to Lā'au Point. In the Molokai Responsible Tourism Study conducted by Professor McGregor in 2006, 48 out of the 50 key informants interviewed supported reopening the Kaluako'i Hotel. At this point in time, there are only two hotels on Molokai, the Hotel Molokai and the Lodge and Beach Village. Otherwise, visitors stay in vacation rentals and bed and breakfast accommodations. The re-opening of Kaluako'i Hotel can serve as an important economic engine to the island's economy. These tourism issues were discussed in Section 4.8.4 of the Draft EIS.

6. *Her book also points out another study, which found 'the preferred way of life on Molokai was closely associated with rural living. Hawaiian culture, slow pace, everybody knowing everybody, family togetherness, and living off the land. Tourism, development, and high prices of were inconsistent with the preferred way of life on the island.' This is consistent with the public outcry against the Lā'au Point development, so please explain how you can continue to justify a proposed development that is inconsistent with the Molokai way of life - as explained by the author of your cultural impact statement - and still claim this project has any public support.*

Response: Many community leaders, who have been at the forefront of protracted grassroots battles against previous extravagant development schemes of Molokai Ranch, view the Master Plan as a reasonable and balanced approach that empowers the community to: manage premier Native Hawaiian legacy lands; control population growth; curb land speculation; and create economic opportunities. They firmly trust that they will be able to closely monitor and manage the proposed development at Lā'au Point, which they believe will be the last major development on Ranch lands – forever. They are committed to protecting the cultural sites as well as the natural resources needed for subsistence hunting and fishing.

Master Plan and project opponents continue to distrust the Ranch, reject any compromise, and have drawn a battle line at Lā'au. Some seek alternative sustainable development to finance the Master Plan. Others want to find a conservation buyer or believe that they can raise funds to buy out the Ranch at a projected \$100 million. And some zealously feel that the community has stopped the Ranch in the past, can stop the Ranch now, and can continue to fight against any development scheme of any future buyer or group of buyers.

The proposed Lā'au Point project would potentially increase the Maunaloa population back to the level that it was before the pineapple plantation phased out. According to the 1970 census, Maunaloa was a bustling town of 872 people. At that time, there was a full-service gas station, a large grocery store, restaurants, and a full elementary school. The 2000 census reported the

Ms. Trisha K. Watson

SUBJECT: LĀ'ĀU POINT DRAFT ENVIRONMENTAL IMPACT STATEMENT

November 1, 2007

Page 4 of 12

population of Maunaloa as 230 people. The gas station is only open for a few hours a day, the grocery store has a limited number of items, the only restaurant is part of the Molokai Ranch Lodge Hotel, and the elementary is sparsely enrolled. Even with the development of the Kaluako'i Resort and subdivision in the 1970s and 80s, the overall population of West Moloka'i only increased by 53 from 2,515 in 1970 to 2,568 in 2000. Rather than increasing traffic and demand for limited parking spaces in Kaunakakai, or lengthening lines in the Kaunakakai grocery stores, the proposed project could breathe new economic life to revive Maunaloa and relieve the pressure on Kaunakakai.

In contrast to Maunaloa, the population of East Moloka'i nearly doubled from 2,574 in 1970 to 4,688 in 2000. Moloka'i families have been selling lands to persons from off-island, one-by-one, lot-by-lot. The cumulative impact of this unmanaged growth is that the prices of land, houses, and property taxes have risen beyond the reach of many of the upcoming generation raised on the island. Some of the newcomers are only seasonal residents, and rent out their homes as vacation rentals when they are away, which has changed the close-knit quality of neighborhoods. The demographic changes already witnessed in East Moloka'i have made the longtime residents of Moloka'i fearful of the proposed development of 200 new lots potentially priced at \$1 million or higher. These fears provide fertile ground for opponents of the Master Plan and their campaign against development on the south and west shores of the island. It is especially appealing to the young generation and those who are not from Moloka'i. They are either too young or unfamiliar with Moloka'i before the plantations closed to remember the level of the population and related social and economic activity in Maunaloa during that period.

The "no action" alternative (discussed in Section 6.1 of the Draft EIS), which opponents advocate, would ultimately lead MPL to close down its ranch operations and either land bank the property for the future or put the lands up for sale. Employment would be reduced to 10 full-time staff, tourist expenditures would be lost, and local businesses at Maunaloa and elsewhere would be affected. This, in turn, will increase the need for County and State social services.

While the "no action" alternative would reduce the immediate demand on water resources and leave Lā'āu undeveloped, in the long run, when combined with the inevitable alternative of bulk or "Piece-Meal" sale of MPL lands, it would increase the level of development, not only at Lā'āu, but on all Ranch lands, and increase the demand for water. Under the existing Moloka'i Community Plan and County zoning, MPL lands can be sold to potentially eight times the number of new landowners proposed in the Master Plan (see Section 6.2 of the Draft EIS). If sold to an investment corporation, land can be developed beyond the proposed 200 two-acre lots. The U.S. Marine Corps has already indicated that it would purchase or lease Ranch lands now slated for development on the Western coast for amphibious landings exercises. The impact to cultural sites and natural resources utilized for subsistence, cultural and spiritual purposes would be far greater than what is projected in the proposed development (see Section 6.6 of the Draft EIS). The "no action" would ultimately evolve into the worst case scenario for Moloka'i.

7. *Name one case in Hawai'i's history where a development has led to increased Native Hawaiian rights. The fanciful notion that any development would lead to enhancing indigenous rights is absurd. Despite claims made in the DEIS, it is far more likely and consistent with the history of development in Hawai'i that indigenous rights would be negatively affected by this development.*

Ms. Trisha K. Watson

SUBJECT: LĀ'ĀU POINT DRAFT ENVIRONMENTAL IMPACT STATEMENT

November 1, 2007

Page 5 of 12

Hopefully wishing that this project will somehow bear different results that every other development that has ever come before it in Hawai'i simply is not enough to make it so.

Response: You request that the EIS "name one case in Hawai'i history where a development has led to increased Native Hawaiian rights." The EIS makes no allusions to this assumption. In addition, it is not the responsibility of the EIS to cite cases or make comparisons and examinations to other projects. The purpose of the EIS is to disclose environmental effects of the proposed action (please refer to HAR §11-200-12 Significance Criteria).

The overall Master Plan will repatriate 26,200 acres to the community through the Moloka'i Land Trust and place 24,950 acres into protective easements which will be managed by the Moloka'i Land Trust. Among the lands to be donated to the Moloka'i Land Trust are cultural sites and landscapes that are important for all Native Hawaiians. As previously discussed in Section 4.2 of the Draft EIS, these include:

- The ancient burial ground in the sand dunes at Kawa'āloa Bay. This is one of the most famous and largest burial grounds in all of the islands. At one time, the Ranch allowed the mining of sand here and disturbed the burials. The Ranch also planned to develop a resort here. Now, these sacred grounds will be permanently protected under the Land Trust.
- Kā'ama, the birthplace of the hula, which originated on Moloka'i and spread to other islands.
- Nā'īwa, the only intact traditional makahiki grounds in the islands. This extensive area was once threatened by the development of a golf course. It will now be protected forever.
- Village sites at Kawākiu, which could be under threat from the current designation in the Moloka'i Community Plan, will now be permanently protected.
- Burial mounds at Kawela, which at one time were threatened by development, will be protected under the Land Trust.
- Key subsistence fishing grounds from Konelele to 'Īlio Point and from Pālā'au over to Hale O Lono, including Hālena and Kolo.
- The historic Paka'a house sites, upland sweet potato gardens, and connecting trails.
- Pu'u of Kaiaka, which was saved from development.
- Kamāka ipō Gulch will be preserved.
- Under the Master Plan, commercial hunting will cease at the end of December 2007 and only subsistence hunting will continue.

The area proposed for development has been privately owned since 1875 and access to it has been restricted to the owners, shareholders, cowboys, and employees of Molokai Ranch and their families. Under the Master Plan, access to the area will be open by foot and the entry points will be located at Kamāka ipō on the western shore and Pu'u Hakima, on the south shore. These access points are much closer than the current entry points at Dixie Maru on the west shore and Hale O Lono on the south shore.

8. *Further, the DEIS is completely inappropriate and insulting in its analysis of potential impacts and mitigation measures. The DEIS states that the social tension created by this proposed development "have been related to expectations and preconceptions of other social groups." They cite race as a factor. It's not race, it's culture. And it's insulting for the DEIS to imply that it's about anything else.*

Ms. Trisha K. Watson

SUBJECT: LĀ'AU POINT DRAFT ENVIRONMENTAL IMPACT STATEMENT

November 1, 2007

Page 6 of 12

Response: The Draft EIS summarizes the findings of a full Social Impact Assessment (SIA) that is provided as Appendix M.

The SIA identifies "expectations of conflicting values and unfair treatment" as a potential impact on the social environment. We agree that social impacts are not about race, but about the various aspects that comprise culture. These may be influenced by gender, economic class, age, religion, politics, occupation, and lifestyle. The SIA further notes the bases for these expectations vary, including cultural mores, which you excluded in your comments, the media, experience, parents, authority, etc. The SIA found that people have many expectations of the new residents, and these expectations are especially negative for those who oppose the project.

Other impacts to the social environment that are discussed in the SIA include community conflict, social interactions, and relationships and community experience at Lā'au Point.

While we agree that the social battles of the people of Moloka'i are historic, we disagree that the community has galvanized against this project. Like other controversies, such as the proposal to allow cruise ships to land in Moloka'i and the University of Hawai'i patent applications for genetically-modified taro, there are at least two sides to the issue. Lā'au Point and the Master Plan are no exception. While project and Master Plan opponents were the most vocal in expressing their views, the SIA heard from many people who offered their thoughtful and sometimes complex reactions to Lā'au Point and Master Plan. There were pros and cons to both the Master Plan and Lā'au Point, and the complexity of people's reactions was presented in Section 4.4 of the SIA.

9. *Molokai is unique. The kamaaina (the Native children of that place) are unique. There is culture to Molokai. It is different from Oahu, Maui, Kauai and certainly places outside Hawaii. And people who are not familiar with the ways of Molokai can upset that culture. Those of us who do not live on Molokai know and appreciate this. And the idea that culture and simply be taught in a few one-hour workshops is ridiculous. Culture is living and fluid; it cannot be bottled up into a CC&R or forced upon people. On one hand, they say the new residents will be isolated and not impact the culture. On the other, they say they're going to be forced to fit right in. All this double talk is just an effort to manage the overwhelming opposition to this project and hide the fact that MPL's snake-oil selling has disrupted this small island community. The only threat to the culture of Molokai is MPL. MPL knows this. And to turn around and say that the residents are inappropriately apprehensive is insulting to them. They are smart, wonderful, caring people. They are not easily swayed by "the media, experience, parents, authority, etc." They know what they have lived and what they have seen. They are rightfully apprehensive because they have lived through threats to their land and community. The social battles of the people of Molokai are historic. And the fact that the community has galvanized against this project only speaks to how wrong it is for this community.*

Response: Admittedly, educational classes for landowners, vacationing or permanent, are a new approach to a decades old problem of disconnect between new landowners from outside Hawai'i and the local and Native Hawaiian communities.

We assume that educating new residents would have a better effect than if new residents were not educated at all. It is very likely that new buyers will be willing to attend classes to learn how

Ms. Trisha K. Watson

SUBJECT: LĀ'AU POINT DRAFT ENVIRONMENTAL IMPACT STATEMENT

November 1, 2007

Page 7 of 12

to protect the environmental resources and Moloka'i lifestyle and culture. This is already occurring, whereby relatively newer residents are participating in environmental advocacy and protection efforts.

Currently, MPL allows limited beach access for MPL employees and Maunaloa residents to the area projected for residential development. It is mandatory that employees and their guests view a conservation video in order to qualify for a beach pass. This system has worked well and received the cooperation of those who have used beach passes.

In addition, homeowners and the Moloka'i Land Trust, together with Ranch employees and longtime residents of the Kalaiko'i ahupua'a, will jointly manage access and conservation of the natural and cultural resources along the west and south shoreline adjacent to Lā'au Point. This joint management responsibility will be ongoing in order to engender cooperation between the homeowners, the Moloka'i Land Trust, the Molokai Ranch employees and the longtime Maunaloa kama'āina in the management of the cultural and natural resources of the southwest coast of the island of Moloka'i.

Natural Resources

10. *In looking at the DEIS response from NOAA, there is little doubt that this development will have serious negative impacts on the natural resources at Laau Point. Laau Point has a thriving monk seal population, as shown in these photos I personally took on the recent visit. It is mind-boggling to me that anyone would consider a development at this site when shark populations are being killed in the Northwestern Hawaiian Islands to protect monk seals there. As someone who sat on the Northwestern Hawaiian Island Cultural Working Group and was asked to vote on the taking of sharks from the Northwestern Hawaiian Islands to protect monk seals, I am greatly insulted that we are not affording this thriving monk seal population similar consideration. Why has there not been a more thorough study to look at the impact this development will have on this fragile population of monk seals? And why is development being considered in this area when we are going to such extreme measures to protect endangered animals and sites in other areas?*

Response: We consulted with the National Oceanic and Atmospheric Administration (NOAA) National Marine Fisheries Service about the monk seal population at Lā'au Point. The shoreline access management plan (SAMP) contains a plan and recommendations developed in consultation with the National Oceanic and Atmospheric Administration (NOAA) Monk seal program and elements were taken directly from their draft *Recovery Plan for the Hawaiian Monk Seal* (November 2006).

The SAMP also provides rules to ensure non-disturbance of Hawaiian monk seal habitat and the promotion of Lā'au Point as an area for Hawaiian monk seals to frequent and "haul out." Rules have been developed on removal of gear, the use of certain types of gear, and responses to Hawaiian monk seal sightings. No domestic pets and animals (including hunting dogs) will be allowed in the managed area. The use of toxins and pesticides is specifically prohibited and equipment will be purchased for cordoning off areas where Hawaiian monk seals have come ashore.

To ensure that the project does not alter behavior of Hawaiian monk seals that visit the area, residents and visitors will be educated about possible interaction with these animals and the

Ms. Trisha K. Watson

SUBJECT: LĀ'ĀU POINT DRAFT ENVIRONMENTAL IMPACT STATEMENT

November 1, 2007

Page 8 of 12

appropriate human behavior for that interaction. Appropriate protocol if one encounters a Hawaiian monk seal on the beach is to notify National Marine Fisheries Service (NMFS), who will check if the animal is injured or entangled, then put tape around the site to keep people from approaching too closely. Due to the lack of available NMFS staff on Moloka'i, a Resource Manager will monitor the Lā'āu shoreline area daily.

The established mitigation measures for protecting hauled-out monk seals have been generally effective elsewhere in the Main Hawaiian Islands, and this segment of the monk seal population appears to be increasing. Prohibition of domestic animals from the shoreline may be of greater significance in limiting behavioral disturbances.

To reflect the above information in the Final EIS, as well as to address other questions and concerns regarding monk seals, Section 3.7 (Fauna) of the Final EIS has been revised as shown on the attachment titled, "Revised Section 3.7 (Fauna)". The SAMP has been included as an appendix to the Final EIS.

Mismanagement

11. *MPL has mismanaged its Molokai properties for years. Now it's trying to whore off Laau Point to compensate for this mismanagement. One very viable alternative not explored in the DEIS, and one that must be considered, is having another company come in and manage the existing properties. Why are the MPL properties failing while similar properties on Lanai are thriving? [The comparisons between Lanai and Molokai are extremely noteworthy. Both have small populations. Both have lodges and hotels. Lanai thrives while Molokai falters. Yet, Molokai has more tourist traffic. More flights. More car rentals. More Hawaiian cultural sites and other historic sights. By all reasonable standards, Molokai's properties should be doing better. The difference is management. MPL should follow Rupert Murdoch's lead. He owns the island of Lanai, yet the hotels are managed by another group, currently the Four Seasons. As a result of proper management, the hotels on Lanai are thriving. As someone who has been to the properties on both Molokai and Lanai, and as someone who loves Molokai, the properties on Molokai are a shameful comparison to those on Lanai. As the photo below shows, the Lodge at Koele is a beautiful well-kept property with exemplary service. The quality of service and facilities at Koele and Manete are leagues above those at MPL properties. And there is no doubting that the facilities at the MPL properties could easily be brought on par with those on Lanai, therefore it is simply an issue of management.*

Response: We acknowledge your comments comparing the different management of Lāna'i and Moloka'i. Without getting into an unnecessary debate, we respectfully disagree with your opinions regarding how "Lāna'i thrives while Moloka'i falters." As previously referenced (HAR §11-200-12 Significance Criteria), we note that it is not within the scope of the EIS to make comparisons to the business plans other projects. This project is evaluated on its own merits.

In addition, the Social Impact Assessment (Appendix M of the Draft EIS) examined Lāna'i and found that the Lāna'i model illustrates how a rapid shift from a single-product agribusiness to a resort and luxury development caused significant social disruption. The social impact assessment further found that implementation of the Lā'āu Point project would not result in similar social conditions. Moloka'i has traditionally exhibited self-reliance and independence, whereas Lāna'i residents historically accepted the decisions of the island's predominant employer. Also, whereas Lāna'i had only one option for change, Moloka'i has multiple options for change.

Ms. Trisha K. Watson

SUBJECT: LĀ'ĀU POINT DRAFT ENVIRONMENTAL IMPACT STATEMENT

November 1, 2007

Page 9 of 12

including economic forces and development projects. Therefore, the economic disparities that exist on Lāna'i are not expected to occur on Moloka'i due to the Lā'āu Point project.

12. *It is unclear to me why BIL International would think they could manage hotels. In its 2006 annual report, BIL provided no audited report from MPL. Please from an audited report for MPL for the last five years, providing actual documentation as to MPL's current state of financial despair, which MPL has repeatedly used as justification for this development.*

Regarding your request to provide an audited report for MPL for the last five years, MPL is an operating subsidiary of BIL International and its accounts are not audited under Generally Accepted Accounting Principles (GAPP). In addition, MPL is a privately-held corporation not traded on public exchanges; therefore, we do not have to disclose our internal financial audits to the public.

13. *There is no doubting from their history that those currently in charge of the MPL properties are completely incompetent and this development project is sure to fail, like every other project undertaken by MPL in their misguided and ill-conceived efforts to "save the ranch." So please provide an explanation as to why a model taken from the model being used on Lanai would not be a more suitable alternative to the one proposed. Please provide a full and complete analysis, including demographics from both properties and a full history of the management of MPL properties with an assessment as to why they failed.*

Response: Although we acknowledge your comment regarding Lāna'i's tourism model, we disagree that it should be applied to Moloka'i. We direct you to read the *Moloka'i Responsible Tourism Initiative Report* (McGregor 2006) regarding Moloka'i's community-based tourism model. The report can be found at: <<http://hinet.hawaii.dp.org/molokai/visitorindustry.htm>>

Conclusion

14. *The turnout for the recent EC election and its results (the supporters of the Laau Point development being voted out by an overwhelming margin) shows that this project has no community support, please provide a response to as how MPL can still maintain its position that this project has community support in light of the EC election.*

Response: We respectfully disagree with your conclusion that there is a direct correlation between the election results and the project. The EC Board election was not a mandate for the Lā'āu Point project. Therefore, an EC vote to put some opponents on the organization's board does not necessarily prove the community is against the Master Plan.

The election held on January 31, 2007 was for two board members the Moloka'i Enterprise Community (EC) Governance Board. While some candidates ran on platforms that included stances on the proposed development at Lā'āu Point, the proposed development at Lā'āu Point is not a project of the EC.

The EC facilitated the Master Plan community-based planning process (as discussed in Section 2.1.6 of the Draft EIS), and later voted to support the Master Plan based on the strong recommendation from the Land Use Committee. The EC has also stated that the Master Plan represents the fulfillment at the highest levels of the key principles of the USDA's

Ms. Trisha K. Watson

SUBJECT: LĀ'ĀU POINT DRAFT ENVIRONMENTAL IMPACT STATEMENT

November 1, 2007

Page 10 of 12

Empowerment Zone/ Enterprise Community program, which are: 1) Economic Opportunity; 2) Sustainable Community Development; 3) Community-based Partnerships; and 4) Strategic Vision for Change.

A total of 1,284 voters turned out for the January 31, 2007 EC election, casting a total of 2,541 votes (2 votes per person minus 27 abstentions and voided ballots). This turnout, while record-setting for EC elections, represents only 25.6% of Moloka'i residents over 18 (According to the 2000 Census, the Moloka'i population over 18 years of age is 5,015). Bridget Mowat and Leila Stone, who won the two seats and campaigned on an "anti-Lā'āu" platform, received a combined 1,683 votes, or 65.5%, equivalent to 841.5 voters. A total of 841.5 voters represent only 16.8% of Moloka'i's eligible voting age population.

To assume that an election for Board Directors of a private nonprofit corporation is equivalent to a referendum on the Master Plan or a mandate for the Lā'āu Point project, no matter what the candidates' platforms, is not only a misrepresentation of fact on many levels, but could also be seen as disenfranchising the other 3,731 eligible Moloka'i residents (74.4%) who did not turn out to vote.

A community vote on the Master Plan never occurred; there is no provision for one. Regulatory organizations are charged with making the decisions on entitlement issues such as with Lā'āu Point. The EC election was for Board Directors that have no such regulatory power.

15. *Peter, you have stated at public hearings that the community would decide on Laau. They have said no. Yet, you have moved forward. I personally witnessed your verbal attacks on former MPL employees who were fired when they took a stand against this project. MPL's threats and strong arm tactics cannot be tolerated. Please provide justification at community meetings thus cutting off all discussions with the community regarding Laau Point.*

Response: We strongly disagree with your statements about MPL. Since Peter Nicholas became CEO in 2002, MPL has never fired any employee for taking a position against the Master Plan, nor taken "strong-arm tactics" against those who are against the Master Plan.

16. *BIL International, MPL's parent company, identifies MPL as a "land development" company. The business of land development is direct opposition to land conservation. MPL, as a domestic corporation, is legally obligated to maximize profits, thus it cannot ever put conservation or native rights above the bottom line. They have therefore been completely disingenuous in their promises to the community. Whereas MPL has done nothing but swindle the community, the LUC must act in the best interest of the land and community and not allow itself to be swindled by the MPL.*

Response: We disagree with your assumption. The Nature Conservancy and other land trust organizations often partner with large land owners and "land development" companies to preserve open space.

The Moloka'i Land Trust, a private, non-profit corporation organized under Hawai'i State Statute HRS-414D and with a determination from the Internal Revenue Service as a public charity under code 509(a)3, will receive over 50,000 acres from MPL in the form of land donations and easements. The Land Trust has adopted the same standards and practices of the

Ms. Trisha K. Watson

SUBJECT: LĀ'ĀU POINT DRAFT ENVIRONMENTAL IMPACT STATEMENT

November 1, 2007

Page 11 of 12

Land Trust Alliance, which is a national organization that focuses on providing support to land trusts. The Land Trust Alliance standards and practices can be reviewed at < <http://www.lta.org/sp/index.html> >.

17. *The purpose of the LUC is identified as: In 1961, the Hawaii State Legislature determined that a lack of adequate controls had caused the development of Hawaii's limited and valuable land for short-term gain for the few while resulting in long-term loss to the income and growth potential of our State's economy. Development of scattered subdivisions, creating problems of expensive yet reduced public services, and the conversion of prime agricultural land to residential use, were key reasons for establishing the state-wide zoning system. To administer this state-wide zoning law, the Legislature established the Land Use Commission. The Commission is responsible for preserving and protecting Hawaii's lands and encouraging those uses to which lands are best suited. Laau Point is already zoned appropriately. It need not be changed. The petition area must be preserved and protected. The master plan is irrelevant to this point and any of the trade-offs being offered by MPL should be completely disregarded by the LUC.*

Response: The current State land use zoning for Lā'āu Point is Agricultural, Section 6.0 of the Draft EIS provided analyses of various alternatives that would not require a zone change. After examining these various alternatives, we consider the proposed project to be the preferred alternative.

18. *Further, the DEIS is inadequate because it does not focus on the petition area. The mitigation measures are not sufficient, because they do not focus on the petition area. Mitigation and alternatives should be focused on Laau Point, not all of MPL's properties. What MPL does on its property outside the petition area should have no bearing on the LUC's decision regarding the boundary amendment. The LUC is obligated to only consider the impact on the petition area, nothing else.*

Response: The Lā'āu Point project is one of the elements of in the Master Plan. Successful implementation of the Master Plan depends on the Lā'āu Point project. A discussion of the Master Plan is necessary to place into context the breadth of measures available to mitigate the environmental, social and cultural impacts of the project. The State Land Use District Boundary Amendment Petition on Lā'āu Point before the Land Use Commission, if approved, would not represent the LUC's approval of the Master Plan.

19. *The LUC was created to stop "short term gain for the few" coming at the expense of the whole. Destroying Laau Point would only benefit a foreign parent company, while devastating the last truly Hawaiian island.*

Response: We disagree. This project and the Master Plan provide benefits for the entire Moloka'i community. These benefits include the donation of 26,200 acres to the Moloka'i Land Trust and Community Development Corporation, restrictive easements on another 24,950 acres of Molokai Ranch land, preservation of cultural and archaeological sites, increased subsistence gathering access, and permanent parks and open space. Appendix A of the Draft EIS contains the Master Plan in its entirety.

Ms. Trisha K. Watson
SUBJECT: LA'AU POINT DRAFT ENVIRONMENTAL IMPACT STATEMENT
November 1, 2007
Page 12 of 12

The Master Plan process set the stage for Moloka'i's future—a future in which self-determination by the island's residents is assured. It is from the implementation of this Plan and the Lā'au Point project that more than 50,000 acres (85 percent) of MPL's property would be protected from development in perpetuity. It is also from this Master Plan and project that MPL's future as a major island employer is preserved.

20. I have had the privilege of going to Laau Point. I have conducted cultural activities there. I have subsistence gathered there. I did not require MPL's help in these processes. I don't need a company to help me be Hawaiian. You cannot imagine the majesty of Laau Point unless you have been there. And we Hawaiians have been finding our way there for thousands of years. What will exist there if this development occurs will not be Laau Point. Laau Point is the lack of electricity, the lack of running water, more fish than I have ever seen in my life circling my ankles as I stand in the shorebreak, monk seals sleeping on the beach with us. Its difficult access makes it sacred. Makes it special. So few places in Hawaii like this still exist. It must be protected. And the only way to protect it is to leave it alone.

Response: We acknowledge your comments. We note that during the Master Plan process, the Land Use Committee made multiple visits to Lā'au Point as well.

Thank you for participating in the EIS process. Your letter will be included in the Final EIS.

Sincerely,



Peter Nicholas
President and CEO
Molokai Properties Limited

Attachment: Revised Section 3.7 (Fauna)

cc: Anthony Ching, State Land Use Commission
Office of Environmental Quality Control
Jeff Hunt, Maui Planning Department
Thomas S. Witten, PBR HAWAII



January 16, 2007

Tyson K. Santiago
c/o Walter Ritte
P O Box 486
Kaunakakai, HI 96748

SUBJECT: Lā'au Point Draft Environmental Impact Statement (EIS) Public Comment Period

Dear Mr. ~~Santiago~~ *Tyson*

We have received your request for an extension of the public comment period for the Lā'au Point Draft Environmental Impact Statement (EIS).

Molokai Properties Limited will extend the deadline for comments from February 6 to February 23, 2007.

State law (Chapter 343, HRS) requires a 45-day public comment period for Draft EISs. The original 45-day public comment period for the Lā'au Point Draft EIS is from December 23, 2006 to February 6, 2007.

The extension to February 23 will provide for a public comment period of 63 days.

We look forward to your comments on the Lā'au Point Draft EIS and your participation in this public review process.

Sincerely,

John Sabas
General Manager of Community Affairs
Molokai Properties Limited

cc: Anthony Ching, State Land Use Commission
Genevieve Salmonson, Office of Environmental Quality Control

Thomas G. Witten

The Santiago Ching request a 60 day extension to respond to EIS Public Comment process. Lā'au Point is very special to rush through this would deeply impact many. Your time is greatly appreciated.

Tyson K. Santiago & Ohana

SAVE LAHU POINT

KEEP Molokai, Molokai

**VALERIE MONSON
175 KEALALOHA AVENUE
MAKAWAO, MAUI, HAWAII 96768**

FAX SUBMITTAL (808)587-3877 (2-page letter)

January 23, 2007

Mr. Anthony Ching, Executive Officer
State Land Use Commission
PO Box 2359
Honolulu, Hawaii 96804

SUBJECT: Comment on La'au Point Draft Environmental Impact Statement (DEIS)

Dear Mr. Ching,

I am writing to set the record straight on my so-called "active participation" in the development of Molokai Ranch's master land use plan that includes the development of 200 luxury lots at La'au Point.

In reviewing the Ranch's draft environmental impact statement, I was shocked to see that I was listed in Appendix A as a member of both the Economic Sub-Committee and the Environmental Sub-Committee that were apparently organized by the Ranch to gain community input on its plan.

I was even more surprised to read on Page 33 that the Ranch described the members of these sub-committees as "the most active participants during the process."

For the record, more than two years ago when I traveled to Molokai as a reporter for The Maui News, I recall attending one committee meeting, as background for a possible story. It was very early in the process. I did not actively participate in any meeting - in my 30 years as a reporter, I never actively participated or testified at meetings that I wrote about. I took some notes and photographs while on Molokai, and if anything, asked questions after the meeting. Several months later, I wrote a story on the proposed plan, but I conducted fresh interviews over the phone. I did not use any information, or the photographs, from my earlier visit to Molokai.

Since I live on Maui, it would have been most difficult for me to be one of the "most active participants" of this process.

Mr. Anthony Ching
January 23, 2007
Page 2

Without taking a stand on whether I support the plan or not, what troubles me is that the Ranch continually claims in its publicity materials that the plan has broad-based community support and that it was developed by more than 1,000 people at many meetings. In the draft EIS, the Ranch states on Page vii: "More than 1,000 Molokai residents participated in the planning process, which involved long hours of impassioned debate, critical thinking and soul-searching."

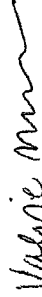
If I am one of the "most active participants" in the process, that would make me wonder how active the other 1,000 people were.

The Ranch was asked in the draft EIS to explain the extent of my participation. The ranch replied that it "is not possible to quantify the extent of Ms. Monson's participation regarding the development of the Plan." How can you describe me and other so-called members of these subcommittees as the "most active participants" in one breath and then say you can't quantify my level of participation in the next?

This is not an easy letter for me to write. I have friends on both sides of the La'au issue and, during my 18 years of covering Molokai for The Maui News, I have always tried to be fair and report all sides of a controversy. I did not intend to get involved in this very sensitive matter - and do not plan to get involved in it further, but when I saw my name used incorrectly by the Ranch, I had to write to set the record straight.

Thank you for your time.

Sincerely,



Copies:

- Genevieve Salmonson, Director, Office of Environmental Quality Control
- Danny Mateo, Maui County Council, Molokai
- Charmaine Tavares, Mayor, Maui County
- Jeff Hunt, Director, Maui County Planning Department
- Molokai Planning Commission
- Peter Nicholas, President and CEO, Molokai Ranch
- Isaac Hall, Attorney for Molokai Ranch
- Tom Whitten, President PBR Hawaii, Molokai Ranch Planning Consultant



November 1, 2007

Valerie Monson
175 Kealahou Avenue
Makawao, Hawaii 96768

SUBJECT: LA'AU POINT DRAFT ENVIRONMENTAL IMPACT STATEMENT

Dear Ms. Monson:

Thank you for your comments regarding the La'au Point Draft Environmental Impact Statement (EIS). We would like to respond to your comments.

We recognize your concern; however, as you know, sign-in sheets were provided at every meeting. Since you signed your name on the sign-in sheets, you were included as a participant, whether you spoke at the meetings or not. This was done in good faith.

We suggest that also you contact the Enterprise Community (EC) to record your concerns and seek a clarification of your participation in any future Master Plan document revision.

Thank you for your participation in the EIS process. Your letter will be included in the Final EIS.

Sincerely,

A handwritten signature in dark ink, appearing to read "Peter Nicholas".

Peter Nicholas
President and CEO
Molokai Properties Limited

Cc: Anthony Ching, State Land Use Commission
Office of Environmental Quality Control
Jeff Hunt, Maui Planning Department
Thomas S. Witten, PBR HAWAII

O:\JOB\171733-10 Molokai Ranch-Laau Pt EIS\EIS\DEIS\Comment letters\Responses\Individuals\Final\Valerie Monson.doc

January 7, 2006
P.O. Box 1962
Kaanakakai, HI
96748

Shirley S. Winton
PBR Hawaii
1001 Bishop Street
ASB Young Suite 650
Honolulu, HI 96813

Dear Mr. Winton
Please extend the period of time
to respond to your draft EIS
on Lā'au Point as I have had 2
sets of family and will have
another set of friends visiting
the island since Christmas and
the enormity of your EIS is
overwhelming. It took so much
a great amount of time.
I request 60 days beyond February
6, 2006.

Thank you for your courtesy &
cooperation.
Sincerely,

Shirley S. Winton

cc: Anthony Ching.



January 16, 2007

Mrs. Victoria Kapuni
P.O. Box 1962
Kaanakakai, Hawaii 96748

SUBJECT: Lā'au Point Draft Environmental Impact Statement (EIS) Public Comment Period

Dear Mrs. Kapuni:

We have received your request for an extension of the public comment period for the Lā'au Point Draft Environmental Impact Statement (EIS).

Molokai Properties Limited will extend the deadline for comments from February 6 to February 23, 2007.

State law (Chapter 343, HRS) requires a 45-day public comment period for Draft EISs. The original 45-day public comment period for the Lā'au Point Draft EIS is from December 23, 2006 to February 6, 2007.

The extension to February 23 will provide for a public comment period of 63 days.

We look forward to your comments on the Lā'au Point Draft EIS and your participation in this public review process.

Sincerely,

John Sabas

John Sabas
General Manager of Community Affairs
Molokai Properties Limited

cc: Anthony Ching, State Land Use Commission
Genevieve Salmonson, Office of Environmental Quality Control

Laaupoint questions for EIS

Laaupoint questions for EIS

QUESTIONS SUBMITTED FOR DRAFT EIS ON LA AU POINT TO PBR HAWAII
By Victoria Kapuni
P. O. Box 1962
Kaunakakai, HI 96748

Date: February 21, 2007

Regarding: Laaupoint EIS Questions

To: Peter Nicholas,
Thomas Witten,
Anthony Ching,
Office of Environmental Control

Enclosed please find my questions on the Laaupoint EIS.
They are assembled in nine (9) packets consisting of sections
A through I totaling 524 questions and their subparts, and
totaling 136 pages. They are described as follows:

- Section A: questions 1-20 and their subparts (6 pages)
- Section B: questions 21-56 and their subparts (13 pages)
- Section C: questions 57-79 and their subparts (8 pages)
- Section D: questions 80-317 and their subparts (55 pages)
- Section E: questions 318-344 and their subparts (7 pages)
- Section F: questions 345-439 and their subparts (26 pages)
- Section G: questions 440-463 and their subparts (6 pages)
- Section H: questions 464-491 and their subparts (7 pages)
- Section I: questions 492-524 and their subparts (8 pages)



Victoria Kapuni
P. O. Box 1962
Kaunakakai, HI 96748

SECTION A QUESTIONS 1 - 20 AND THEIR SUBPARTS

Questions pertaining to 2.2

1. In December 2001 Molokai Ranch acquired holdings in Kaluakoi Hotel for what purpose if not to renovate? (see p. 17)
 - 1.a. Was the Ranch just going to allow the hotel to fall to ruin from neglect?
 - 1.b. Did the Ranch purchase the Kaluakoi Hotel for its water to develop the 'rentalo' on the beach?
 - 1.c. Did the Ranch purchase the Kaluakoi Hotel for its water to use elsewhere?
 - 1.d. If the Ranch, in 2001, was going to restore the Kaluakoi Hotel, how did it intend to do so?
 - 1.e. With what money?
 - 1.f. From where?

2. Please state or produce CDC's entire mission statement.

- 2.a. From what document do you state this mission statement?
- 2.b. I was under the impression that Molokai Land Trust was to receive 1160 acres of land Mauka Kaunakakai for expansion and affordable housing. Please explain in detail the legal relationship between CDC and the Land Trust.
- 2.c. Which entity will receive the 1160 acres?
- 2.d. Who has control over the 1160 acres? The ultimate say?

Laaupoint questions for EIS

2. d. What are the purpose statements for each entity?
Mission statements?
2.e. What is the purpose of the CDC?
3. List the names of the many Land Use Committee members who made at least 2 site visits to Laaupoint.
3.a. State time of day, how long they stayed and the date.
3.b. Who accompanied the land use members on these site visits? List names and how affiliated with the Ranch. ex. employee family member, former employee, etc.
4. List the many Land Use Committee members who may have made only one site visit to Laaupoint.
4.a. State time of day, how long they stayed and the date.
4.b. Who accompanied the land use members on this site visit? List names of those persons and how they are connected to the Ranch. (ex. Ranch employees, contractors, etc.)
5. State each and every way and with full detail how you intend to educate Laaupoint homeowners on conservation
5.a. with complete specificity state how you propose to ensure these homeowners will support conservation?
5.b.i. cultural site protection?
5.c.ii. subsistence?
6. Please produce in full the Laaupoint Covenants (CC&RS) can be enforced
6.a. Please be sure to include each and every way they
6.b. How can they be amended?
6.c. who specifically will enforce them and by what means?
6.d. what is the controlling law in Hawaii on the issue of enforcement of CC&RS? Give cite and details of case law.

Laaupoint questions for EIS
7. Please list each and every way naming the "extraordinary lengths" the Land Use Commission went to ensure that the Laaupoint subdivision would be set apart from the typical subdivisions in Hawaii.

- 7.a. List each and every development of land and/or resorts and/or subdivisions that BIL or its successor or assigns or its subsidiaries in other countries has developed in the past ten years.
- 7.b. List the specific methods it used to gain community support for those developments.
- 7.c. What were the steps BIL did or its subsidiary did to accomplish the development they accomplished on Pihl? who were the BIL employees who spearheaded that development and public input?

Questions pertaining to 2.1.1.9

8. Please produce the document or state in its entirety the Articles of Incorporation for the CDC.
8.a. who are all the Initial Board of Directors for CDC?
8.b. who is the name or names of the incorporator(s) for CDC?
8.c. who are all the shareholders?
8.d. state or attach by-laws?
8.e. what day where the Articles of Incorporation filed with the State of Hawaii.
8.f. If not filed with Hawaii, state specifically where and when it was filed elsewhere.
8.g. If not filed, why not?
8.h. Do you have draft documents? If so produce and attach them with this answer.

9. The CDC tasks are to develop affordable housing. Is that from the 1160 acres mauka of Kaunakakai or elsewhere? What are the procedures CDC intends to carry out to accomplish this task? Be specific in your detailed account of your intentions.

10. How is CDC to promote economic development? Fully explain all ways this will be accomplished. Listing in

Laaupoint questions for EIS
detail each and every way.

11. Explain fully how CDC is to expand educational opportunities. Be sure to state timetable and specifically where, how and by whom this is to be done.

12. How is the CDC to assist the Land Trust?

12.a. How are the two entities related?

12.b. What if any is their legal relationship between the two entities if there is one.

12.c. What lands (give specific detail ex. 200 lots, 26,200 acre easement) do the CDC and Land Trust have in ownership, management, control over?

12.c.i. What are the rights, duties and responsibilities the CDC and Land Trust have for that land?

12.c.ii. What are the CDC and Land Trust expected to do with the lands?

13. Since MPL will retain ownership of land around Kualapuu and Maunaloa; and since CDC will make decisions and timing of development, who will have the FINAL decision and over these 200 acres?

13.a. How will the CDC and MPL interact? Through their separate boards? Explain fully.

13.b. Will they be the same people on the boards?

14. Please explain the difference in your Molokai Ranch Plan selling 3.2 acres to our Community College and the original 10 acres in the MOLOKAI LAND USE PLAN that has precedence over your RANCH plan.

14.a. Why did you cut the amount of acres the community originally stated it wants (10 additional acres) to 3.2 for the college?

14.b. What is your plan for the 6.8 acres originally planned for the College?

15. List all names on the CDC Steering Committee that

Page 4
see A

Laaupoint questions for EIS
is purportedly investigating legal and tax structures of the CDC's "mission"?

15.a. When do they meet?

15.b. Where do they meet?

15.c. What have they done thus far explain fully.

15.d. Does this Committee keep minutes? If so, attach all minutes to this answer.

Questions pertaining to 2.2.1

16. State with specificity each and every way the Molokai Land Use Plan creates a sustainable future for Molokai and compare it to each and every way the Molokai RANCH Plan creates a sustainable future for Molokai.

17. Please specify each and every NEW employment and training opportunity YOUR Molokai RANCH plan would provide our current Molokai residents.

17.a. Who will provide the training?

17.b. What is each and every new employment opportunity give job descriptions and anticipated wages or salary for each position.

17.c. What are the numbers or new jobs expected in each employment opportunity category.

17.d. Who will be the employer for all the new employment opportunities for our current Molokai residents?

18. State what is the difference in your report between "secure the role of the community in the management of MPL's 60,000+ acres" (p.23) and "more control of their future". (p18)

18.a. State specifically HOW THE "COMMUNITY" WILL HAVE A ROLE IN THE MANAGEMENT, and fully describe what you mean by community.

18.b. How specifically will the community manage? Give details and examples?

18.c. State specifically what additional control

Page 5
see A

the COMMUNITY will have over its future.

18.d. Identify and list names of who would specifically have "more control of their future"

18.e. Specifically who's future?

18.f. In what capacity would the control be in? In what control would the mechanism be vested?

18.g. How would this control be accomplished. give exhaustive details of all examples possible.

19. What legal means are provided WITH CERTITUDE to provide a continuous stream of revenue for the funding of the Land Trust.

19.a. If the revenue is from the communication leases, what percentage of lease revenues are provided and specifically HOW are they provided.

19.b. What is the anticipated monetary dollar value of this percentage?

19.c. What are (list) all of all legal entities necessary to provide this certainty of continuous stream of revenue?

19.d. What are (list) all persons and entities who will control or be on the Board of Directors of all legal entities listed in 19.c. above.

20. Please list (giving name of homeowner association or contact and phone number and address) of ANY subdivision with CC&Rs that have no CC&R violations.

20.a. If there is a violation, how was it corrected?

20.b. Most homeowners' associations are financed by association dues, is this one?

20.c. What ensures the Homeowners will pay their dues?

20.d. Where would money come from to pay for attorneys to enforce the CC&Rs through the legal system?

CONTINUED QUESTIONS SUBMITTED FOR DRAFT EIS ON LAAU POINT TO: LUC PBR HAWAII AND ASSOCIATES AND RANCH BY: Victoria K. Kapanui P. O. Box 1962 Ksaunakakai, HI 96748

SECTION B QUESTIONS 21 - 56 AND THEIR SUBPARTS

Questions pertaining to 2.3

21. If you are unable to renovate Kaulakoi Hotel without developing Laau Point, why did MPL purchase Kaulakoi Hotel?

22. Will the Kaulakoi Hotel be economically viable after it is renovated?

22.a. why?

22.b. why not?

23. What is each and every reason you have for saying "Laau Point...is but one part of the comprehensive Molokai Ranch Plan which would be Viable only as an integrated whole."

23.a. What are all the parts of the Plan that make it a viable integrated whole? Please list in detail ALL THE PARTS.

23.b. When you purchased the Kaulakoi Hotel were you not aware of the Molokai Land Use Plan.

23.b.i. why were you not aware?

Laa Point questions for EIS

- 23.b.i) If you were aware, why did you still purchase the Hotel?
- 23.b.iii) were you planning to renovate the Hotel some other way?
- 23.b.iv) or were you always planning to develop Laau Point from the time of purchasing the Kaulakoi Hotel?
- 23.c. does viable mean financial?
- 23.d. When you purchased the Kaulakoi Hotel were you not aware that Laau Point was not to be subdivided in the Moiokei Land Use Plan, Maui County Land use plan? and specifically against the Maui County's policy of no more shoreline development?
24. why do you state you will preserve natural drainage ways and gulches when you would not be able to build in natural drainage ways and gulches anyway?
25. Can the significant archeological, cultural and historical sites on your lands be preserved through other means through state and federal laws?
- 25.a. If so why do you say they will be placed in cultural preservation zones in your ranch plan?
- 25.b. Did you look into gifting or deeding protected areas to any entity other than the Land Trust?
- 25.b.i) If so, whom?
- 25.b.ii) If not, list all the ways they could be preserved other than the method you propose in the Ranch Plan.

26. How are the Land Trust and Laau Point Homeowners going to jointly control and pay for the maintenance, subsistence protection, archaeological site protection and resource management?

26.a. State how the finances will be available, who will spend the money, who will have the ultimate say over policies and decisions etc.

26.b. What is the percent of expenditures and contributions from each the Land Trust and Laau point Homeowners Association?

Page 2
see 13

Laa Point questions for EIS

27. Do you believe it is feasible to develop your lands on Moiokei given the water scarcity on the island?
- 27.a. If not, what are your exact plans and intentions of acquiring sufficient water to develop? Give exact details.
- 27.a.i) If it is a desalinization plant, what are the permits you must receive and the process you must go through to build such a facility on Moiokei? Give exact details.
- 27.a.ii) what is the estimated ENTIRE cost of such a project. i.e. to build a water desalinization plant?
- 27.b. If so, what land holdings on Moiokei do you believe you can develop as of February 6, 2007 with the water amounts and rights you currently hold?
- 27b.i. what is the percentage of your land holdings on Moiokei you believe you can develop with your current amounts of water and rights you legally own?
- 27.c. How much water will be needed for each and every development facility (Subdivision, condominium, hotel etc.) you intend to develop?
- 27.d. AS you sell land and build lots in Honolulu, how much drinking and irrigation water do you anticipate for each developed lot? Be sure to give a breakdown on the number and size of lots and water needed for each size lot.
- 27.d.i. How many undeveloped lots do you have to sell?
- 27.d.ii. where will the water come from to service all these lots AND the potential subdivided lot from each current lot?

Questions pertaining to 2.3.1

28. Who specifically (firm and individuals) conducted the archaeological inventory? Be sure to give names, addresses, education and other qualifications, employment history and background of all prior archaeological inventory experience.

Page 3
see 8

Laaupoint questions for EIS

28.a. What were specific job descriptions and directions the observers were given for their inventory taking. Give details please.

28.b. State ALL research preparation these individuals did prior to taking the inventory. Be sure to include all articles, books, periodicals read and persons spoken to.

28.c. For all persons spoken to regarding the inventory, what are their names and addresses and phone numbers?

28.c. For all observing of the archaeological inventory, what are the specific dates, times of day, in and out

28.c.i who accompanied the observers to Laaupoint and the sites?

28.d. What is a complete list of all archaeological inventories made on all Ranch lands on Molokai including an exhaustive list of Laaupoint.

29. Why did you choose the Land Trust to own and manage Conservation District lands rather than the State of Hawaii or Island of Molokai?

29.a. Why did you choose the Land Trust to own, protect, and manage Kanakoiho Gulch rather than some other entity or State, County or Federal government?

29.b. Did you look into gifting or deeding protected areas to any entity other than the Land Trust?

29.b.i If so, whom?

29.b.ii If not why not?

30. How are the Land Trust and Laaupoint Homeowners Association going to jointly control and pay for the maintenance, subsistence, protection, archaeological site protection and resource management?

30.a. Fully explain the relationship between the two entities and explicitly explain the joint control between the two.

30.b. If none exists, so state.

30.c. What are their powers, jurisdictions, authority, specific duties for the Land Trust and Laaupoint.

Page 4
See B

Laaupoint questions for EIS
Point Homeowners Association?

31. You state the 434 acres of the expanded Conservation District "will be subject to an easement held by the Land Trust". How large is this easement geographically?

31.a. What is the scope of the easement legally.

31.b. In addition, give the legal description.

31.c. State the legal restrictive language in the easement and the grantor's grant.

31.d. Attach a copy and state where it is filed and when it was filed.

31.e. Who is the grantor and who is the grantee and for how long does the grant run?

31.f. Does the easement run with the land? parties? and what is the duration?

32. Give the legal description and legal language for the 4800 acres of the Laaupoint parcel that is to be an easement held by the Land Trust.

32.a. Please state in layman language what specifically this easement is for.

32.b. What governs it?

32.c. How will it be maintained?

32.d. What are the anticipated cost involved and who will pay for them?

32.e. When you refer to Laaupoint in your EIS to what does it refer? to this same 4800 acres or just this section of the EIS?

32.f. State and produce all documents that support your answers.

33. In your discussion of setbacks determined by tsunami, protected sites, and limitations on building areas, you do not state that these demarcations are in rules and regulations already. Are they? Please state the controlling authority and sections of all those restrictions on the lots.

33.a. If this is not the case, please

Page 5
See B

Laau point questions for EIS
specify and state all those sets backs etc. that are not required by any rule or regulation code, law. (Example, surely the Maui County Building Code does not allow building on rock croppings.)

33.b. In your calculations of building on shoreline. (which is contrary to Maui Co Planning policy, Molokai Land Use Plan, 1993 Governor's Task Force on Subsistence) has any planning been done to take into account the global warming which is occurring at an alarming rate presently?

34. Please describe the size of and vegetation cover of the open corridors between the cluster of lots.

34.a. Who will maintain this space? Pay the costs? State specifically the page and document that addresses this area.

35. The land between the main subdivision access road and mauka will be designated as Open Space under County zoning. Does the County have to accept this land, or is it already designated Open Space?

35.a. What steps in your process have been taken to accomplish this designation as of February 23, 2007?

35.b. Does the State Rural District designation already restrict development on these lands? If so how?

36. You are intending to place a fence on the mauka side of the subdivision to "minimize conflicts" with adjacent subsistence hunting. What will be the rules for hunting on the subsistence lands? State specifically the hunting requirements adjacent to the subdivision.

36.a. What conflicts are you anticipating that necessitates the need for a fence? State all possible scenarios.

36.b. Will you be placing a fence around the subdivision on the kai side of the subdivision also?

36.c. For what purpose are you enclosing the sub-division there?

36-c. Is the intent to totally surround those 200 lots by fencing for one reason or another?

Page 6
see B

Laau point questions for EIS
36.d. Who decides what type of materials are used and who builds and pays for the fencing?

36.e. Who will maintain the fencing?

36.f. What prohibits the party who owns cares for... is responsible for the fence from changing it to say a cement wall?

37. For each and every parcel of land you are speaking about in the EIS that is RANCH land whether it is the Laau Point parcel, Mamomi parcel, easements or whatever,

37.a. List

37.b. What is it's present use?

37.c. What are ALL the possible uses it can have restricted by current zoning?

37.d. What are all the possible uses it can have restricted by current water supplies to which the ranch is entitled?

Questions pertaining to 2.3.2

38. What are all the reasons you have to make Hale O Lono and Kamskaipo Gulch into public parks? Please make an exhaustive list.

39. Why do you want to rezone to Rural and back to Conservation District? State all reasons with specificity.

39.a. Why do you want to avoid the State Board of Land and Natural Resources to obtain a permit? Please list all reasons with specificity.

39.b. What are all the possible circumstances under which added management control would NOT be necessary for completed parks?

40. The men's and woman's canoe races from Molokai to Ohau leave every year from Hale O Lono. Have you interviewed any canoeists about this proposed change in their launching place and along

Page 7
see B

Laa Point questions for EIS
to mitigate reef damage other than the CC&RS and educating the homeowners?

- 42.e. You elaborate drainage and catchment system is required by Maui County isn't it when you build near a shoreline?
- 42.f. Why do you tout it as making the reef better than it was before the development?
- 42.g. What is the cost of this system?
- 42.h. What is the cost to maintain such a system?

- 43. Did you make a baseline study of water quality, marine life and coral life that surround Laau Point?
 - 43.a. Why did you not complete a baseline study? Please state each and every reason possible for not completing a baseline study, if you did not.
 - 43.b. If you did complete such a study, describe fully the parameters studied including the physical area studied. Please attach a map of the study area.
 - 43.c. Did you make a study of the silt overlaying corals in the reef surrounding Laau point?

questions pertaining to 2.3.5

43. The open space buffer zone may be zoned rural in your proposal and hence, still have a potential for further development -- 382 acres of open space zoned rural to be exact. Please explain all ways and methods you have to ensure that these additional 382 acres will not be developed.

43.a. If you have plans for developing these 382 areas what are the plans? Please give full description and progress on the plans, i.e. what is the status report on these 382... have plans been drawn on them?

44. You state a list of "possible" native plants appropriate for Laau Point that will be encouraged. Who will determine what will be planted?

Laa Point questions for EIS
the pristine coastline?

- 40.a. Would you be surprised that my husband and I did last fall during the 2006 races? those participants from Hawaii and other countries encouraged our fight to save Laau Point?
- 40.c. Would you be surprised that they do not want these changes to either Hala O Lono or the coastline? (My husband, on a team from Ohau won the men's 6-man race in the 60's.)

41. Are you trying to circumvent the Molokai Community Land Use Plan by coming to the State Land Use Commission? Explain why?

41.a. Do you think that the State Land Use Commission knows better than the people of Molokai as to how the land should be used on Molokai?

questions pertaining to 2.3.2

42. You are converting 1113 acres of pristine untouched coastal lands to areas that will be source and non-point source pollution of our reef. Do you agree irreparable damage will occur to the reef upon developing Laau Point subdivision?

- 42.a. Are your mitigation plans infallible? why, why not?
- 42.b. What did your experts use for this EIS and subdivision to estimate the potential damage?

42.i. What are the high and low figures in every parameter?

42.ii. What were the methods used for all predictions by your experts to predict the minimal effects of the 200 acres developed on Laau Point on the reef? What was the methodology? Describe fully.

42.c. Who are all ALL persons consulted on the reef damage and drainage problems associated with the reef from development of Laau Point? Give their full names, qualifications, and prior experience with the ranch, BIL and its successors and assignees, and PBR Hawaii and Associates, Inc.

42.d. Are there any additional ways you have

Laaupoint questions for EIS

44.a Who will enforce the plantings of only these plants?

44.b Are these plants simply a suggestion to homeowners? or are they mandated? If mandated in what document? How will it be enforced?

45. Employment opportunities from the development will be from Homeowners Association upkeep of common areas and two parks maintenance and upkeep administered by the county or Trust.

The third possible employment opportunity you state would come from stewardship of coastal Conservation District from the Land Trust and Homeowners Association. Aside from these few jobs, would any other jobs be created from developing Laau Point?

45.a What are the possible jobs created directly from the development of Laau Point? Please list each and every possible job that could be created.

46. You state the "Land Trust and Homeowners will jointly manage Coastal Conservation District areas and although no land uses in this area are envisioned to involve fees charged... but there is a possibility fees will be charged".

46.a. Why would fees be charged? Please list all the reasons and scenarios to charge fees.

46.b. Do you understand Hawaiian culture will be harmed in charging fees for use of Coastal subsistence fishing?

46.c. If so, please explain why.

46.d. If not, please explain why.

46.e. What mechanism can be utilized to ensure there will be no user fees charged for Coastal subsistence fishing?

47. Who will own all the privately owned roadways within the Laau Point community?

47.a. Can the owners of the private road gate them? Have the ability to gate them?

47.b. What is all the legal case law to support you answer?

47.c. If the Homeowners own their own roads or

Laaupoint questions for EIS
the Ranch owns them, in the future, what will prevent the owners from gating the roads?

47.d. State all the legal case law to support your answer.

48. Will the only access gained by the public to the Laau Point shorelines be through the two proposed parks?

49. Specify how any one of the following will be determined: ocean temperature, salinity, suspended solids and/or nitrogen ammonia, nitrogen nitrate and nitrite and phosphorus chlorophyll A and silicate are increased?

49.a. Please state entire process by which this will be determined.

49.b Who will specifically be responsible for the testing and equipment.

49.c. State with specificity what enforcement and penalty will be assessed and by whom for any violations?

49.d. Who is responsible for cleanup?

50. State fully the "adequate representation" the Land Trust will have on the Homeowners Association over the State Conservation District Flood areas, archaeological sites etc.

50.a. What are the number of board members in the Land Trust and Homeowners' Association?

50.a.i. How are the board members elected to each board.

50.a.ii. How will decisions be made?

50.a.iii. What is the delineations of each Board over all their joint management control?

50.b. What duties and responsibilities over sites will each board (Land Trust and Homeowners Association) have? Please exhaust the lists.

50.c. What roll does the State play in costs and responsibilities over their State Conservation District? Explain fully.

Laau Point questions for EIS
questions pertaining to 2.3.6

51. Who specifically will educate potential buyers and when will this be done? What will be the course materials?

52. Who and how will enforcement of CC&RS occur?
52.a. What penalties will be invoked for breaking the CC&RS?

52.b. Exhaust all possible reasons you have for saying final CC&RS cannot be changed?

52.c. Please attach a final CC&R to the Final EIS.

52.d. How much money do you estimate it will take for the Land Trust to enforce compliance to the CC&RS on each infraction?

Questions pertaining to 2.3.7

53. Do you believe organic fertilizers will not pollute water or the reefs should they run off as either a point or non point source of pollution?

53.a. Why? why not? Please give details to support your answer.

54. What agreement has been reached between MPL and EC to ensure Laau Point promotes importance of maintaining subsistence activities in the Conservation District areas.

54.a. Is this agreement is verbal?
Is it in writing? If so attach document(s) supporting your response.

55. Is it correct that the protection of the shoreline for subsistence gathering and subsistence fishing zone has yet to be sought?

55.a. ON page 59, you state the Land Trust and Homeowners' Association will work together to seek to establish a subsistence fishing zone which will REQUIRE SPECIAL LEGISLATION enacted by the State Legislature. What have you done to start this legislative process?

Page 12
see B

Laau Point questions for EIS
process will take?
55.b. How long do you estimate this

55.c. what is the necessary legislation to protect this subsistence coastline, should this development be allowed? describe fully.

55.d. Do you have a draft of the proposed legislation?

56. Is there a plan to achieve this legislative protection for subsistence Fishing zone? Please state in detail what has been accomplished as of February 23, 2007 towards this goal.

Page 13
see B

Laaupoint questions for EIS

QUESTIONS SUBMITTED FOR DRAFT EIS ON LAAPPOINT TO
PBR ASSOCIATES, LLC, RANCH
BY: Victoria Kapuni
P. O. Box 1962
Kaunakakai, HI 96748

SECTION 2 QUESTIONS 57 - 79 WITH ALL THEIR SUBPARTS

Questions pertaining to 2.4

57. Regarding July 25, 26, 27, 28, 31
2006, social impact assessment focus group
meetings:

57.a. What are the full names of each
and every person who attended each meeting?

57.b. How were they invited?

57.c. What were the criteria for being
invited to these focus groups?

57.d. What time were they scheduled?

57.e. Where were they held?

57.f. Were refreshments served? If so,
what?

57.g. Who presided over the meetings?

57.h. Who spoke? About what?

57.h. Was there an agenda?, if so what
was it? Was there a program? If so, what was it?
What were the specific topics discussed?

57.i. Was the meeting taped? If so, who
has the tapes?

58. Regarding June 1, 5, 6, 7, 8, 2006 focus
Page 1
sec 2

Laaupoint questions for EIS
meetings:

58.a. through 58.i. SAME QUESTIONS AS WAS
ASKED ABOVE IN 57.a. through 57.i.

59. Regarding the August 25, 2006 meeting with
EIS consulted parties. With respect to each consulted
party listed or UNLISTED, please answer the following:

59.a. With whom did you meet?

59.b. Who have and/or what has consulted
with PBR Hawaii & Associates regarding the Laupoint
EIS irrespective of whether or not they were used or
attended this meeting. Please list names and addresses.

59.c. What is each and every consultant's
employment history, education, professional experience,
connections with BIL its successors/agents/assigns
or the Ranch?

59.d. How was the list of consultants made?

59.e. What, if any, was the input from the
Ranch. If none, is the personnel and content used in
this EIS totally that of PBR Hawaii & Associates?

59.f. For what purpose was the meeting
called?

59.g. Please specify the directions PBR
Hawaii & Associates (their staff, personnel or agents)
gave to the consultants.

59.h. How many and who was interviewed and
contacted to be a consultant that was NOT included
as a consultant in this EIS of Laupoint?

60. Regarding December 1, 2006 meeting with the
Police Department?

60.a. Who attended this meeting? Please
list names of everyone.

60.b. Who called the meeting?

60.c. Why was the meeting called i.e. (purpose
of the meeting).

60.d. What topics were discussed and what
is a synopsis of the discussion on each topic.

61. For the 28 LUC, 8, environmental, 11 Tourism,
Page 2
sec 2

Laa Point questions for EIS
25 cultural, 10 economics 9 recreational meetings; what were the specific dates and places the meetings were held?

61.a. What were the topics discussed at each meeting. What decisions or conclusions were drawn, by whom?

62. Who chose and how were the representatives from the five committees chosen to form the LUC? Be sure to include what specifically was the criteria used for choosing some people over others.

62.a. Who were each and everyone chosen? List.

63. What are the names of each and every person attending EACH AND EVERY meeting focus group presentation that you state totaled 1000 "participants". Make sure you list each person by each meeting. Please list each name under each meeting date and committee.

64. If the 1000 participants were counted in other then these focus group meetings asked about in question 63 above, what were the additional meetings that account for the "1000 participants"?

65. What are the names of the 1000 persons you have stated participated in making the ranch plan.

65.a. What was the extent of each person's participation?

66. Regarding the Land Use Committee meetings from the period of May 2005 through July 2005 Specify with detail presentations made by "MPL planners".

66.a. Name the planners and what is their residence island, state, or country.

66.b. What were their topics for each meeting?

67. On page 33, you state that Appendix A, Section

Page 3
see C

Laa Point questions for EIS
8. contains lists of the most active participants during the process. THIS INFORMATION IS NOT PROVIDED as you stated. Please provide each and every participant during the process.

67.a. What are the names of the most active participants during the process?

67.b. How did they participate? When? Doing what?

68. What were the names of all the members of the EC Land Use Committee on November 1, 2005?

68.a. Who were the 19 Land Use Committee members who voted for the Ranch plan on August 1, 2005?

68.b. What is each person's connection to the ranch, BIL, owners of the ranch and/or subsidiaries e.g. ex. employee, family member, employee, contract employee for each person listed above in question 68a?

69. Who were all the members of the EC Governance Board of Directors for the period from August 1, 2005 through November 1, 2005 and who were the names of all the officers of that Board?

69.a. Who were the 13 Board members who voted in favor of the Ranch plan and who were the two who opposed it, and who was the 1 who did not vote.

69.b. What is each person's connection to the Ranch, BIL, owners of the Ranch and/or subsidiaries e.g. ex. employee, family member, employee, contract employee for each person listed above in question 69a?

70. What are all the names and firm(s) who "requested to be a consulted party" to the EIS on August 25, 2006.

70.a. How specifically did they request?

70.b. How did they respond to the request? Written, verbally, or other to the solicitation.

70.c. For each consulted party what are all the other business each has done for the Ranch or it's owners, employees, Directors etc.

Page 4
see C

Laaupoint questions for EIS

71. Please describe in full detail what feedback you received on cultural assessment, social impact, water plans from PUBLIC COMMUNITY MEETINGS (NOT FOCUS GROUPS) since EISPN was filed.

71.a. who attended each public meeting and give dates and times for each meeting. List each and every person.

72. Please describe in full detail what feedback on cultural assessment, social impact, water plans from the FOCUS GROUPS since EISPN was filed.

72.a. who attended each and every focus group meeting and give dates and times for each meeting. List each and every person.

72.b. How were people chosen to be in a focus group?

Questions pertaining to section 2.4

73. How many residential households have presently received the DVD produced by the Ranch?

73.a. How many residential households will receive the DVD produced by the Ranch?

73.b. What is the purpose of the mailing

73.c. Is this blanket mailing intended for comment? Propaganda? Clarification?

73.d. What was the total cost for this mailing? include production, writing, materials, mailing costs.

74. How is each speaker in this DVD connected to the Ranch? ex. employee, contract employee, relative of employee, or any other way?

74.a. who speaks in the DVD that is not in any manner connected with the Ranch, BIL, and their subsidiaries, affiliates, successors and assigns?

Laaupoint questions for EIS
75. In the Cardboard Flyer in which the DVD was sent out:

75.a. You suggest that your water plan protects DHHH homesteader water rights, and further state that DHHH has approved allocation of 2.9 mgd from Kualapuu aquifer that is preserved forever for homesteaders. but did you forget to state that in 1999 the Ranch opposed DHHH's request from the CWRM for 500,000 mgd from that preserved forever allocation and to date CWRM has not approved the DHHH request?

75.b. In regards to well 17, you purport to generously offer 500,000 gallons per day to DHHH, BUT... The water from this well does not belong to the Ranch, it belongs to DHHH anyway, not you, correct?

75.c. You imply that by giving DHHH 500,000 gpd from well 17, DHHH and the County would not need to go to the expense of replacing an antiquated delivery system. Are you saying DHHH and the homesteaders do not need to replace antiquated infrastructure?

75.d. By stating that the ranch plan will never use any more drinking water only brackish water that the homesteaders don't want on their lands because it is too salty, are you contradicting the Federal Environmental Protection Agency which designated the Island of Molokai a sole source aquifer. i.e. no matter where you pumped a well on the island, you were withdrawing it from the same source?

75.d.i. Doesn't that brackish water need to stay where it is to protect water levels at all other pumping wells? protect the level of popable water from the transition water?

75.d.ii. If your words in your flyer is NOT a contradiction, please explain what is it?

76. This question comes from the cardboard Flyer accompanying the DVD also.

76.a. What is your backup authority for stating that only 30% of the homes will be occupied at any given time? Exhaust your support for this statement.

76.b. What is the required setback from the shoreline on rules and regulations you must follow for subdividing?

76.c. do you have a map illustrating the 500 acres of shoreline fronting the homes and restricting it's land use to subsistence use by the community? If so attach to the answer.

Laaupoint questions for EIS

76.c.i. What is the support for making this statement that the land will be used for subsistence by the community? The legislation that the Homeowners' Association and Land Trust will have to pass into law?

76.c.ii Isn't this already protected subsistence land by Molokai Land use Plan, Maui County Planning Policy, 1993 governor's Task Force Subsistence designation?

76.c.iii. Wouldn't this subsistence land be best protected by not developing Laaupoint at all?

76.d. What are the supporting documents to guarantee the roads in Laaupoint will never be gated? and guarantee \$10 million will return to the community?

76.e. Wouldn't the protection of the archeological site preservation be better protected if no development occurred?

77. This question pertains to the cardboard flyer accompanying the DVD mailing.

77.a. I have requested elsewhere in my questions the names of the 1000 Molokai residents that participated in the plan preparation done by the Molokai Enterprise Community. Don't you believe that to state the words "Plan reflects the participation of more than 1000 Molokai residents", people assume there was public input? Doesn't public input imply that people's objections (to the plan) were heard and listened to and utilized in the Plan? were used in the Plan?

78. This question pertains to the cardboard flyer accompanying the DVD mailing.

78.a. I have requested elsewhere in my questions the Trust document and language, legal language of properties gifted to the Land Trust, etc. In the EIS you also state ownership, control and management responsibilities of the CDC and the Homeowners' Association all working together to manage and control the 51,000 acres you say will be placed in the Molokai Land Trust. Which is the accurate interpretation of the ownership, control and management of these lands? Explain in detail exactly what lands will be gifted SOLELY to the Land Trust and what lands will the Land Trust have SOLE decision making powers over?

Page 7
Sec

Laaupoint questions for EIS

78.b. You state that Laaupoint will be the "LAST development ON RANCH LANDS OUTSIDE THE RESORT AREA." Don't you think this statement is misleading? Please explain in detail all the development you are planning "Outside the Resort area"?

78.c. For everyone's clearer understanding of the Ranch Plan, what are the different entities that will either own, manage, (singularly or jointly) all of the MPL real property? It would be particularly helpful to give this information in table form with headings like parcel description, ownership, by fee simple, easement, etc. legal description of each parcel, duties and responsibilities of each entity over the land, purpose, etc. I am sure this would be helpful to everyone reading the EIS.

79. This is the last question pertaining to the cardboard flyer accompanying the DVD mailing. My other questions about the flyer have been dealt with other places in my questions.

79.a. The opening of Kaluako'i is positive and well received by the Molokai community. I dare say no one on Island opposes the re-opening of this hotel which the Ranch Closed. However, it has been touted as an economy boost for offering 100+ jobs (which is also a positive element). However, isn't Hawaii in good standing for unemployment generally and even nationally? What is the labor standard percentage for full employment taking into consideration the percentage of unemployed people? As of February 2007 isn't the unemployment of Molokai 3.2% and below the national average?

Page 8
Sec

Laa Point questions for EIS

QUESTIONS SUBMITTED FOR DRAFT EIS ON LAAU POINT
TO: LUC. PBR HAWAII, RANCH, and OEQ
BY: VICTORIA KAPUNI
P. O. Box 1962
Kaunakakai, HI 96748

SECTION D QUESTIONS 80 - 317 WITH ALL THEIR SUBPARTS

Questions pertaining to 3.3.3

80. How much water will be needed to prevent wind erosion?

80.a How will you IRRIGATE with brackish water? won't it kill the vegetation? Explain.

81. What are all the all erosion and construction techniques, steps and methods etc. that you will be doing over and above the State, County and Federal regulations you have to follow by law. Please be specific and detailed in your answer.

82. What permanent landscaping will be done? by whom? where? who will pay?

Questions pertaining to 3.4

83. What is each and every reason the Ranch had for ceasing agricultural activities in 1999?

Page 1

Laa Point questions for EIS

84. Will the Molokai Land Trust or CDC or Ranch or home owners hold in fee simple title to the 26,200 acres mentioned in section 2.1.1.8?

85. What is the legal description and grant language for the easements and ownership on 14,390 acres designated restrictive agriculture easements. Please quote directly from the documents or produce the documents.

85.a. What figure in your EIS illustrates where these lands are located specifically. What is the legal description?

85.b. What water lines service this area? Who owns them? Where does the water come from? ex. well, catchment? BE SPECIFIC giving the amounts pumped and/or moved. How much water is allocated right now February 23, 2007 for use on these lands?

85.c. Where will the water come from for these single farm dwellings? Please be exact giving the gallons/day from what well and/or catchment or other, and how much will be needed in GPD for irrigation, drinking etc.?

85.d. What is the legal description and attach a map of the "Rural Landscape Reserve"?

Questions pertaining to 3.5

86. Were the two earthquakes experienced in Hawaii last fall caused by volcanic activity or plate tectonic activity?

87. Have you determined the 50 and 25 foot flood areas? Please submit a map of those marks.

88. What are all the references, site trips, dates, times, duration and all other things William Garnett used to make his report.

89. What is William Garnett's educational Page 2

degrees, publications, employment history, and whatever else would qualify him to make a botanical survey of Laau Point.

90. What money will be used and what amount is needed to make and who will make the management plan?

91. Doesn't there need to be made a Federal study for the critical habitate of *Marsilea villosa*?

91.a. What were all communication with the Federal government concerning this discovery. Attach letters, telephone calls, e-mails etc. Regarding what the Ranch, BIL, its successor and assigons, William Garnett, PBR Hawaii & Associates did to report this?

91.b. What are all your concerns about the endangered plant? Give a detailed reponse.

91.c. To whom did you report this? List every person and organization and give their response.

81.d. wasn't this plant listed as a critical habitate?

81.d.i. wasn't this plant on the Game and Fish critical endangered list and Laau Point as a critical habitate for that plant until 2003 when it was inadvertently left off?

81.d.ii. Do you know how it was inadvertently left off?

92. "The Laau Point project will include landscaping appropriate to the coastal setting. Where feasible, new landscaping will include drought tolerant native plants and grasses."

92.a. What do you mean by 'where feasible'?

92.b. What do you mean by landscaping appropriate to the coastal setting? Give examples.

92.c. What are the new landscaping drought tolerant native plants and grasses?

92.d. What land are you speaking about when you say Laau Point project? Be specific and state the easements lots other pieces of the Laau Point project.

93. Why do you intend to change the Kiawe using the "limited water resources" when the available water is saline and you have stated the Kiawe tolerates saline water?

Questions pertaining to 3.7

94. During what period of time were no native land or water birds or sea birds observed at the site? Give dates and time of observation and by whom?

94.a. Who was charged with the responsibility of this survey?

94.b. What is the name and qualifications and education, prior surveys completed for whom etc. of the observer(s)?

95. What were the 13 species of introduced alien birds observed. Where are these birds are originally from?

96. We saw two owls when we drove down to Hale O Long through Ranch lands. Did your observer see any owls?

96.a. If so, when and where and how many?

97. How frequently have monk seals been seen? Give the times, dates, and persons seeing them.

97.a. How frequently do Ranch employees travel to Laau Point? Who are those employees and for what purpose are then sent?

97.b. Have they ever stated they saw seals? How many?

98. What is the back ground employment history of Philip Bruner that would qualify him as an observer of animals and birds. What is his education, publications, prior observation work and for whom. For whom is he employed now and at Page 4

the time of the study? Laau Point questions for EIS

99. What is the name and current employer of each and every person who has written a report on Laau Point or written anything for the EIS on Laau Point.

99.a. who does or has worked for PBR Hawaii & Associates and has contributed in anyway to this EIS on Laau Point.

100. What information is known to you about the remaining 1100 monk seals in the world.

101. What are the details of your knowledge of the laws that protect monk seals.

102. What education materials and courses will you provide homeowners on interaction with monk seals?

102.a Will this be a requirement before a person can purchase a lot?

102.b Will there be a test that must be passed on the education materials for the homeowners?

103. where did you discover what the "appropriate protocols" is when encountering a monk seal and several monk seals on the beach.

104. Is there a permanent protection in place now for monk seals at Laau Point?

105. why do you state impact of Laau Point Project on birds is not expected to be significantly adverse? List each and every reason.

105.a. How much will the Laau Point Project adversely impact the bird population of Laau Point should it be allowed to be developed?

105. b. What have your experts said about Page 5

how the birds will be adversely impacted? Laau Point questions for EIS

106. What are the enforcing policies and procedures to be developed for subsistence and gathering?

107. What exactly are the landscaping restrictions and allowable plants at Laau Point? Please list completely.

107.a. Where are they so stated?

Questions pertaining to section 3.8

108. What are dates, time and duration of observation and specific locations of fish around Laau Point?

108.a. Who did the observing? What is the full list of education, prior experience, current and prior employment of the observer?

108.b. Has the observer ever been employed by PBR Hawaii & Associates prior to this EIS on Laau Point?.

108.c. Was the observer(s) employed by a subsidiary or affiliate of the Ranch, BIL, PBR Hawaii & Associates. For how long?

109. Regarding the marine biological and water quality, how large an area was observed? Be specific in measurement and location. Supply map of observance.

109.a. Were baseline surveys ever done for marine biological and water quality? If so, supply data.

109.b. For each survey, give dates, times and duration and places, procedures by which survey was done and by whom done?

109.c. Fully explain why you believe these values are lower than large scale studies in Hawaii.

109.d. Give all possible reasons why you Page 6

believe your values are lower than large scale studies done statewide. Where were these other statewide studies done.

Laau Point questions for EIS maintain subsistence lifestyle will be paid for by the homeowners in the CC&RS?

109.e. Can you explain why your values from Laau Point (presumably a relatively un-fished area compared to other parts of the State) have lower values than state wide studies.

115.a. What is the language dealing with this issue in the CC&RS? Attach a finalized copy of the CC&RS.

109.f. How large are the statewide studies and contrast each function with the Laau Point study you had done.

116. Why do you think protection of the offshore coastal areas will be best achieved by controlling access areas?

109.g. Who and what firm(s) were the persons who did the studies associated with?

116.a. Who will create the management plan? Fully explain or attach the legal language and explain how it will be enforced.

109.h. What are the qualifications for the person(s) doing the study, including publications, degrees and prior experience.

116.b. What specifically is the protocol, rules and "permitted activities for persons enjoying in subsistence shoreline fishing and gathering"?

110.TEC, INC is incorporated where and does business where (see section 4.2 also)

116.c. What do you mean by the context in traditional subsistence gathering and access responsibilities? Fully explain.

110.a. What is the purpose clause of incorporation, who is on the initial Board, and who are the shareholders?

116.d. Specifically state why you want to limit public access around the USA Lighthouse parcel. What are the limitations?

111. Who (individual, firm entity etc.) will install, oversee, manage and maintain the drainage plan?

Questions pertaining to section 4.0

112. How will a fishing subsistence resource, a subsistence fishing management zone be created?

112.a. Who will enforce it? and how?

117. Please describe fully the methodology used in the archaeology report.

112.b. Who will administer/manage it?

117.a. Fully give dates and time spent in the field and each and every thing done in the field. Use field notes if necessary.

113. How does a community based fishing zone protect the Hawaiian cultural heritage? Please explain fully.

117.b. How long did it take the archaeologist and what area was covered? Please be specific with maps or drawings, field notes etc.

114. "preservation of off shore and shoreline resources for subsistence gathering is of great importance to the people of Moikakai." Do you believe you understand this statement in your EIS?

117.c. Was the archaeology report made from paper research in the library and State archaeological records? If so, make a bibliography of what was read.

115. Do you believe a resource manager to

118. You state known archeological sites you want to preserve. What about preserving unknown sites?

118.a. What specifically did the Cultural

Laaupoint questions for EIS
Committee of EC do. Attach supporting documents
like minutes etc to describe their actions.

119. What are the Cultural Protection zones?
Supply detail maps etc.

120. How much time has been spent on searching
for unrecorded archeological deposits or features
visible from the surface.

121. How much time has been spent by an
archaeologist to search for UNRECORDED sites
features or deposits visible from the surface?

121.a. What were dates times duration
of search?

121.b. What were the results?

121.c. If no effort was made to find
additional visible by surface sites, why not?

122. How much time has been spent by an
archaeologist to search for UNRECORDED sites.
features or deposits NOT visible from the surface?

122. a. What were the dates, times
duration of the search?

122. b. What were the results?

122.c. If no efforts were made to find
additional not visible by the surface sites,
why not?

123. Was there ANY archaeological
excavation ever done even when there is "makai
settlement pattern prevalent in the Kalualo'i
ahupua'a (p.49)

123.a. Was any excavation ever
requested or suggested by your archaeologist?

123.b. If so, where? Give detailed
map please.

Page 9

123.c. If not, who not?
Laaupoint questions for EIS

123.d. What were the instructions
given to the archaeologists?

124. Considering the vast surface areas
of sites seen from the surface what are the
archaeologist projections of how much is under
the surface?

124.a. Are you aware of modeling
that can determine these projections?

124.b. What archaeological projections
of sites under the surface have been made anywhere
in the Molokai Ranch lands, Laaupoint,
agriculture easements etc?

125. What is the relevance of population
from 1850 through the present when we are talking
about archaeological sites much older than
then that?

126. Weisler's work of discovering eleven
sites lead to Southwest Archaeological District
site 803 includes 53, 54, 56. State of Hawaiian
National Registers of Historic Places. Bishop
Museum survey 6,350 Dixon and Major 1993 encountered
"numerous features" new revelations of multi-roomed
enclosures near the 100 ft. elevation. Each survey
includes more and more discoveries and leads one to
suppose logically more and more would be discovered
with each and every survey. How many archaeological
studies have been completed on ranch lands?

126.a. When did they begin and when did they
end?

126.b. Who conducted them and for how long?

126.c. How many studies have been requested
and denied access by the Ranch, its owners,
subsidiaries, affiliates or any entity controlling
access to the Ranch lands over the past 20 years?

127. Now you know the earliest hypothesis that
the inland features were marginal is incorrect
don't you?

Page 10

Laau Point questions for EIS

128. How can you ensure proper resource protection and management in the project area when you cannot even say whether or not surveys have shown sites that have not been excavated to examine the wealth of information and history of Hawaiians in the area?
- 128.a. If excavation occurred at those visible sites, is it not probable the ruins would continue below the surface and cover a considerable area?
- 128.b. Is it not probable that the multi-room enclosures were not in just one place and probably extended a substantial distance?
- 128.c. Is it not probable that if there would be one multi-room enclosed site, that there would be others?

129. Can anything be done to protect sacred Hawaiian lands other than to not develop them?

130. Do you know of any surveys that have been followed up with excavation? If so, please state.

131. What percent of archaeological sites do you anticipate will be categorized Preservation? data recovery? or no action?

131.a. Do you believe there is no value to preserving "not significant" in the 1993 Bishop Museum inventory report? why? why not?

132. Who will be the approved archaeologist for construction time? who are the people on the list of names you are considering for the job?

133. Will you re-route roads and re-plate lots as sites in road corridors are found and excavated? and if excavation leads to sites that run into land

Page 11

Laau Point questions for EIS

lots?

- 133.a. What say, if any, will the Molokai Burial Council have over disturbance of burial grounds?
- 133.a.i. Will the Burial Council have veto power over continued construction over the burial grounds?
- 133.a.ii. Will you cease developing on or around burial grounds?
- 133.a.iii. Who will have the final say to stop developing in a burial ground area?
- 133.a.iv. How many people will be observing the development to ensure ceasing work when a burial ground is discovered?

Questions pertaining to 4.2

134. As a professor of Ethnic Studies fully explain what you mean by the "significance of mythical and mystical qualities to area or people"?

134.a. How do these qualities interact and become part of the culture in society? Fully explain.

135. Explain fully why and when Laau Point as a raw and untouched land came to have a mythical quality.

136. How has "Laau Point become an icon of what Molokai represents? Please give a full explanation.

137. How has "Laau Point become a rural stronghold and reserve of Native Hawaiian culture-- a cultural kipuka." why?

138. You have said and I quote "If Molokai is the Last Hawaiian island, then Laau is one of the

Page 12

Laau Point questions for EIS
Last untouched Hawaiian places on the Last Hawaiian
Island". How is it that if this icon is developed,
it will not destroy or irreparable damage the
Hawaiian culture?

Laau Point questions for EIS
142.a. Does Laau Point and this proposed
subdivision hold spiritual importance and culture for
Hawaiians in reverence and respect? If so explain
exactly how.

139. Do you agree subsistence has substantially
contributed to the persistence of traditional Hawaiian
culture, values, customs and practices?

143. To the best of your knowledge as a professor
of Ethic studies, what are ALL the spiritual importance
aspect to Hawaiians surrounding Laau Point subdivision area....
not just the mo'o story.

143.a. Be sure to include and elaborate
the mo'o story...if you know it.

140. Do you agree that many Molokai (particularly
Hawaiian) families continue to rely upon subsistence
fishing, hunting and gathering or cultivation for a
significant portion of their food?

144. Do you believe the spirituality of Hawaiians
is natural to their cultural practices?

141. Since Hawaiian outlook shaping customs and
practices (i.e. culture) is lokahi -- or maintaining
spiritual, cultural and natural balance with elemental
life forces, how is a development of an icon not going
to destroy the last Hawaiian islands' culture?

145. Please propose how you can separate the
culture from the spiritual island Molokai is recognized
to be by Hawaiians?

141.a. Be sure to address the spiritual and
natural balance with elemental life forces in your
answer.

141.b. Roots and identity and spiritual
belief are important elements of overcoming any
addiction. We have our share of young people with
addictions on Molokai. How is destroying one of the
most mystical, spiritual places on island going to
help Hawaiians overcome addictions? If they can't
connect to their ancestors and their historic and
traditional culture and roots, how will they overcome
such things and addictions?

141.c. Won't you be adding to the social
problems of the young adults and keiki on this island
if you destroy their spirituality embodied in the
essence of Laau Point?

146. How does the "most marine resources" of Laau
fit with other areas of your EIS that states the average
or low undersea life? Which is a correct assessment of
Laau Point reef?

147. What provisions in the plan preserve and
protect the coastal trail kealappu, Molokai?

148. You state three reasons of how Laau point
was named. However, you omitted the third (p. 53).
What is the third story and elaborate with specific
detail.

Questions pertaining to 4.2

142. Beyond western grasp is "Molokai pule o'o".
What is the spirituality of this island? What is
the island of mana? Please explain thoroughly enough
for a western person to understand.

149. The 1993 Governor's Molokai Subsistence
Task Force declared the ENTIRE coastline of MPL lands
important for subsistence fishing and ocean gathering
coasts.

Laau Point questions for EIS
149.a. What procedures must you go through to overcome this designation? State with specificity what you must do, by whom, and by when?

149.b. You refer to appendix A p 59 as the Governor's Task Force designation, but this map is NOT the Task Force designation map. It is labeled Molokai Ranch Master Use Land Cultural Resource Protection. Please supply the correct description from the 1993 Governor's Task Force and not a redone Ranch map.

Questions pertaining to section 4.2.3

150. What difference does it make if the swells in the ocean make the west and south shores of Laau Point used at one time of the year or another time of year. They are still alternated in the use from summer to winter aren't they?

151. Can you take boats to the back side of Molokai in winter? Does it matter that the back side is only used in summer?

152. When many of us went to Laau Point by ocean in September, 2006, it was not treacherous. All ages from young to old swam ashore, so please specify exactly WHEN (what months) the informants spoke of the ocean being treacherous at Laau Point

152.a Who were they? give names please.

153-I quote 5 statements from your EIS 4.3.2

A Development of Laau Point "will spoil the experience of fishing in what is now an isolated, pristine, and spiritual area."

B If the development is allowed to occur, there would be a "lack of privacy fisherman would get".

C The development would "hinder if not abolish
Page 15

Laau Point questions for EIS
altogether, ongoing traditional gathering activities currently enjoyed at Laau Point".

D "Throw net fishermen required an undisturbed beach that allows fish to forage closer inshore".

E "Gathers of a'ama crabs require dark silent nights to ensure their nocturnal prey."

153.a For these five statements who were the persons interviewed who said each of these statements?

153.b What was the total number of persons interviewed by you on this subjects? What is each person's name interviewed and how were those interviewed persons chosen to be interviewed?

154. "Laau Point area is generally regarded as a special place of spiritual mana and power." State exactly why you do not think the development will spoil this spiritual resource?

154.a. Would placing this development in the middle of an Hawaiian spiritual place not be unlike placing a house in the great Mormon Tabernacle Temple in Salt Lake, or the Vatican in Rome?

154.b. If so why? If not why? Explain fully.

154.c. Different cultures have different spiritual practices, ways to worship and connect with their deity don't they?

154.d. Why do you think you have a right to interfere with Hawaiians practicing their ways to worship? and desecrating their place of worship?

155. Burials, fishing Koa and heiau were noted by community participants and key informants. Who are the key informants? List by name.

155.a. Do you believe all the significant Hawaiian sites have been identified in this rich archeological and spiritual place?

Laa Point questions for EIS
156. the Laa area is "a special place of spiritual mana and power." This spiritual quality can not be quantified can it?

156.a. If yes, explain fully giving mathematical formulas and explain each function of the formula.

156.b. If it can not be quantified, how can you equate its value with money and mitigating factors? It can't be done can it?

157. This spiritual quality of Laa deserves recognition and respect doesn't it?

157.a. The respect and recognition it deserves is a spiritual resource for Hawaiians and Hawaiian culture isn't it?

158. When one speaks of a spiritual resource like Laa, does not that equate for Hawaiians at the same level as the Blue Mosque in Istanbul or St. Peter's Cathedral in Rome?

158.a. Developing Laa point for the Hawaiians would be like desecrating those two great spiritual edifices for muslims and catholics wouldn't it?

159. what were the specific community meetings where water was expressed as the primary cultural resource?

159.a. What were the dates, places, times of such meetings and who specifically were the persons who expressed water was our primary cultural resource? Exhaust the list.

160. Won't drawing brackish water out of the Kakalahale Well, as proposed by the project have a huge impact on the culture and way of life on Mo'okai?

160.a. If so in what ways?

160.b. If not why not, give explicit Page 17

Laa Point questions for EIS
hydrologic details and cultural details in your answer.

161. Will additional water proposed to be drawn out of the Kakalahale Well, even if it is brackish, strain and diminish the water table on Mo'okai?

161.a. If not, give specific hydrologic water data on the Mo'okai aquifer to justify your answer.

161.b. If so, give specific hydrologic water data Journal articles etc to support your answer.

162. Will additional water proposed to be drawn out of the Kakalahale Well increase salinity levels of ocean discharge and neighboring wells?

162.a. If not, give specific hydrologic data and support for your answer.

162.b. If so, give specific hydrologic data and support for your answer.

163. What are each and every reason you have for why the findings on the Waiola Well water use permit examining the impacts of withdrawing groundwater and affecting shoreline seepage important to the withdrawal of groundwater of the Kakalahale Well?

163.a. What are all the reasons you might say there is no importance to the findings? Give hydrologic principles and data to support your conclusion for both 163. and this question.

164. What scientific data (hydrologic support) do you have for saying the withdrawal of 1,000,000 GPD will not take away water from DHH for future expansion of agriculture and residential lots for homesteaders?

164.a. If you have no data, do you state that such a pumpage will infringe on the future expansion of agriculture and residential lots for homesteaders?

Laau Point questions for EIS

164.b. What are all legal arguments that you have for saying that you have a right to withdraw 1,000,000 GPD from Kakalahale Well? Give statutes and citations.

165. In your EIS you speak of the ranch becoming a "partner" with the EC Board. What was the time frame of this collaboration or partnership?

165.a. When the Ranch became involved with the EC Board, did any Ranch employees, staff, directors etc. know of the EC project # 7?

165.b. On Page 140 of your Ranch Plan states "MPL water Plan will form part of the agreement between the EC and MPL on the Master Land Use Plan. To what agreement are you referring? Thoroughly explain?

165.b.i. was it in writing? Are their minutes of a meeting forming this agreement?

165.b.ii. What is the other PART OF THE AGREEMENT?

165.c. On page 140, last paragraph, did you test and apply for a permit?

165.c.i. Did MPL submit to the EC its proposal for transmitting brackish water to the west end for irrigation needs? If so, attach a copy of the proposal with the answer, If not, why not?

165.c.ii. why do you want brackish water for irrigation?

166. What was the status of the # 7 EC project when you became involved as a partner with the EC and the 100 meetings held February 2004 through May 2004?

166.a. when did the ranch first learn about the #7 EC project to place a moratorium of the transfer of water from the wet east end to the dry west end of the Island?

167. Have you applied to the water Commission for well permitting? You stated this would occur in late 2006. Why, why not?

Laau Point questions for EIS
168. This is 2007 and already Molokai's ground water system is at a critical stage and 600 homestead lots on island have yet to be leased because of lack of water availability. Do you agree the prudent management of the Molokai aquifer would be to assess what is available prior to proposing an additional 1 mgd for your Laau Project?

169. Who were the participants in community meetings who expressed "water is the primary cultural resource"?

169.a Who were at what meetings when this was discussed?

169.b Do you have tape recordings or films of these meetings. If so, please attach.

questions pertaining to 4.2.4

170. why do you say "this assessment must endeavor to accommodate the competing interests of protecting native Hawaiian culture and rights on one hand, and economic development and security on the other?"

170.a. since this is your premise for your assessment, if the premise is wrong, so is your analysis isn't it?

170.b. who told you to direct your assessment in such a way...i.e. stating that you must accommodate competing interests etc.?

170.c. To what is the economic development you refer? Please be specific.

1670.d. To what is the "security" you refer? Be specific please.

170.e. Just like with dying out species of plants and animals, governments step in to protect them, so is the argument that dying out cultures must be protected also, don't you think?

170.e.i. Every culture in the history of the world made a contribution to the evolution of man and continues to today, isn't that true?

Laau Point questions for EIS

171. You have said that "those responsible for the future of the land and natural resources of Molokai must weigh the cultural impacts and the benefits of the proposed development in CONSULTATION with the people of Molokai", did you?

172. Don't you think the people of Molokai were consulted when FINALLY given a chance to voice their opinion on the Laau development in the recent election of January 31, 2007, when the two new faces who were running for EC board members and who were absolutely against the Laau Point development ousted the two incumbents and two other pro Laau Point development candidates with a landslide victory of 68.3 and 63.6 percent of the vote?

172.a. The turnout for this election was almost 1000 more voters than last year's election of 200 when two more anti Laau candidates were elected to the board, correct?

172.b. This year one of the Laau supporters on the Board (Vice-chairwoman) and Trustee for the Office of Hawaiian Affairs garnered a total of 374 votes for less than 30% of the vote correct?

172.c. What further proof do you need to show you that the people of Molokai DO NOT WANT THE DEVELOPMENT AT LAAU POINT?

173. Since you are a professor of ethnic studies, surely you know Kapunas of Molokai say "before you speak of Molokai, always speak that it is 32 miles long and 10 miles wide. what affects one side of the island affects the whole island" don't you?

173.a. Knowing this, why do you choose to only speak to the Maunaloa and Kailuakoi ahupua'a families?

173.b. Did you learn in speaking with ahupua'a families that there are people all over the island who have ancestral connections to Laau Point? East end and central Molokai family burial grounds are there?

173.c. surely as a professor of ethnic studies, you realize at some level don't you, that all Native Hawaiian ancestry people from this island have a connection of place to Laau point don't you?

Laau Point questions for EIS

174. The Ranch had been asked two times prior for an island wide election on the Laau point development and refused even though they have long touted the MIS-Fact that they had a silent majority hadn't they?

175. On two prior occasions the Ranch has been asked to put the Laau Point Development to the vote of the people weren't they? If your answer is no, see the Molokai Dispatch dated February 8, 2007 and affirm or deny.

175.a. Since the EC Board denied the second request after labeling it is the same as saying the Ranch denied it, because the two are in 'partnership', isn't that true?

175.a.i. Did the EC ask the Ranch what it wanted to do about the request for a vote while not liking the "language of the motion"? If not, what was the discussion about it in Executive Committee? Are there minutes to Executive sessions?

175.a.ii. Since the EC is Federally funded, don't their Executive sessions have to be open to the public? Don't they have to keep minutes open to the public? Please support your answer with legal authority.

176. Generally, the people interviewed and who came to the cultural assessment community meetings expressed reservations about Laau Point Development, and there were NO enthusiastic advocates while MOST were opposed, correct?

177. As a matter of fact the Maunaloa people who live in the ahupua'a were MOST concerned and reluctant about the development, right?

178. You stated that these Maunaloa residents felt the CC&Rs could manage some of their concerns, but did anyone ever tell those same residents that CC&Rs can't legally be enforced in Hawaii?

178.a what would they say then?

Laa Point questions for EIS

179. Who specifically were the Maunaloa Kupuna with whom you spoke? Who were each and every Kupuna with whom you spoke in your ENTIRE study of speaking with kapuna on island?

179.a. Did you accurately represent their opinions, or did you delete things they said that would be detrimental to the assessment for the Ranch?

180. Who specifically are the longtime adversaries of Molokai Ranch, who were involved in developing the Plan? What did they do to develop the Plan?

180.a. What specifically and give details of the "extravagant development schemes and the extractive use of millions of gallons of water"?

180.b. Did anyone ask were these millions of gallons of water would come from? By the way, is that GDP?

180.c. In the planning process, when was the water discussed? How was it present, by whom? Where are the minutes of the meetings and when and where can they be obtained?

180.d. Who were the people who withdrew their support for the Plan and withdrew? Give a complete list.

180.e. Who were the majority of the planning group who persisted with their support of the plan

181. Specifically how is the Plan going to control population growth? What do you mean?

181.a. If you can't be specific in answering question 181 then is this just another unsubstantiated general statement in your EIS?

181.b. This island is already 10 years ahead of projected population growth now and you expect, to control population with more development? Explain.

181.c. Isn't the real control of population on this island the amount of water it has for development?

Laa Point questions for EIS

182. You state one of the 'potential impacts' may be that the people who purchase these lots will not understand the Molokai lifestyle and subsistence practices, yet you do not state in the following pages how you will mitigate that? Can you mitigate that?

182.a. People who can afford a \$1-2 million lot and place a \$5-6 million home on it can never understand the Molokai lifestyle can they?

182.b. It's rather like attending all these meetings and taking to Ranch people and not being heard isn't it?

183. Elsewhere I have asked questions about the Land Trust and how it will operate and therefore will not duplicate the questions again as you duplicate the paragraphs in your EIS over and over again, rather what specifically have the Ranch, BIL, all the business entities that are associated in anyway whatsoever with either, done to protect the Native Hawaiian legacy lands in anyway whatsoever?

183.a. Do you believe they need to be protected?

183.b. What are your plans for these lands should your Laa Point development not be approved? Be specific in your answer please?

184.c. Why have you not initiated any protection thus far? or have you? and if so what? Be specific please.

185. Are you placing the burden of protecting the subsistence fishing zone on Appendix A. p. 59 solely on the Land Trust, homeowners and community to 'work together' to obtain a special law from the State Legislature?

185.a. What have you the Ranch, BIL and all legally connected entities of whatever nature done to begin securing this law? Protecting the subsistence of Native Hawaiians?

186. This subsistence Fishing Zone is the same zone marked as such in 1993? Correct? by the Governor's Task Force?

187. In your Plan, to ensure access to the shoreline, it will only be available by foot through two parks, correct? Page 24

Laa Point questions for EIS

188. What "experienced Resource Group, will be RECOMMENDING open AREAS FOR SUBSISTENCE FISHING?

188.a Isn't all the coastline subsistence fishing areas?

189. who will give educational courses on traditional fishing methods, practices, after the Management zone is established to those provided access to fish and gather?

189.a. Who decides who will be provided access?

189.b. How long will it take to determine the management zone and establish it?

190. It is no longer true that MPL is working with DHH on any level is it?

190 a. As a matter of fact the Hawaii Attorney General told DHH that it could not negotiate Homesteaders water rights in any way didn't it?

191. How are you MPL working with the County of Maui Department of water supply and the USGS to comprehensively evaluate Molokai's long term water demands?

191.a. I understood that the Maui water Department had employed the USGS to model Molokai's aquifer because we are at a "critical stage". Do you understand that also?

191.b. IS MPL paying for the USGS model? Exactly HOW is MPL working with Maui Water Department and USGS? Be specific in the role MPL is playing.

191.c How many meetings have you had with either? and when and where and who initiated it?

192. Molokai water issues will be addressed by a comprehensive modeling analysis that the USGS is doing, correct?

192.a. This is a two-dimensional water model isn't it?

Page 25

Laa Point questions for EIS

192.b. Don't you think a three dimensional model would give better more accurate data?

192.c. Is MPL supplying any money for this modeling? Offered to pay any money for this modeling?

193. Development of Laa point will destroy the spiritual man and power of the place won't it?

194. The spiritual quality of Laa Point as a wahi puna and wahi kapu cannot be quantified can it?

195. The Laa Point project will have an impact upon the solitude and spiritual resources not existing.

196. You really believe the Land Trust, whose directors are many of the very same EC directors that just suffered a crushing defeat (not even reaching 30% of the vote) January 31, 2007 in the defeat of two directors who supported Laa Point development (including the vice president) AND who never listened to the community about the water issue and the Laa Point development issue and were under the delusion that a majority of the island supported the Laa Point development, will EVER be able to "bring various sectors of the community together" in a working relationship?

197. How will these same directors every be trusted by the Molokai community at large again?

198. Do you believe that the Molokai community believes any of these directors possess the spiritual qualities and integrity to see that the physical and natural resources of Laa Point are properly cared for?

199. You speak of respect for the area, do you believe that anti Laa supports believe that if you respected the aina and native Hawaiian culture,

Page 26

Laau Point questions for EIS
you would never even want to develop Laau Point?

200. Do you know of any laws, violation of which, brings jail time for destroying the critically endangered plant found in Kamakaipo Gulch?

200.a. Disturbing important cultural findings in this Gulch might lead to destroying one of the last few places on earth this plant is found and thus jail time, wouldn't it?

Questions pertaining to 4.3

201. What protection is afforded this trail from Moemomi to Ilio Point and then along the west coast to Laau Point? Is this the shell trail?

202. Why is hunting only permitted to Ranch employees and their families?

203. There are no surf spots in Appendix 8 of Appendix A as stated in your EIS. There is no surf legend on Appendix 8. What are the surfing spots?

204. Why do you state MPL recognizes the rights customarily and traditionally exercised for subsistence cultural and religious purposes by descendants of Native Hawaiians when it is in our Hawaiian laws anyway? You HAVE to respect these things don't you?

205. What's wrong with the Maui County code about 1500 feet right away so there would be 16 public access rights of way in the Laau Development?

205.a. If you are going to break up the ground anyway, why make it only exclusive for the homeowners?

205.b. How would allowing more public access to Laau Point shoreline not be conducive to protecting the coastal resources any more than 200 developing 200
Page 27

Laau Point questions for EIS
lots on the coastline? Explain in detail.

205.c. By allowing only two access points for the public to the shoreline, while allowing exclusivity of the homeowners to the shorelines in front of their lots is a contradiction to Hawaiian culture and values isn't it?

205.c.i. It is taking away traditional Native Hawaiian values and rights to use ALL island lands by allowing rich people to buy a piece of coastline which only they have access to, isn't it?

205.c.ii. This development just moves one step more into intruding into the culture of Hawaiians not only owning and purchasing land, but owning and purchasing land and making it exclusive for non-Hawaiians, correct?

205.c.iii. You state that increased public access will diminish the uniqueness of the coast, but aren't you really saying diminish the exclusivity and uniqueness of the property and thereby decreasing it's value?

206. You again are bringing up the Conservation District shoreline areas controlled by the Land Trust and homeowners, resource managers and security guards etc. all questions I have previously asked. Just as it is not necessary for me to ask the questions again, it is not necessary for you to repeat your paragraphs again and again is it?

207. Regarding the access plan i.e. Appendix A which is: restrict shoreline to foot travel, CC&Ps to protect plan and no parking except at each end in the new parks. This is essentially all of the substance stated in three paragraphs of verbiage and likewise to say it again at this page in the EIS. What is the reason for all the fluff in your style of writing?

208. You state that the shoreline access "plan will be developed and adopted to regulate through legal and enforceable means". What are the enforceable means?

209. Once again this is repeated information you state, but what specific protocol, rules and
Page 28

Laaupoint questions for EIS
permitted activities for subsistence fishing and gathering will be made? by whom? for what reason?

209.a. Who administers, develops the class, decides who passes the mandatory educational classes in traditional subsistence gathering and access responsibilities, safety and protocols in order to obtain access?

209.b. How is this promoting and not devaluing the Native Hawaiian culture?

209.c. How is requiring courses of native Hawaiians to obtain permission to hunt and subsistence fish promoting and not devaluing the Native Hawaiian culture?

209.c. How is it promoting and not devaluing the Hawaiian culture to have a steward supervise access to traditional and sacred Native Hawaiian shorelines and reefs?

210. Regarding emergency access and kapuna and special needs persons access, and the need for the road to Hale O Lono Harbor to be maintained, perhaps you acknowledge there is a need for these things; however, you make no statements as to how whom when means these will be done by you?

210.a. You even refer the reader to a "further" discussion (when there was not a discussion at all yet) to Section 4.10.3 of your EIS. There is no discussion in this section about emergency access is there? There are statements about fire stations on island, but NO DISCUSSION about emergency access is there?

210.b. What is your discussion of emergency access? What are the plans etc?

Questions pertaining to 4.4

211. What specifically is the "build-out of the Kaluakoi Resort? Give exactly the details of 'the build-out'.

Laaupoint questions for EIS
212. Do you project approximately 300 additional cars per day at the main intersection of Maunaloa Highway at Kaluakoi Road?

212.a. If not, what is the total amount of additional cars which would cross this intersection per day at build out of Kaluakoi?

213. What day or days did you do your study?

213.a. During your study, what is the amount of cars you observed per day that crossed the Maunaloa Highway at Kaluakoi Road intersection?

214. What was your methodology for your study? Explain in detail.

215. Did you do a baseline study measuring what is currently occurring at the major West Island intersection?

215.a. If not, why not?

216. When you measure or assess an impact on an area do you not measure the increase in traffic activity from a quantifiable baseline to determine the impact?

217. What is YOUR standard for acceptable level of service?

217.a. Is it a percentage increase from the baseline, which appears the most logical approach?

218. What level of service standard should apply to Moikoi?

218.a. The same level of service should not apply to Moikoi as applies to the other islands should

Laaupoint questions for EIS

it? why, why not?

218.b. What is each and every reason you have for choosing the LOS you did?

219. Regarding the traffic study, what has been all prior experience in your field of expertise? Please state employment history education, prior associations for PRB Hawaii, Ranch it's affiliates, subsidiaries, shareholders etc.?

218. Have you spent much time on Molokai other than the study time?

219. Did you notice the number of cars backed up at our major stop sign in Kaunakakai?

219.a. how many?

219.b. Did you speak to any of the local people about how crowded the island has become with all the cars now?

219.c. Have you ever heard of a traffic situation where people complain because there are five cars in front of them at a stop sign?

219.c.i. If so where and under what situation?

220. MPL will fund costs for all Laau Point roads so that in the future they could be dedicated to the County correct?

220.a. But the County must first accept the roads for maintenance correct? What is the process for that to occur?

221. You state the coastal jeep road will be

Page 31

Laaupoint questions for EIS

abandoned to avoid archaeological sites and erosion. Do you know exactly all the archaeological sites at the Laau Point development? or were you just given that information by the Ranch or PRB Hawaii or someone else? Please explain.

221.a. What portions of the jeep road may be used to provide emergency access and foot trail access to the shoreline?

221.b. Have those portions been identified to be free of archaeological sites?

221.c. Do you have a map of the 'free' of archaeological sites for the jeep trail? If so produce please.

Questions pertaining to 4.5

222. Is the only noise you heard on your study that of wind, birds, ocean and occasional distant aircraft?

223. Is impact measured by a baseline of what noise is currently occurring? Or is it measured against a state, national or otherwise standard?

224. Did you investigate any noise impact or the wildlife, particularly the monk seals and owls?

225. Are you aware the CC&Rs are worthless as an enforceable measure for noise equipment etc.?

Questions pertaining to 4.6

226. Laau Point can be very very windy can't it?

Page 32

226.a. And construction dust will be blown everywhere also, won't it?

226.b. If dust measures are acted upon, it would take much more water to water down construction dust then elsewhere on the island wouldn't it?

227. Explain in detail what the effective dust control plan would be? how much water will be needed?

228. Now in this section you state at full build out, the vehicles per hour will be 200. Does that mean at the major intersection? or on the highway?

228.a. Does that mean over 3 cars per minute?

228.b. Is this 200 additional cars after build-out or total cars?

Questions pertaining to 4.7

229. You realize the lack of enforcement afforded by CC&RS don't you?

230. You state that 30% of a 2-acre lot is around 26,000 sq. ft. Is the maximum percent of the lot that can be built upon? That means on the average size lot, houses can be built as large as approximately 26,000 sq. ft doesn't it?

230.a. Or it means two houses can be built at a total size of approximately less then 26,000 sq ft doesn't it?

Questions pertaining to 4.8

230. What are all the qualifications of the Knowledge Based Consulting Group and Earthplan.

230.a. What is their educational background, prior work experience, how long in business, what work do they do, for whom?

230.b. What prior associations or business have you had with PBR Hawaii Ranch (subsidiaries, owners, affiliates, shareholders etc.

230.a. What are the names of all the individuals who worked on appendix M and Earthplan? and where do they reside?

231. You say most of the population growth occurred in the East end during those 30 years, what is the percentage of growth on the east end and the west end?

231.a. Was there a population NET drop in the west end from companies pulling out? If so what was that drop.

231.b. Are you stating that the population increase is a NET increase?

232.a. Is there a current population record of the west end now? of the east end now? of Kaurakakai now?

233. When was this report done? what date?

233.a. Are there other projections available other than the State Department of Business EC AND Tourism?

233.b. Are their projections the same?

233.c. You state that the projection for Molokai in 2010 will be 7276, but Molokai has already by 2000 reached 7257 correct?

233.d. Since the projections are approximately 10 years behind the actual, shouldn't your report for this EIS reflect these trends?

Laaupoint questions for EIS

234. You base your population projections on a potential Laaupoint development using demographic patterns at other seasonal communities in Hawaii. List all the communities in Hawaii, you utilized in your analysis to determine the permanent and seasonal residents at Laaupoint?

234.a. List the comparable similarities of those communities with Laaupoint? What are they?

234.b. Now, state what are all the possible dissimilarities of those communities when compared with Laaupoint?

234.c. What are the comparisons between the islands you chose and Molokai? Use as many factors as you can think of.

235. State all the reasons you have for stating the occupancy rate of 30% would apply to Laaupoint should it be developed?

Questions pertaining to 4.8.2

236. How do you explain housing units more than doubled, while population only increased by 43% during that same period of time?

236.a. From where did the housing figures come, and are there other data banks on Molokai housing figures which differ?

237. Why did west Molokai increase in population less than 43% but increased 75% in housing units during the same period of time?

238. What is your source for saying the majority of Molokai real estate buyers is from Hawaii? What is

Page 35

Laaupoint questions for EIS

the percentage?

238.a. Why do you think that is? Speculation or is it the last Hawaiian island? or something else? If something else, explain?

239. Isn't the exact reasons for the ranch wanting to develop Laaupoint because it is a unique product in the state?

239.a. It is anticipated that Laaupoint development will attract people who appreciate privacy, natural value of the land and a primarily native Hawaiian community, correct?

239.b. Don't you think all the housing sales on Molokai and the 10 year under-projected population growth have occurred because of those things listed in 239a above?

239.c. Don't you think the fast sales of Ranch lands at Monaloa have occurred because of those things listed in 239a above?

239.d. Why then do you think it is necessary to develop one more subdivision when there is so much already subdivided but not built upon land in Molokai?

239.e. What is the number of lots already platted and subdivided on Molokai, but not yet built upon?

239.f. What is the number of lots already platted and subdivided on Molokai and built upon AND can be yet subdivided again for future building?

239.f.i. When these lots are subdivided, won't they require additional water also?

240. You state 'based upon market data from comparable non resort settings', to what comparable non resort settings are you referring? List each and every one and the location of each.

241. There is anticipated a very great demand for lots at Laaupoint because of limited availability, of low-density oceanfront, don't you?

Page 36

Laau Point questions for EIS

241.a. what are the special conditions and requirements associated with ownership at Laau Point? List each and every one in detail.

242. You anticipate great increases in the value of the project don't you?

242.a. what do you mean when you say residential market values for the project will be \$34.4 million in the first year of lot sales?

242.a.i. What includes the project?

242.a.ii. How many lots have to sell?

242.b. what do you mean when you say " and increase to \$211.9 million when lot sales are completed?

242.b.i. When all lots are sold and approximately 10% of lots built upon?

242.c. Will each residence be expected to increase in value by \$16 million per year then or the project in its' entirety?

242.d. When all residences are built, what is it that you project to increase in value to \$352 million?

242.e. If someone purchases a lot for \$2 million and constructs a modest \$4 million house, and in twenty years what can that person expect to sell that house for?

242.f. This encourages real estate speculation which everyone knows in a real estate market is how taxes and property values are driven up isn't that so?

243. What percent of people who might purchase at Laau should it make it to development stage do you anticipate will be from this transfer market you speak about?

244. Regarding Appendix L, and assessing property not adjacent to Laau Point lots will not be directly affected, but it will be indirectly

Page 37

Laau Point questions for EIS

affected won't it?

244.a. What are the indirect affects the Molokai property owners feel should this development proceed? Please give an extensive list.

245. Molokai is a very small island 32 miles by 10 miles wide and what affects one side of the island affects all of the island and probably more quickly then in a high island like Oahu don't you think?

245.a. Thus the domino affect of adjacent lands and like lands will occur more quickly throughout the whole small island as lands are re-sold, isn't that correct?

246. You did a paired assessment of expanding developments and non-adjacent land holdings where? What areas did you look at?

246.a. What is the "period of time" you chose to look at in your assessment?

246.b. Did you do an assessment over time between expanding development and adjacent land holdings?

246.b.i. If so what were the results? if not, why not?

246.c. Do you have the papers on which you did your analysis?

246.d. What was your methodology? i.e. specifically, how did you do this analysis?

247. Who were the people you had discussions with at Maui County and Oahu tax offices. Please give names.

247.a. what was the essence of the discussions? and where were they held?

248. Having been a property owner on Molokai for some time I noticed a great change in sales prices mainly driven by the west end (which has always lead the way in prices) but nevertheless, a dramatic increase in value and taxes I have observed! Are you saying that the rest of the island does not trail in prices and taxes after the west end?

Page 38

Laau Point questions for EIS

248.a. Are you saying taxes throughout the island have not increased as sale prices have increased in the west end?

248.b. Have you discussed your findings with local Molokai realtors? If so with whom? Do they agree?

248.c. Have you sold property on Molokai? If so when and what?

249. Are you saying that sales of property in a 300 square mile area do not affect each other in value and taxes assessment?

249.a. Particularly when the 300 square mile area is the only game in town?

250. Are you saying that mansions next to other less valued real estate, does not increase their value (of the no non-mansions....location location)?

251. Are you saying that eventually the whole island will not feel the effect of these lots, should this development proceed?

252. Are you saying that the easements created around the Laau Point isolates and distinguishes it from the rest of Molokai? Making it exclusive?

253. Who contacted you to make a comment on real estate tax impact on Molokai?

254. Do you have any experience in tax assessment? previous to this task?

255. Have you done these sorts of comment letters in the past? For whom and why were you asked of you?

Laau Point questions for EIS

256. You state 'only Molokai residents will decide future expansion of existing communities' what exactly does that mean?

256.a. Doesn't the Molokai Planning Commission plan and pass expansions of existing communities?

256.b. Or are you referring to drafting and planning an expansion of the community to be presented to the Planning Commission?

256.c. Your words sound nice but don't really explain anything in detail, what is the detail? Does the CDC act like a developer of these lands it will receive? whose ownership etc. (as I have asked the legal language and corporation documents to better understand this role of the CDC) before but you never get specific....

256.d. What is the relationship and interaction going to be of the CDC and the Molokai Planning Commission?

267. After reading the discussion on the tremendous value of this project, what EXACTLY is the percentage of the profits going to be shared with the community? and how will it be shared? Give specifics.

268. Will the 100 acres around Kualapuu and Maunaloa be deeded over to an entity? What entity and when?

269. Nice verbage BUT : "Ohana Neighborhood Communities" developed by various community resources like Habitat and self-help housing ? by whom organized? how? what procedures, when? documents for authority etc.

270. The "1100 acraa will be gifted to CDC"? Has this been done?

270.a. when will it be done?

Laaupoint questions for EIS

270.b. What portion specifically will be for community homes?

270.c. Will this CDC be running fee simple houses or leased housing?

270.c.i. If leased, where is the mechanism for managing the leases? a sub-management company within the CDC or will it be run by MPL?

270.c.ii. Without the corporation documents and initial filing of the corporation, is it really possible to see what is intended of the ranch other than to keep their fingers in the pie? (see other questions relating to the relationship of the various entities discussed in this EIS.)

271. You actually reference p. 69 Appendix A that HOUSING PROJECTS may be development and managed by the Land Trust and/or MPL do you not?

271.a. Are you planning what the state is currently doing for Homeless Hawaiians in Honolulu with housing projects?

271.b. You state that there is a need for affordable housing on Molokai. Do you anticipate your Laaupoint development, should it be allowed to develop, will necessitate additional affordable housing for native Hawaiians on Molokai?

271.c. Do you anticipate this increased need for affordable housing for native Hawaiians to occur because you will be destroying their current method of living off the land and ocean as historically they have done?

272. What exactly do you mean by "balanced community"?

273. How much of the 'gifted lands' for the 'Ohana Neighborhood Communities' will MPL retain land ownership (of)?

273.a. What decisions are you speaking about that will be made by the community? Please be specific and give examples.

Laaupoint questions for EIS

273.b. decisions made by the CDC whose board is primarily made up of the EC board which the community soundly rejected in the recent elections?

274. What specific VALUE and LAND DONATIONS and INCOME are you speaking about?

274.a. How much is the value of the land worth that you are donating?

274.b. What and how much are you donating fee simple? how much is leased?

274.c. What is the breakdown to account for \$10 million?

274.c.i. How much is cash?

274.c.ii. How much is land value?

274.c.iii. How much of land value will be written off on taxes?

275. What do you mean the importance of development timing? Please explain that concept.

275.a. What is the reason you have referenced Appendix A p. 67. at this point?

Questions pertaining to 4.8.3

276. Molokai is known as a place where the pace is slow, the land and style are rural, and Hawaiian culture and values form the foundation of all facets of island life, and how and why do you think this has happened? keeping development off our island correct?

276.a. We have not one single traffic light and have avoided the urbanization and mass development that has become evident on other islands, and how and why do you think this has happened? keeping development off our island? correct?

Laaupoint questions for EIS

276.b. Molokai is still governed by the old ways of life with relatively few land corporations, trusts, housing authorities, government boards, etc. running the island; and how do you think this has happened? keeping development off our island? correct?

276.c. Many residents continue to nourish their family in the same vein as the early maoli subsistence activities (hunting, gathering, fishing and agriculture) which plays an important role to Molokai's culture (Hawaiian culture) and lifestyle; and how do you think this has happened? keeping development off our island? correct?

276.d. If you have ANY POSSIBLE REASONS to questions 276 - 276.d. with an answer OTHER THEN keeping development off our island, what are they? state each and every reason you have?

276.d.i. If you have possible other reasons, rank them in importance and state the keeping development off island in your priority list.

277. regarding appendix M discussed on page 72 of the EIS, what type of entity is Earthplan? and who owns it?

277.a. who are the employees and what are all the qualifications of each? ex. (education, degrees, employment history, what have they published e.g. thesis, dissertations etc.)

277.b. List all the meetings you attended for this Appendix M giving names of attendees, places at which meetings were held.

277.c. who specifically did the research for Appendix M? who did what sections? Periodical research? surveys, opinion surveys? what else?

277.d. what was the methodology for your report? List ALL research Earthplan did for this report.

277.d.i. what data and research did you collect or find and specifically EXCLUDE Page 43

Laaupoint questions for EIS

from your report?

277.b.ii. Were you given specified directions for your employment contract to do this report? If so, what were they?

277.b.iii. Did you have a specific written contract of employment for this report? if so, with what person or entity?

278. Who were the individuals you spoke to to obtain you data? who were not suggested to you by PBR HI or the Ranch? You stated 2 persons were recommended by those you interviewed. Who were they?

278.a. Molokai style is "malama aina and aloha aina isn't it? the ohana portion is typical of all Hawaiians isn't it and not necessarily unique to Molokai style is it?

278.a.i. Taking care of and loving the Aina is a foundation for Molokai style isn't it?

278.a.ii. Ohana is also a mark of Molokai style also isn't it? including the ancestors buried at Laaupoint?

278.b. Other attributes you state of being Molokai style is being patient and accepting, knowing everyone and taking care of each other as ohana, correct?

278.c. Sociologists recognize all these forgoing attributes you mention of Molokai lifestyle in one shape or another as being generally attributes of lifestyles in most small communities or isolated community styles where people have to depend on one another isn't that true?

278.d. The significant difference between Molokai and other small communities is the LOVING the aina and TAKING CARE of the aina isn't it?

279. Another distinctive, and probably unique, attribute of Molokai style is "Homelessness is virtually non-existent". Correct? If you disagree, state why and list all other communities that you know that have virtually no homeless, and state why you believe they have no homeless.

279.a. You state the reason is people look out for those in need, correct? This also comes Page 44

Laa Point questions for EIS
under the category of ohana and looking to care for
one another isn't it?

279.b. Not only are those "in need" looked
after, but they can look after themselves, and in
fact do through subsistence living as their ancestors
did, don't they?

279.c. You stated people were "comfortable,
if not DEPENDENT, on outdoor living and the island's
natural resources to provide subsistence living,
correct?

279.d. People trust each other on Molokai
and barter don't they? This is part of their
survival isn't it?

280. Molokai style is being comfortable with
yourself regardless of your economic situation isn't
it?

280.a. This includes not being ashamed of
being poor and if you are affluent being satisfied
with a modest house isn't that correct?

280.b. How will it be possible for Laau
Point homeowners to be satisfied with a modest home
when they are allowed to build up to 26,000 square
foot houses?

280.c. Or the alternative side of the
discussion, should this development be approved,
why do you think that the type of people with
residences valued at millions at build out is
not going to make a divide between the haves
and the have nots on Molokai?

280.d. What are all the reasons you
could possibly have to say that should this
development be approved, it will not change
Molokai life style, values, subsistence living?

280.e. What are all the reasons you
could possibly have to say that should this
development be approved, it is not going to
make native Hawaiians homeless on this
island?... the last Hawaiian island?

281. Who was each and every Kapuna who noted
they did not teach rudeness at public meetings.

281.a. Who noted increasing antagonism
associated with controversial matters? and were
these controversial matters associated with the
proposed Laau Point development?

Page 45

Laa Point questions for EIS

281.b. Have these kapuna attended EC
board of directors' meetings and observed the
rudeness exhibited by EC board members to the
public attending their meetings?

282. Since all sociologists are required in
their curriculum to take a certain amount of
psychology classes, can you understand the
frustration the people of this island have felt
when they have not been heard at any of these
Ranch meetings or EC meetings about not wanting
the development at Laau Point?

282.a. Wouldn't you say that the
overwhelming landslide vote on this island against
Laau Point development... almost 70% against and
30% for... would explain the anger and frustration
acted out in rudeness at meetings?

282.b. Wouldn't you also say that the loss
of aloha and respect and friendliness on the island
would return once again, if the Ranch withdrew it's
plan to develop Laau Point?

283. What are the logical steps in your research
which lead you to find "that a significant impact
on the social environment is embodiment of negative
expectations related to Laau Point residents and
the public controversy"?

283.a. You prececed this statement about
Kapuna concern about disharmony and stress behavior
don't you?

284. But, aren't you speaking of social impacts
RIGHT NOT PRIOR TO THE DEVELOPMENT?

284.a. The at leaset 70% population against
Laau development (I say at least because approximately
50% of the island is illiterate; and therefore, don't
vote) is against it now prior to development; wouldn't
you expect this antagonism to grow should this
development be approved or construction actually start?

285. Where is all the research in your report
that has been done by other sociologists and probably
psychologists showing the NEGATIVE SOCIAL IMPACT on
Page 46

Laaupoint questions for EIS
speak over the process they took to develop the plan?

289. Generally speaking, as a sociologist, who has some psychological background and does research know research that would either directly show or indirectly show through extrapolation that people with lots have money (particularly people with money to spend \$2million on a lot) would be materialistic with no 'poor friends'?

289.a. following question 289.:::have little appreciation for subsistence living?

289.b. following question 289 and 289.a have little understanding of loving and caring for land?

290. In your meetings on Molokai you heard, did you not, how the island had already changed, and the people felt already impacted and alienated from their own land? Do you think that is because the new wealthy people on island cause these feelings in us of strangers in our own land?

291. What do you mean by the Molokai style is still persistent? Be Specific please.

291.a. Do you mean still no homeless here?

291.b. Do you mean aloha and malama the aina?

291.c. Do you mean bartering and caring for one another? Please tell me all the affluent people on island that barter with locals and care for them in any manner? Be specific.

291.d. Is the native Hawaiian population still a majority on our island? If so, is that a contributing factor in you answers to all 291 questions?

292. What meetings was future growth and development discussed? Not at my meeting on social impact on island.

292.a. List all meetings and people
Page 48

Laaupoint questions for EIS
native Hawaiians AFTER DEVELOPMENT OCCURS? What happens to their lifestyle? WHAT HAPPENS TO THEM?

285.a. Shouldn't the focus or your assessment be on FUTURE IMPACT of the possible Laaupoint development?

285.b. Isn't this a glaring omission of your research and preparation in your evaluation?

285.c. Did you omit these studies because they will illustrate how devastating this development would be to this island?

285.d. What are the social impact studies you found regarding native Hawaiians from developments? If you found none, so state.

285.e. If you did not look, so state and tell why?

285.f. Have you completed other 'assessments' on developments for BIL, Ranch, it's subsidiaries, owners, or any other entities or persons associated in any way with the Ranch?

285.g. What are all other assessments you have made for development in the Hawaiian islands? What islands and development did you previously report on for an EIS and where can your documents be found?

286. Aren't you speaking about the Molokai people's expectations and pre-conceptions about the homeowners on Laaupoint who would be different?

287. Shouldn't a social impact assessment concern itself with WHAT WILL BE THE SOCIAL IMPACT on the island if in the future such a construction as Laaupoint is allowed to be developed? why? why not?

288. Shouldn't the social impact be emphasized on the future not now?

288.a. Aren't you observing the social impact of the ranch designing an independent plan with the help of their partner, the EC Board WHICH brought up neither Laaupoint development nor the water issues on island UNTIL THE LAST MINUTE so to
Page 47

attending and where the meetings were held that discussed future growth on a social impact meeting?

292.b. What are the details to support your statement 'there was a strong consensus that growth needs to be planned slow, and controlled'?

292.c. What is the synopsis of this consensus? Specifically who spoke about this where did they speak, how many were there, how many expressed opinions?

292.d. What is the 'right type of growth'?

292.e. What do you mean by 'right type of growth'?

293. Weren't the people's concern about Laau Point residences fitting in? or people living in these residences having values that conflict with Molokai Style correct? or justified?

293.a. Don't you think there are people on Molokai who have met and experienced extremely affluent people and learned their values; and hence, have justification for these opinions?

294. Aren't the fences in front of and behind these residences to make the residences more exclusive?

295. List all sociologic studies you have found or known about that suggest a native Hawaiian community such as Molokai were NOT affected by development of luxury homes and affluent residents?

296. What luxury homes say \$2 million and up that do NOT have tall fences, walls, gates etc. to protect their property?

Page 49

Laau Point questions for EIS

297. As a sociologist, don't you agree, structures of the kind expected at Laau Point, would be offensive to Native Hawaiians...particularly on Molokai?

297.a. Wouldn't a native Hawaiian much rather see the shoreline to their ocean natural rather than developed?

298. Are you aware of the Hawaiian law that allows the public access on Hawaiian shorelines 50 feet from the highwater mark? What would make you think any of the Laau Point shoreline was inaccessible? It has always been accessible by boat hasn't it?

299. Were any of the focus group meetings you attended open to the public?

299.a. What was the criteria used to be invited to a focus group meeting?

300. To mitigate the disparities in income between the Laau Point and population of the island you say "there needs to be social integration on a regional level. What is a regional level mean? Explicitly explain.

300.a. What do you mean social integration? Do you mean Molokai residents need to be integrated into social mores values etc. of a more general population?

300.b. Wouldn't this dilute the Hawaiian culture? You suggest an integration? Maybe you haven't heard, Molokai like themselves, are comfortable with themselves and want to NOT be assimilated into the mainstream.

300.c. Molokaians enjoy being like they are. Do you really believe that homeowners at Laau Point would actually want to understand and assimilate into Molokai culture anymore then Molokaians would want to assimilate into

Page 50

their culture?

300.d. You are placing enforcement abilities in CC&Rs, why? They are not capable of assisting you in any mitigating affects on the native Hawaiians circumstances for impact are they?

300.e. The directors of the Land Trust are very similar to those of the EC Board which was just handed a no confidence vote by the people of Molokai! What makes you think that these same people would be able to enlist support for much of anything from 'the people'?

300.f. Don't you think it is degrading and insensitive to request native Hawaiians, who resent the thought of any Laau Point homeowners to, share authentic Hawaiian culture? Don't you know that traditionally, native Hawaiians must trust a person prior to sharing much of anything of import from their culture?

300.g. Isn't it one thing to say the aim is that homeowners will have to support conservation, cultural site protection, and subsistence, and then quite another to ensure this occurs?

300.g.i. Your dependency of CC&Rs enforcing much of anything in Hawaii is bogus isn't it? If you don't think so, cite case law which consistently upholds CC&Rs.

300.g.ii. Wouldn't it be impossible to require purchasers of property to adhere to values consistent with the Molokai community? For one thing this language would be unenforceable due to vagueness wouldn't it?

300.h. Aren't you asking a little too much of mutual acceptance when the very center of the Hawaiian culture is a stake let alone many individuals' traditional subsistence survival? albiet it Molokai Style?

301. Existing residents are respectful and appreciate other peoples' right to enjoy Laau Point; however, not live there. That is an appropriate Molokai Style stance isn't it?

302. If the Ranch and it's owners truly understood and recognized and respected traditional native Hawaiian culture, it wouldn't want to develop Laau Point would it?

303. Existing residents can visit Laau Point shorelines anyway, whenever they want by boat; however, the Ranch only allows ranch employees and their families to hunt on MPL property. This is an alien concept to traditional native Hawaiian culture isn't it?

304. What does "expectation management will be incorporated in the recourse management program orientation so that shoreline visitors are comfortable with the new development." mean???? Elaborate and define just about every word so that someone can understand what you are saying?

305. Won't the set backs you provide augment the value of the residence by making it more exclusive then hiding the residence from the shoreline? Did you take into account the rising oceans from global warming in deciding your setbacks?

306. You have stated what Molokai Style is on page 72. You stated 5 elements: Foundation of Hawaiian values, laid back, social interaction, survival, self-identify. How does protecting 55,000 acres (which are otherwise unable to be developed by water limitations and cultural sites in a Trust run by ex- EC board members administering once again without listening embody Molokai Style?

306.a. How does providing jobs embody the Molokai style? particularly when unemployment on the island is 3.2% and the national average is 4.6%?

306.b. How does establishing MPL as a housing project manager and owner embody Molokai Style?

Laa Point questions for EIS

306.c. How does the plan assist or promote subsistence survival more than it hinders? with courses, rules and regulations for people allowed to be subsistence fishing and gathering hunting?

306.d. If there is a possibility the Plan will protect lands from further development, although the lack of water and current laws can protect them; how does the Plan embody Molokai Style as defined by you on p. 72?

307. Wouldn't a better way to ensure rural lifestyle be to not develop Laa Point at all and not change the zoning?

308. Again, why tout CC&Rs as ensuring anything that you want, when they are unenforceable? It is a moot point isn't it?

Questions pertaining to 4.8.4

309. Does Molokai have a cyclical economy? If so, it is not very unusual is it? After all, most of the mountain states in the mainland have boom and bust cycles also don't they?

310. Jobs is not critical at this point in Molokai's economic cycle is it?

311. The Kuluakoi resort was bought and then subsequently closed by the Ranch wasn't it?

312. How many jobs were lost at Molokai's

Page 53

Laa Point questions for EIS

hospital? The hospital is currently making an addition isn't it? Will that provide additional jobs to the already good job market in Molokai?

313. Molokai's unemployment rate has dropped once again to 3.2% now hasn't it? Although this is the highest in the state (3.2%), it is still substantially lower than the national average (4.6%) isn't it?

314. It is not unusual for a community to have one primary employer is it? Government is a stable employer isn't it? and actually the primary employer for the entire state of New Mexico isn't it?

315. You have recognized tourism and agriculture as two additional economic sources for the island. Tourism is actually increased on the island hasn't it? Why don't you give those current figures in your EIS?

315.a. Why have you used two year old data? There are more current figures then 2004 for purposes of discussing the economy of Molokai aren't there? What are they? All the 2004 figures should be updated shouldn't they? Is it possible that the 2006 figures are approaching the additional 56,000 visitors needed to make Kuluakoi Resort a breakeven operation?

315.b. We all want Kuluakoi hotel to reopen, however, it no longer is essential to the island's tourism economy now is it? If you update your data from 2004 to 2006, you would see the rising figures of tourism on Molokai are occurring in spite of Kuluakoi being closed.

316. Since agriculture is an important economic source for the island, why hasn't the Ranch developed their capability of increasing instead of decreasing their agriculture business potential?

Page 54

Laa Point questions for EIS

317. You state MPL employs 140 people, yet CEO Peter Nicholas at an OHA public hearing gave a lower figure for both the ranch and Kaulakoi. What is the correct current number of employees?

318.

Question on Laau Point EIS submitted to:
PBR Hawaii, LUC, OEQC, and Ranch by:
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SECTION E QUESTION NUMBER 318 THROUGH 344 and
ALL THEIR SUBPARTS

Regarding section 4.8.4 and Appendix J

318. MPL is a wholly owned company by BIL International a company worth approximately \$2 billion according to their financial sheets listed on the EISPN submitted to the LUC April 27, 2006 isn't that correct?

318.a. In that EISPN, the Ranch claimed they were operating at a "cash deficit of \$3.7 million per annum" and that was the reason they needed the money from the sale of the 200 Laau Point lots to open Kaulakoi hotel. However, that same document page 04 Exhibit 3 BIL International stated: "The Molokai Properties operation managed to remain cash positive during 2004-2005". Isn't that correct?

318.a. What occurred in 2006 to make the cash flow return to a deficit? what was the change in numbers to make this occurrence?

318.b. What is the total amount of capital expenditures the Ranch has made over the last 5 years?

318.b.i. Are these capital improvements being amortized over years?

318.b.ii. How many?

318.b.iii. If they are not being amortized

Page 1

Laau Point questions for EIS

why not?

318.c. Isn't the hotel business able to show a cash flow as a negative balance, but in fact, the cash continues to fund the business and the assets increase in value, as capital expenditures are made, isn't that true?

319. What, if any, real estate offers has the MPL it's subsidiaries, affiliates or owners received for sale of the Ranch on Molokai over the last 4 or 5 years? If any, what was the price offered?

319.a. Did the ranch counter offer?

319.b. Has there been any attempt to sell MPL? If not why not? since the financial condition is made to look so bleak?

320. Has the Ranch continued to sell property and develop land they own in 2006? If so, what have been the closings completed in 2006?

320.a. What were the number and the amounts of closings through February 2007?

321. who told you there was "intensive input from the community" for the Laau point plan development? Do you think that the community of Molokai supports the Laau Point development? If so why?

321.a. Did you know that there was a strong referendum January 31, 2007 against the Laau Point development here on island? Almost 70% of the island voted against Laau Point ousting two 'pro Laau Point development encumbants from office -- one an OHA Trustee even!

321.b. Does that sound like intensive community input for Laau Point development?

322. who owns Knowledge Based Consulting Group? and who are the individuals who wrote this Appendix?

322.a. Who ran the programs for the tables

Page 2
526

Laau Point questions for EIS
and supplied the data? and what is that person's background work and education and experience?

322.b. What is the business of KBCG? Has it or anyone else in the office had prior business dealings with BIL, MPL, PBR Hawaii, or any of their affiliates, subsidiaries, or employees thereof? If so, what has it been?

322.c. Did you work under a contract to create these documents for the EIS?

323. You said regarding economic history of the Ranch "It is not a pretty picture". How much compensation did your or your company and/or both receive for your work on the EIS?

324. why do you say the average residence will be 3,500 sq ft? What is your basis of saying that?

324.a. Isn't that small for 2 acre lot which costs up to \$2 million?

324.b. Another section of the EIS states that buildings can be up to 26,000 sq ft.? How is it that your estimate is so small?

325. Capital expenditures, although a cost, are amortized over time and increase the property value don't they?

325.a. What was the \$800,000 capital expenditure on over five years? How much was taken as an expense each year? for 2006, 2005, 2004, 2003, 2002?

326. Is it MPL or BIL International that is subsidizing the operations?

326.a. If the Ranch is operating at a net loss, where is the money coming from to subsidize the operations? Please explain thoroughly.

Page 3
527

Laaupoint questions for EIS

327. MPL is in the business to sell land isn't it? It has platted and subdivided lots to sell doesn't it? It is part of their operations isn't it?

328. The Ranch has been owned by BIL International or it's predecessors for over 19 years hasn't it? Has the Ranch EVER showed a net cash flow? If so, what years, and what amounts?

329. Has the Ranch ever operated in the black? Had a positive cash flow in it's history? History from the time the present owners purchased the Ranch has there been a positive cash flow?

329.a. If not, why did BIL purchase the Ranch?

330. I was unaware Molokai needs it's tourism revitalized? Was tourism down in 2006? What are the figures for tourism in 2006 and 2005 and 2004?

331. Isn't the gifting of anything including land a tax write off?

332. Has all the tax information you have generated been passed on to politicians at any or all levels of government?

332.a. What are the political campaigns the ranch MPL, BIL International any of their subsidiaries, affiliates, successors or assigns or directors etc thereof made over the past six years to politicians running at any level of government office for Hawaii? If so, what amounts? And to whom?

Questions regarding 4.9 and 4.9.2

Page 4
See 4

Laaupoint questions for EIS

333. What is your authority support that there would be an addition of 60 new on-going jobs upon full build-out?

334. Why didn't Morihara Lau & Fong LLP place their name on Appendix P?

335. Is the statement "MPL is currently working with the DHHH, the County of Maui DWS, and USGS to comprehensively evaluate Molokai's long-term water demands and resources." still true as of February 23, 2007?

335.a. Is this outdated information? If not, to what extent is MPL working? Give dates meeting places, discussions etc. anything to support your statement.

335.b. What are any future meetings etc being planned?

335.c. You state you will seek to use existing pipeline easements across DHHH's Hoo'olehua lands for the transmission of Kakaalaha water. What meetings have you held with DHHH on this request? When have you met, have you requested meeting? Will you have any future meetings on this issue? Why, why not?

336. Isn't it misleading to say "According to the Water Plan Analysis, MPL's plans are reasonable and realistic," and add "from a regulatory standpoint? All the analysis CAN be is from a regulatory standpoint? Isn't that so? Because you have disclaimed any validity or reliability in sustainability for water sources in your first page; and in addition, said there would be no opinions made on that basis correct? If not explain.

337. Why are you stating Laaupoint safe drinking water demand is projected at 96,000 gpd at full build-out... at "80% occupancy"? Other experts in the EIS are stating 30% occupancy?

336.a. When did you write this on page 80?

338. Given your figures on the Kakaalaha Well (which Page 5 See 4

Laau Point questions for EIS

is a source of water you do NOT currently have in hand) you have 660,000 GPD left with future demands yet to come from:

1. existing developed lots (How much will that take and how many future lots are you talking about?);
2. renovation of Kaluakoi Hotel how much is that? (do you mean simply the renovation or the Hotel operating in its capacity of 884,000 GPD?);
3. existing Ranch uses? (Is that the 191,000 GPD spoken of elsewhere in your report?)

338.a. After you give the above GPD needed for 1, 2, and 3 above, will they total less than 660,000 GPD?

338.b If not, where will the additional water come from?

338.c. Wouldn't it be easier and simpler for all to comprehend and understand the water resources and needs, along with all needs and all future needs in a table to fulfill those needs?

338.d. Don't you think any decision maker would appreciate clarity on the water issue?

339. In your cost analysis, you give the cost in dollars/kgal, but no one has given the cost to actually construct and maintain a desalinization plant, cost of maintenance AND amount of water to construct and maintain such a facility. what are those costs?

340. You state all lots will be metered? Does that mean you will dig trenches into the lots for pipes in order to place meters on each lot? How many cubic yards of earth will be needed to excavate in order to do this?

340.a. What is a fire flow? How large will the larger pipes be? How much additional trenches will be needed for this system? where will it be placed and how many cubic yards of earth will be needed to excavate in order to do this?

341. The electrical, telephone and cable distribution systems will be underground and extended from Kaluakoi. How many cubic yards of earth will be needed to excavate in order to lay these utilities? and where? and what is the route from Kaluakoi?

342. Who will improve the roads for a mitigating measure? AT what cost and for how long?

343. Is the new fire station for Kaunakakai on the land originally designed in the MOLOKAI LAND USE PLAN for the expansion of the Community College?

343.a. If the ranch sold this land designated for the Community College to Maui County for the fire station, what land is the ranch replacing it with in their Ranch Plan?

344. How do you intend to have a recreational facility at Kamaka'ipo Gulch when that is the sight of a CRITICAL HABITATE for a rare plant species--Marsilea villosa?

344.a. You further state "the purpose of the park is to provide parking and foot access to the shoreline and the Archaeological preserve for cultural, recreation, and subsistence activities? How will this purpose be able to protect this environment for a plant that grows only a VERY few places in the entire world?

Laa Point questions for EIS

Questions on Laa Point EIS
Submitted to: LUC, PBR Hawaii, Ranch
By: Victoria Kapuni
P. O. Box 1962
Kaunakakai, Hawaii, 96748

SECTION F QUESTIONS NUMBER 345 THROUGH 439
WITH ALL THEIR SUBPARTS

Questions pertaining to Appendix P
Water Plan Analysis

345. Why do you call this appendix P an analysis?
Give each and every reason.

346. wouldn't it be more aptly called a discussion?

347. Why do you call this a community-based
plan? Give each and every reason.

347. a. WHO ARE the 1000 people in the community
that attended meetings and developed the Plan? List
each and every one.

348. What is each and every reason you call your
appendix P an enterprise community/Moloka'i Ranch
Master Land Use Plan?

348. a. In your NEIS, you included BOTH
your Ranch Plan And the Moloka'i Community Land Use
page 1

Laa Point questions for EIS
Plan which supercedes your Ranch plan doesn't it?

348. b. Why did you delete the Moloka'i
Plan?

348. c. It would be important for any
decision makers to be able to see the Community's
Plan compared to your Ranch Plan, wouldn't it?

348. d. What are all the points of
divergence between the Moloka'i Plan and the Ranch
Plan? Presenting this information in table form
would be most clear wouldn't it?

349. Why do you call this appendix an analysis?
Give each and every reason.

350. Who wrote appendix P? What are the
qualifications of the person writing this
appendix P?

350. a. Give education, all past employment
experience? associations with the Ranch, any
of the Ranch Business entity Connections, BIL
International, its subsidiaries and assigns, PBR
Hawaii, etc.?

351. What was each and every document periodical,
case law, law, regulation etc. reviewed by the author
in preparation to write this analysis?

352. To write this appendix P what were each and
every case, document, periodical, case law, law,
regulation etc. reviewed by the author in preparation
to write this analysis that was NOT used or referred
to in the Appendix P??

353. Did the author have any questions about pages 1-8
in this appendix P as you apparently put it together?
Did it make sense to the author?

353. a. Did you think the water resources and uses
could have been explained more clearly in a table form?

Laaupoint questions for EIS

354. Is the author an expert on water in any other way? since the admission is made "not a hydrologist, geologist or engineer," and the law section is well written and developed.
355. Did PRB Hawaii, and or the Ranch, it's owners subsidiaries, or any other business entity have any hydrology reports or data generated on Molokai ground water at any time prior to the EIS?
- 355.a. Did PRB Hawaii, and/or the Ranch it's owners subsidiaries, or any other business entity have any preliminary hydrology report made?
356. The disclaimer is made that no reliability of water resource data is made and no sustainable yields estimates on the Molokai aquifer is made. Is that correct? If not, please state more exactly what the disclaimer is for this appendix?
- 356.a. If you can't state the amount of resources available isn't that like building your case on a foundation of sand? Where are the pillars on which any opinions or arguments can stand?
357. What does this appendix purport to do then? If no opinions are expressed, and no reliability or resources or estimates of acquirer yields, can be made, what use is it to any decision makers?
- 357.a. what is the purpose of this appendix?
- 357.b. no analysis is made in this appendix right?
- 357.c. in a legal sense?
- 357.d. But we can't draw any conclusions for a legal water analysis can we?
- 357.e. You can't draw any conclusions either if there is no reliability of water resources or estimates of acquirer yields can you?

357.f. no opinion is expressed in this appendix right? Laaupoint questions for EIS

357.g. you state no opinion is expressed about economic feasibility either correct?

357.h. What do you exactly mean by economic feasibility?

358. Is this appendix simply a copy of prior outdated old reports?

358.a. Do you agree the data is incomplete?

358.b. Do you agree the documents referenced need updating?

359. Are you aware there is a Molokai Land Use Plan?

360. wouldn't it be more appropriate for you to specify that the Master Land Use Plan to which you refer is the Ranch Plan?

361. Where is Pala'au Industrial park with it's expansion using double its potable water consumption to 297,000 GPD?

361.a. Where will this potable water come from? Where exactly will the water be allocated from?

362. At the bottom of page 2 in this appendix, you state there are 3 MPL water systems. You have stated elsewhere in your report that MPL also bought Kukul Inc. another water system? which is correct in your EIS. Is it two or three?

363. When you speak of the permit for 1,018,000 GPD from well 17, don't you think it is misleading?

Laau Point questions for EIS
not to mention in the text that this is on appeal
to the Hawaii Supreme Court? Instead of footnoting
it?

364. What are the answers to my questions on the
water table I prepared for my question 324?

365. Regarding the EC #47 water plan dated December
2004, Exactly what people were involved with that
water plan?

365.a. Who authored EC# 47 and who researched it?

365.b. Was the author(s) paid to do it? If
so, by whom?

365.c. What are the names of each and
every Board Member of the EC who voted for this
EC#47 plan? What was the exact date the plan was
adopted?

365.d. Did the EC fund EC#47? If so, how much?

366. On page three you state current demand is
approximately 195,000 PGD. What is that demand for?
Be specific.

367. An example of the need for clarity in supply
and demand comes from page 3 second to last paragraph:
What water developed by the Mountain Water System is
still remaining?

367.a. What 1,000,000 GPD of brackish water
from Kaliahale well is available to you? How? What
permit is that from?

367 b. Irrigation water for the golf
course will be from treated wastewater? When
will the treatment facility be operational?
and how much water will it take to run the
wastewater facility a second one I presume, it is
not the one for the Laau lots is it?

367.c. For where will the other
non-potable uses obtain water?

Page 5

Laau Point questions for EIS

368. Regarding the EC#47 project, who was
the secretary preparing the minutes of any
meeting that may have adopted this EC project?

369. What Board members voted to drop the EC #7
project which placed a moratorium on the transfer
of water to the West end of the Island? When and
who voted to delete EC# 7 from the list of projects
on the original grant?

370. You have already disclaimed the accuracy
of what you say are Molokai Water Resources so
no one needs to even read the outdated authority
of you acquirer tables...correct?

370.a. Isn't it only confusing the water
situation with unreliable data?

370.b. The Federal government now says there is
only one acquirer on Molokai doesn't it?

370.c. The USGS two dimensional model currently
being utilized by Maui County uses one acquirer simulation
doesn't it?

371. The studies you speak of on surface water are
17 years old aren't they?

371.a. You have already disclaimed their accuracy
haven't you?

371.b. You haven't spoken to anyone who has
recently hiked the east mountains have you?

371.c. You wouldn't be surprised to learn the
streams don't run anymore would you?

371.d. Or surprised to learn the vegetation
is dying out because the streams are dry from the
catchment system for Molokai Ranch Mountain Water
System would you?

372. Your representations on page 6 are misleading
Page 6

Laau Point questions for EIS
when you speak about DHHL having a reservation of 2,905 MGD, and fail to mention that the Ranch stopped the 500,000 GPD permit DHHL requested by OBJECTING to DHHL's own water withdrawal, aren't they?

373. Your discussion is a little misleading to anyone trying to understand your appendix when you discuss the wai'ola's well permit granted by CWRM but failed to say the permit was overturned and remanded to CWRM by the Hawaii Supreme Court because the Ranch could not prove the well permit would not impact on Hawaii Homes isn't it?

374. You state that due to changes in land use plans, the Ranch has not tried to obtain the permit again. What are the exact change in plans are you referring to and which plan are you referring to?

375. Isn't the water you are attempting to take and transport over 40 miles to Laau Point development for the the same area as this original wai'ola well permit?

375.a. If not, state specifically how far it is from that well permit site? Give distances and directions and slope of the land.

375.b. How deep is the well?

376. You state that "MPU under common ownership with Molokai Ranch" when actually elsewhere in the EIS it is stated MPL inherited ownership of MPU. Which is the truth? Explain.

377. On page 8 you state "Although the existing system is denominated the "First phase," there are no NEAR-TERM plans for expansion of the MIS." What is the difference between near-term plans and first phase? Explain in detail please.

378. Molokai has been designated by the water Commission (CWRMA) as a special management area
Page 7

Laau Point questions for EIS

hasn't it?

379. In order to obtain the permits you need, you must meet seven criteria:

379.a. You can be accommodated with the available water source, which is hard to do since no one really knows how much water is in the aquifer do they?

379.b. You must show reasonable-beneficial, which shows efficient utilization of the water, and this will be hard to do because you base your efficiency on CCRs which are unenforceable in this state aren't they? If you do not agree, give case law which says they are enforceable.

379.c. And you will need to show that the use is both reasonable and consistent with the state and county land use plans which will be next to impossible to show unless you obtain a zoning change from the State correct?

379.d. And because a Governor's Task Force designated the waters around Laau Point a protected subsistence fishing zone, you will need a law from the legislature which will protect this zone for subsistence, correct? Have you introduced a bill in this legislature yet?

379.e. And the criteria of PUBLIC INTEREST, will be extremely difficult to show won't it, now that the two incumbent Enterprise Community (EC) board members for the Laau Point development were on January 31, 2007 voted out of office by two anti Laau Development candidates by a substantial margin?

379.f. And you won't interfere with existing legal uses. This likewise will be difficult for you to show in that pumping from our one aquifer will effect most every well on Molokai won't it?

379.g. And the use is in the public interest is given another criteria...this time on it own. See my question 279.e. above.

379.h. And the water complies with the state and county general plans and land use designations. Clearly present land use designations are incompatible with any water to be obtained for a Laau Point Development isn't it?

Laaupoint questions for EIS

379. i. And the use must comply with county land use plans and policies. CLEARLY, the Maui County policy as stated in their Land Use Plan is to NOT develop coastline property. Hence, the change of zoning for Laaupoint is against Maui County planning policies isn't it?

379. j. and lastly you need to meet the criteria of your use to not interfere with the rights of DHHL. This would be difficult for you to do wouldn't it? Since your Waioala well permit was overturned by the Supreme Court because you could not show that your well wouldn't infringe on these DHHL rights.

380. In reference to page 13, what are the guidelines for domestic use for amount of water GPD established by the county?

381. Clearly there is a PUBLIC TRUST duty placed on the water Commission to protect a reservation of water for DHHL future needs, correct?

381.a. And clearly protecting such a reservation means not only subtracting the amount of the reservation from the sustainable yield of the aquifer, but also assuring that other water developments do not otherwise jeopardize DHHL's ability to access the reserved water in the future, correct?

382. You have made a disclaimer as to any knowledge of sustainable yield of the aquifer. Do you know of anyone who has that information?

382.a. Has the Ranch attempted to quantify the sustainable yield in the aquifer with any hydrologic studies?

382.b. Doesn't the Ranch need that information to obtain additional water when their last well was reversed by the supreme court because they failed to prove it would NOT infringe on DHHL water rights?

382.c. You will need the information for the water Commission, have you started to have a hydrologist model the aquifer? Why not? If you did what were the results?

Page 9

Laaupoint questions for EIS

382.d. Is this appendix P written to allow everyone to assume you have done a water study? For demands and sources?

382.e. Do you agree that sustainable yield is valuable information necessary to have before any intelligent decisions can be made on Laaupoint Development?

382.f. Isn't it like drawing from your bank account before you know how much you have?

383. Aren't you forcing the State Land Use Commission into a difficult decision? Asking them for a zoning change to develop Laaupoint before you even know if the project is feasible? Isn't that a waste of everyone's time?

384. Is there any case law which states all the criteria used to issue a water permit is to be held to a much more stringent standard if the permit is in a special management area? If so, what are the Cites?

384.a. Is there any case law which states all the criteria used to approve a zoning change is to be held to a much more stringent standard if area requesting a change is in a special management area?

385. You stated all decisions by the water Commission are overlain by the public trust doctrine which the Supreme Court has identified four uses to protect: 1) purity and flow, ..and preservation of the water...2) domestic uses... 3) preserve Native Hawaiian and traditional and customary rights, and (4) reservations of water to DHHL....

386. You agree don't you that the projected water needs in central and west Molokai exceed the estimated sustainable yield of the aquifer, don't you? If not, what authority do you have to back up your response?

387. What are the detailed uses to back up your assertion that only existing sources at currently permitted amounts will be used? Be specific stating all uses and amounts and from where the water will

Page 10

Laau Point questions for EIS

come?

388. Your conservation efforts are nice, but unless you have another way to enforce them, other than the CC&Rs, they are unenforceable aren't they? What case law in Hawaii upholds enforcement of CC&Rs?

389. Do you really believe a person who spends \$1-2 million on a lot and \$4-6 million on a home is worried about paying \$100 or even \$1000 more a month for water if conservation inconveniences them?

390. Your percentages of the ranch cutting back 45% is admirable, however what is the actual figure in GPD and you did not even give a percentage for the other uses., what id their percentage of decrease after your rate change?

Questions pertaining to Appendix Q
Wastewater Treatment Design

391. Who wrote Appendix Q? Give name and employment history, all educational background, prior experience with wastewater treatment, years of experience, where?

392. What water treatment permits are required?

393. What is the construction timeline for building the recycled water treatment?

394. What irrigation water will be used for selected areas where?

394.a. erosion control where and how and

Page 11

Laau Point questions for EIS
when? certainly not during the construction periods?

395. where would this be built?

396. what sort of fence would be built to restrict public access?

397. Do you intend to design the facility with anything additional to the guidelines from the Department of Health?

397.a. If so, what, if not, why not?

398. You state you will need 60,000 GPD of water initially plus an additional 60,000 GPD at a later stage of build out and an additional 60,000 GPD of final build out. Where is this water going to come from? I did not see this 180,000 GPD in your tables on water use? Please explain why?

Questions pertaining to RANCH MASTER PLAN
Chapter 6 water plan

Questions from 6.2.

399. Why do you state you are changing the 'current use' to average daily use over a one year period? When 'existing' use is in gallons per day?

399.a. Doesn't this equate apples to oranges? Doesn't this create confusion? If not, then can you use the same quantification when discussing water in the entire EIS?

399.b. You state allocation for Kaluakoi
Page 12

Laa Point questions for EIS
drinking water systems from Maunaloa and Kualapu'u?
people didn't die and bequest the systems to the
Ranch did they?

402.a. What other means or mechanism(s)
was(were) used to acquire those systems?

403. Prior to 1993 there were no drinking water
standards imposed by court order on the Ranch were
there? Even though the Clean Drinking Water Act
was passed some years prior and the standards were
phased in over several years? Correct?

404. How much do you pay for the 20,000 GPD
purchased from DPHL for water to Kipu/Kaiae? Total
amount/20,000GPD?

405. How much do you pay for the 76,000 GPD
for the bulk water purchase from well 17 for
Kualapu'u system?

406. What does MRL stand for? Molokai Ranch
Land? Is that another company or subsidiary under
the Ranch?

Questions from 6.6

407. Did Molokai Properties Limited purchase
Kiukui (Molokai) Inc. and MPU in December 2001?
How much was paid and what was received for the
amounts paid?

407.a. What are all the assets MPL
acquired from MPU in December 2001. List and
how much was paid for them?

408. What were the damages incurred when MPL
changed the Detroit diesel engine with a Caterpillar
Page 14

Laa Point questions for EIS
total 'then existing uses' is 848,000 GPD. Then
you state that the Kaluako'i Hotel is currently
closed and it's use is approximately 800,000 GPD!
If the Hotel was allotted and used 848,000 GPD
when it was open, why does it need 800,000 GPD
currently when it is CLOSED?

399.b.i Where is the 800,000 GPD
currently being used? and for what?

400. When you purchased the Kaluako'i
Hotel and inherited from the previous owners the
Consent Order...I presume to comply with the
Federal Clean Drinking Water Standards, you knew
about the non-compliance of water standards when
you purchased the Hotel, didn't you?

400.a. As a matter of fact, the order
MUST have been a negotiable term in the purchase
of the property otherwise you could come back on
the seller under warranties in your purchasing
agreement is that not true?

400.b. The Ranch's management made the
choice to purchase new filtration equipment rather
than using a dedicated pipeline from Well 17 to
comply with the order didn't it?

400.c. Making this choice, the Ranch
then used the MIS system to transport the water which
would then need to be treated again, correct?

Question from 6.3

401. What upgrades were accomplished? by whom?
and at what cost? and when (dates)?

Question from 6.4.

402. How specifically did the ranch 'inherit'
Page 13