

Laaupoint questions for EIS
four-stroke diesel? How much water and for how long was shut down? From whom?

408. a. Did you give any warning to those who lost water during your down time? If so how?

409. Have you or your analysts done wear and tear studies on reservoirs and their system facilities on 100 million additional gallons of storage a day a year? If so give results, if not, why not when you are asking MIS to carry the weight and wear and tear on the system by 100 additional million gallons in their total system?

questions from 6.7 chapter 6 - Water Plan

410. You state you will abandon the waiola well application. Is this the well application you won from the CWRM but was OVERTURNED on appeal by the State Supreme Court?

410.a. you have no rights to that well application as of February 23, 2007? Do you?

410.b. If not, what waiola well application are you speaking about? A new one?

410. c. What covenants are you speaking about? From ever seeking further water permits? Please fully explain.

410.d. What is the leading state legal precedence supporting that this can be done in Hawaii?

410.e. How do they or will they hold up in court?

410.f. Will they run with each and every parcel of land currently owned by MPL it's successors and assignees, subsidiaries affiliates etc. as of February 6, 2007?

411. You say on page 118 and 119 you don't need any more drinking water than is currently allocated. This allocated water is listed on page 119 as 1,018,000 GPD from well 17 and 500,000 GPD from the Mountain System for a total of 1,518,000 GPD. Is this 1,018,000 GPD from well 17 the same 1,018,000 GPD from well 17 listed on page 115 section 6.2?

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411.a. Earlier on page 115 you stated that the Kaluakoi development's water source was well 17 in Kualapu'u under MPU. Is the Kukui Inc. now the holder of the permit on this well?

411.a.i. If so, isn't it the permit that is held up in the Supreme Court on appeal from the CWRM earlier decision AGAIN?

411.b. This is confusing and no one wants to count the same water two times. Perhaps you could explain it better by preparing a table with the heading of: GPD; WHERE FROM, permit number, allocation amount in GPD etc.; where currently used; status of permit etc. (example: actually in hand, not being used; stored in 'x' reservoir etc.); and where to be used in the future.

411.c. This was stated as a "then existing use" and the CURRENT use of the MPU system with the Kaluakoi Hotel CLOSED is approximately 800,000 GPD. I previously questioned where this 800,000 GPD goes currently. You need to subtract this 800,000 GPD from the 1,018,000 use from well 17 showing you currently have UNUSED drinking water in the amount of 718,000 GPD (218,000 + 500,000) instead of the 1,518,000 (1,018,000 + 500,000) as stated at the top of page 119 don't you?

412. You seek to obtain 1,000,000 GPD of non-potable water from the abandoned Kakalahale brackish water well. Do you respect the Federal government and groundwater models which speak of a single groundwater aquifer under Molokai?

412.a. Do you disagree with these agencies? which say in essence when one part of the aquifer is pumped, it affects all areas and all wells on the Island in some way?

412.b. Did your representatives not hear the presentation by the Maui County water staff in the DPHL Conference room in the summer of 2006 on Molokai showing on a power point presentation when one well is pumped on Island, the effects throughout the Island shows on the water table and each well?

412.c. Did you not hear two wells have dramatically increased in their salinity levels on Molokai and this is a critical stage for water on Molokai?

412.d. Have you investigated the effects of rising ocean levels from global warming on Molokai
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413. What do you mean "by gradually moving current non-potable uses such as the golf course, irrigation of the hotel, condos and large lots to NON-POTABLE water"? Why are you moving non-potable uses to non-potable water? Is this a misprint?

413.a Then the very next sentence in the SAME paragraph of non-potable water. You switch (with Figure 1,500,000 GPD which should be 718,000 GPD to potable water discussed above in 411.a-c. Please explain more clearly what you are talking about?

414. THEN you state "NON-potable needs can be supplied by a combination of use of MPL's existing mountain system (which you have already used half a page above under the potable water section as one of the two means of acquiring potable water. . .how many times are you going to count the same water towards your water needs?) and the unused Kakalahale well". What specific amount of the unused well are you speaking about?

414.a. How much and what is the status of the Kakalahale well permit?

414.b. Isn't it part of the total aquifer system? In pumping it won't all the other wells on Island be affected? How many will be affected out of how many?

415. What remaining gallons are left on the Kakalahale well? Don't you mean 1,000,000 GPD and not MGD? This well ceased being used. Why and by whom? and what date?

416. Doesn't your statement "drawing water from the Kakalahale well will have no impact on the yield of the Kualapu'u aquifer" fly in the face of statements made by Federal and State and County agencies and governments about Mo'okai having a sole source aquifer, the critical stage of this aquifer at this present time, about the County of Maui needing to drill more wells because two are currently turning salty? Yes or no? and why or why not?

417. You state previously 3 large land owners Mo'okai Ranch, Alpha USA and Kukui (Mo'okai), Inc. all were developing plans in need of massive amounts of water. You purchased Kukui (Mo'okai), Inc. didn't you?

417.a. As the owner of Kukui Inc. and making only two large land owners on Island now, what are your intentions of developing the lands of this new company?

417.b. What permits (water and other), tracts of land, buildings, etc. did you acquire in this purchase?

417.c. What are your plans for development with or for this company?

417.d. What entity actually owns Kukui Inc.?

417.e. What is the purpose Clause in the Articles? Has it been amended since you purchased it?

417.f. Who are the Board members, shareholders?

Questions from Chapter 6 - water Plan section 6.8

418. What are your assurances that only 40% of the owners of your proposed Laau Point development will live year round on Mo'okai?

418.a. What studies do you have to support that figure other than the neighboring subdivision?

418.b. Why is the figure given elsewhere in the EIS 30%?

418.c. Have any studies been done to see the effects of terrorism on the world and where people choose to live?

418.d. What relevance is it that only 40% of the owners will live there full time? If the LUC approves your zoning request, the land will be subdivided, building will be done, reefs will be damaged, endangered species and fauna habitats will be irreparably altered (if not permanently eradicated),

sacred Hawaiian places will be desecrated, won't they?

418.e. What relevance is it that the dwellings lag lot sales? The end result is the same isn't it?

419. A GLARING OMISSION IN YOUR WATER PLAN IS WATER FOR FIRE PROTECTION. What are the provisions for that?

419.a. Did you have any studies done on that aspect?

419.b. Will you be placing fire hydrants in the subdivision? and sewers? Elsewhere in the EIS it states a tank will be maintained for fire water. Which is correct statement?

419.b.i. Where and who will construct and maintain the water tank?

419.b.ii. Will the exclusivity of the development be lost with a big water tank containing water for fires sit on the development?

419.c. Where will this water come from?

419.d. What meetings did you have with Molokai Fire Department? When, Where, with whom? What was discussed?

419.e. What were the Fire Department's recommendations? Why aren't they included in this EIS?

420. Where will the water come from for the construction time" 150,000 GPD and the "erosion measures" 100,000 GPD?

421. Where are the estimates for water consumption on the proposed parks?

Questions from Ch. 6 Water Plan Section 6.9

422. The tables are very helpful, however, another page 19

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few columns would help even more. Why do you not place a column for where the water comes from so that we can see that the water allocations add up to all the water consumptions needed? A table presents the material more clearly don't you think?

423. Under current water use you list various descriptions. What do you mean by current? Certainly the Kaluakoi Hotel is closed according to page 115 of your report.

424. Because I believe tables clarify confusion, I have taken the liberty to compare your two tables of current water use one listed on page 115 and the other on page 121.

PAGE 121 JOINING THE
POTABLE AND NON POTABLE
BECAUSE THEY WERE NOT
DEVELOPED
PAGE 115 ADDED TOGETHER ON 115 WATER USE

DESCRIPTION	407,120 GPD	187,130 GPD	214,325 GPD	OMITTED	OMITTED	191,500 GPD	191,500 GPD
Hotel + Golf Course	467,000 GPD	187,130 GPD	214,325 GPD	OMITTED	OMITTED	191,500 GPD	191,500 GPD
condos	186,000 GPD	187,130 GPD	214,325 GPD	OMITTED	OMITTED	191,500 GPD	191,500 GPD
Residential	51,000 GPD	187,130 GPD	214,325 GPD	OMITTED	OMITTED	191,500 GPD	191,500 GPD
Beach Park	26,000 GPD	187,130 GPD	214,325 GPD	OMITTED	OMITTED	191,500 GPD	191,500 GPD
Nursery	18,000 GPD	187,130 GPD	214,325 GPD	OMITTED	OMITTED	191,500 GPD	191,500 GPD
Filter backwash	100,000 GPD	187,130 GPD	214,325 GPD	OMITTED	OMITTED	191,500 GPD	191,500 GPD
Molokai Ranch	-0-	191,500 GPD	214,325 GPD	OMITTED	OMITTED	191,500 GPD	191,500 GPD
System loss	-0-	191,500 GPD	214,325 GPD	OMITTED	OMITTED	191,500 GPD	191,500 GPD

YOU OMITTED THIS FROM YOUR TABLE, BUT ADMIT PRIOR TO AN UPGRADE, IT WAS 100,000 GPD. ALTHOUGH YOU DON'T GIVE A NUMBER OF FILTER BACKWASH AFTER IMPROVEMENT.

YOU OMITTED FROM PAGE 20
OMITTED AGAIN BUT PROBABLY

306,640 GPD**
187,130 GPD
862,325 GPD
OMITTED but should include at least 26,000 GPD now that Kaluakoi is open
OMITTED but should include at least 18,000 GPD now that Kaluakoi is open

Laa Point questions for EIS

Laa Point questions for EIS

424. You have stated that "you will not exceed the existing permits plus the 1,000,000 GPD of brackish water from the Kakalahale well." What are the total amount of existing permits and allocations of water that you hold in GPD units as of February 6, 2007?

your table, but admit a 200,000 GPD loss on page 116 section 6.3

200,000 GPD

Maunaloa/Industrial Park -0- 161,850 GPD 322,350 GPD

Kualapuu 76,000 GPD 76,000 GPD OMITTED, BUT 76,000 GPD

425. Since this Island is a monitored water supply, (a Special Water Management Area-- one of two or three in the State) everyone knows how important every gallon is; therefore, what exactly are the shifting of non-potable sources over time freeing up water for new uses. Please fully describe and illustrate quantitatively.

MIS System Use Charge 94,000

YOU OMITTED THIS FIGURE IN YOUR TABLE, HOWEVER, YOU HAVE STATED ON PAGE 118 THAT FOR EVERY 1,111,111; you take 1,000,000, thus leaving 111,111 for the MIS system.

YOU OMITTED THIS probably 94,000 to 111,111 or more

425.a. Has any modeling been done or any quantitative figures been worked up to demonstrate the accuracy of your statements? If not why not?

425.b. Given the future planning for DHHL lands and other building sites already approved and scarcity of water on this Island, wouldn't accuracy of figures about water be essential in planning any development?

3 items need to be added for Fully Developed water Use column:

Laa Point Lots 396,000 GPD

Laa Point Parks 41,000 GPD

Long term community growth in Kualapuu and Maunaloa 200,000 GPD

425.c. What assurances are you willing to make about your water plan? Are you willing to indemnify all present and future water users for damages they may sustain on Island due to inadequate water supplies should Laa Point development be approved without sufficient knowledge of the Molokai aquifer and water resources?

Total * 1,018,000 GPD 2,611,925 GPD probably more likely estimate

Question from 6.10

YOUR stated figure is: 1,237,925

YOUR stated figure is: 2,482,945

426. You noted a drop of 45% on Ranchlands, but you did not state and percentages in dropped ...consumption. What are all the other drops in consumption by water users you supply since September 2003?

* This figure is not yet explained because it is a figure for the Hotel being open and it is closed and the adjustment figure for the hotel being closed is stated on page 115 to be 800,000 GPD.

** you subtract 100,000 GPD from the Kaluakoi Golf course upon recycling reuse. However, you do not mention the amount of water necessary to build and operate a reuse facility which is 180,000 GPD per your appendix Q NOR do you mention where the 800,000 GPD is being used? If the 800,000 GPD is being used for the tenalos which was left off all columns, there will be a need to place that amount back in columns 2 and 3.

Question from 6.11

427. you state you will only need Page 22

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upon total buildout of Laa Point 2,500,000 GPD. That may or may not be accurate, until you can explain the differences and omissions on the quantities you will need as shown in my table in question 324.

A. The water SOURCES may be in question also. The 1,000,000 GPD from well 17 may or may not be available to you as it is on appeal with the Supreme Court; you do have the 500,000 GPD from your Mountain system; however, the 1,000,000 GPD brackish water from the Kakaalaha well may or may not be available for you either due to the scarce water situation on Island.

B. All this is complicated by the fact there is incomplete data about water supply and the island is considered to have one water source (computer modeling of ground water on island assumes one aquifer) so that pumping at one area will affect all other areas.

C. As if we don't have enough difficult issues with our ground water, global warming will enter our ground water system equations and exacerbate our difficulty with high salinity levels in our wells.

427. a. Given all of the above, and the current critical stage of the island right now determined by the County of Maui, don't you think you owe all decision makers to be honest and clear on all your water uses and sources?

428. You state you will never ask for more water even for agriculture because you will use brackish water from Prawn Farm at Pala'au. All the previous problems brought up in previous questions apply here for drilling additional water from our same aquifer. That leaves your second alternative Desalination.

428.a. What is your desalination proposal? Do you have plans drawn up, a builder-contractor? begun the permitting system, where will it be located?

428.b. Don't you think you should wait until the technology improves and costs decline on a desalination plant before you bring your Ranch Plan at this point?

428.c. Exactly how much money will a desalination plant cost to produce 4,000,000GPD?

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428.c. Without adequate water sources to develop, isn't that rather like putting the cart before the horse?

Questions from 6.12

429. What is your authority to say there is an estimated 33.5 million gallon sustainable yield of the Island's aquifer?

429.a. In your Appendix P Water Plan Analysis, is not there a disclaimer of sustainable yield estimates as it relates to water resource reliability? (page 1).

429.b. So why do you even state a sustainable yield that you have disclaimed the accuracy of on your very first page?

430. How can DHHL use every reasonable effort to develop its 2,905,000 GPD allocation when DHHL applied for a permit to use 500,000 GPD to lease 85 lots for Hawaiian homesteads, and the RANCH filed an objection to set it into a contested case and DHHL withdrew its application?

430.a. Should DHHL reapply, will the Ranch AGAIN object and force a contested case?

431. Please explain what scenario will occur? WE HAVE A POTENTIAL OF 600 Homesteader LOTS available to lease, but it cannot because there is no water available for them.

432. Don't you think the USGS work should be done FIRST to determine water availability?

432.a. Then your economic feasibility of the project can be determined in your report couldn't it?

432.b. The you would know if you need Page 24

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a desalinization plant for sure wouldn't you?

432.c. wouldn't that be the logical order to proceed?

433. Do you believe any decision maker will want to make a decision on water without a clear understanding of the availability and amount of source? A CLEAR understanding of the quantitative amount needed for a development?

Questions on Appendix P Water Plan Analysis

434. Who wrote this Appendix? Give full name and address. What is that person's profession?

434.a. What are the qualifications of the author who is NOT A HYDROLOGIST, GEOLOGIST OR ENGINEER? List degrees, publications, employment history, what date was this Analysis written? Who was/is this author's employer at the time of writing this paper?

434.b. What are all the reading and documents (with dates) used to write this paper? Please list.

Questions pertaining to Preliminary Engineering Report by Warren S. Unemor date: July 2006 Revised November 2006

435. The Mountain system has a storage capacity of 39,000,000 gallons to compensate for seasonal flow. What was the amount of water stored in that storage facility in July 2006 and in November 2006 at the two times of your report?

436. The water use allocation of 1,018,000 GPD from well 17 for Kauakoi water system is approximately 800,000 GPD with the Hotel totally closed. What is the 800,000 GPD currently used for? (for what purposes) Please be explicit in GPD?

Lauu Point questions for EIS

437. The storage capacity at Puunana reservoir is 7,000,000. What was the stored amount of water in this reservoir in July 2006 and November 2006 at the two times of your report?

438. How much water is being used for irrigation in Maunaloa in GPD?

439. Where exactly will the project sewer system be located?

Questions on La'au Point EIS submitted to PBR Hawaii, LUC and Ranch
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- b. In what way are steps taken to prevent disturbance of the endangered Hawaiian Monk Seal consistent with the Marine Mammal Protection Act?
- c. Who will monitor fitness and survival of the monk seals that frequent the La'au Point area?
- d. How will monk seal survival be monitored?
- e. What is the plan if the monk seals stop visiting the island?

443. The Green Sea Turtle is an Endangered Species and occurs commonly near the La'au Point site.
- a. How will erosion during construction negatively impact Green Sea turtles in the area?
 - b. Who will monitor fitness and survival of the green sea turtles that frequent the La'au Point area?
 - c. How will green sea turtle fitness and survival be monitored?
 - d. What is the plan if the green sea turtle population begins to decline?

444. The barrier reef of Molokai is the largest barrier reef in the United States and one of the few in the world that continues to be healthy. Reef systems such as the barrier reef of Molokai are essential to fish populations in the surrounding area. Coastal development is well established as the primary cause of the reef degradation that is occurring around the world.

- a. How will erosion, siltation, and other pollution from the La'au Point development that would damage the nearby reef be prevented during the construction phase of the project?
 - b. How will the reef be monitored during construction? What is the baseline data that will be used to assess health of the reef before and after construction?
445. Of all aspects of the development plan, re-opening the existing hotel on west end of Molokai would have least environmental impact and provide the maximum number of jobs for the Molokai community. The draft EIS claims repeatedly that the La'au Point development must be completed before the hotel is re-opened.
- a. What makes development of La'au Point so essential to re-opening of the hotel?
446. The draft EIS states that existing regulations regarding runoff and non-point source pollution will be followed at La'au Point.
- a. What evidence is there that these existing regulations will be adequate to protect the Threatened and Endangered plant species at the site and the adjacent marine environment?
447. Use of water is based on outdated studies.
- a. What evidence is there that the La'au Point development will not consume ground water needed for future activities on Hawaiian Homelands?
 - b. How will the La'au Point development cease its water usage if it is determined that water rights of the Hawaiian homelands are being infringed in the future?

SECTION G. QUESTIONS NUMBERED 440 THROUGH 463 AND ALL THEIR SUBPARTS

Regarding pages 1-74

440. The draft EIS claims that the planning process for the La'au Point development was a successful effort to unite the community behind the Plan. There is much opposition on the island to the Plan and to the La'au Point development.

- a. What is the evidence that the development was "a successful effort to unite the community?"

441. Populations of the water plant *Marsilea villosa* are present in the proposed La'au Point development. *Marsilea villosa* is an Endangered Species and the US Fish and Wildlife Service cites development as the primary threat to its survival.

- a. What steps will be taken to prevent siltation and other degradation of *Marsilea villosa* habitat at La'au Point during the years of construction that will occur?
- b. How do plans for construction at La'au Point compare to other developments in its efforts to prevent extinction of the *Marsilea villosa* populations and other populations of Threatened and Endangered species at the La'au Point site?
- c. The draft EIS does not provide a specific plan for protection of Threatened and Endangered species at the La'au Point development site. What are the actual plans to protect the species?
- d. How will the species be monitored?
- e. Who will do the monitoring?
- f. If the species start to decline, what steps will be taken to remedy the situation?
- g. What methods are used to measure reproductive fitness of the endangered plant *Marsilea villosa*?

442. The Hawaiian Monk Seal is an Endangered marine mammal and known to use La'au Point.

- a. How will disturbance of these animals be prevented during construction at the site?

448. All discussion of water in the La'au Point draft EIS are based on a 1996 update of a 1993 water study on Molokai. It is now 2007. Water use on the island has increased since that time. Moreover, climate change is predicted to raise sea levels, salinizing coastal groundwater, and possibly perturbing rainfall patterns.

- a. How can the La'au Point development be legitimately based on an outdated study of water on the island?
 - b. Why has a new water study not been completed before plans for the La'au Point development were made?
 - c. Who will monitor water use and conditions for use?
449. Solid waste will be generated by the development.
- a. How much solid waste will be generated annually by the La'au Point development at full build-out?
 - b. How much will it accelerate the filling of the Molokai landfill?
 - c. What is the plan for handling solid waste from the development?

450. Electric Power use will increase.

- a. What will the electric power consumption of the La'au Point development be at full build-out?
- b. How will it impact the power generation and distribution infrastructure on Molokai?
- c. How much new power generation facilities or electrical substations be necessary to support the La'au point development?

451. The draft EIS claims that tax revenues from the La'au Point development will offset its burden on public infrastructure on Molokai.

- a. What tax revenues are predicted from the development?
- b. What fraction of existing tax revenues will they represent?

452. In its proposed mitigation for negative impacts on local fishing, the draft EIS proposes a subsistence fishing (no commercial take) zone in the La'au Point area. This subsistence fishing zone must be cast into law by the Hawaii state legislature.

- a. How will the developer force the Hawaii state legislature to make these laws that are favorable to the La'au Point development?
- b. Since it is unlikely that a single developer can have total influence over the legislature, what backup plan does the developer have for protecting the fishing zone?

453. Access to the beach will not be public.

- a. Will the private roads of the La'au Point development be marked "No Trespassing"?

454. The draft EIS claims that paved surfaces will be minimized so as to reduce pollution draining from the La'au Point development.

- a. What is the maximum paved area per lot that will be allowed at the La'au Point development?

- b. How will this maximum paved area be enforced during design and construction of the luxury homes at La'au Point?
- c. Who will monitor the construction to make sure the paving is controlled?
- d. What will be the punishment to the millionaire owners in case they decide to pave more than requested by the developer?

455. The draft EIS claims that the La'au Point development will continuously monitor storm and ocean water for a variety of pollutants.

- a. Who will supervise this monitoring?
- b. What monitoring equipment will be used and where will sensors be located?
- c. What steps will be taken if pollution is observed to occur?
- d. Will fines be imposed when homeowners or builders create pollution?
- e. What levels of pollution will be considered actionable?

456. The draft EIS describes the periodic "red water events" at La'au Point, in which red soil is washed into the ocean by heavy rainfall.

- a. How will exacerbation of these events be prevented during construction at La'au Point?

457. The draft EIS claims that impacts of the La'au Point development on the environment, culture, and county services on Molokai will be minimized by strict CC&Rs and that these will be unchangeable. Normally, such CC&Rs and all relevant procedures could be changed by a vote of the La'au Point Homeowner's Association.

- a. What is to prevent this from occurring?
- b. Will the CC & Rs be a binding legal agreement with the Molokai Land Trust?
- c. Who will monitor adherence of homeowners to the CC&Rs for La'au Point?
- d. What penalties will be imposed for violation of the CC&Rs?
- e. What entities will have the authority to change the CC&Rs?

458. Homeowners are expected to be interested in maintaining the environment and culture of Molokai.

- a. How will such homeowners be selected?
- b. What governing body will interview for these types of homeowners?
- c. How will these homeowners specifically prove that they are of the right type? Will there be a test?
- d. What if a homeowner does not want to be environmentally conscious but is willing to pay \$4 million instead of \$2 million for the property?

459. As noted by the EIS, the island of Molokai represents a unique setting in which Hawaiian culture is vibrant.

- a. How can the developer assure that an influx of 200-400 + multi-millionaires on this island of 5,000 people will not disrupt the cultural life and needs of the community?
- b. If the culture is disrupted what will the developer do about it?
- c. How will the developer know if the culture has been disrupted?

460. The developer proposes that requirements for beach access within the La'au Point development be waived in order to protect the beaches. The millionaire residents of La'au Point are the most likely to impact the beaches negatively since they have sole access to the beaches. Lack of the usual required access will simply protect them from enforcement of environmental regulations and provisions of the CC&Rs.

- a. How is it not better to have the usual beach access required by the county and then empower the proposed Land Trust Steward to enforce environmental regulations and the CC&Rs?
- b. Who will be enforcing environmental regulations?
- c. What is the punishment for lack of adherence to regulations?
- d. What exactly are the regulations?
- e. What will compel the millionaire owners to follow the regulations or care about them?

461. The draft EIS calculates the negative impacts of the La'au Point Development based on an occupancy rate of 30% in the development.

- a. How will this low occupancy rate be enforced?
- b. Who will monitor the occupancy?
- c. How must the plan be modified to account for the fact that occupancy rates are likely to rise within 10 years?

462. It is likely the development at La'au Point will raise property values and rents on the island. It will also likely promote other luxury developments elsewhere on the island. This will most certainly be harmful to the permanent island inhabitants who will be negatively impacted by increased property and rental rates.

- a. How will this be avoided this situation?
- b. If there is no idea for how this will be avoided, then how is it that the developer can claim the development will not impact the livelihood and culture of Molokai?

463. In a Federal rule published on April 5, 2002, La'au Point was designated as potential Critical Habitat for the Hawaiian clover, *Marsilea villosa*. Then in the final ruling in 2003, the Critical Habitat of La'au Point for *M. villosa* was "inadvertently left out of the designation" (Federal Register volume 68, March 18, 2003 page 13007). The Federal Register states on 13007:

"We have proposed crucial habitat for this species on the island of Molokai. We will publish a separate rule incorporating this suitable habitat for the species after completing the final rules for the other Hawaiian islands."

The news release from this Federal Bulletin states:

Critical habitat was not designated for one species, Marsilea villosa, because Service inadvertently left the area containing its primary constituent elements [La'au Point] out of the proposed rule. Critical habitat for this species will be considered at a later time. US Fish and Wildlife Service News Release, March 18, 2003.

p 5 see 6.

Questions related to this issue of redesignation of Federal Critical Habitat are:
a. It has been four years since the omission. When will the investigation be reopened?

- b. Why was the designation inadvertently left off the review?
- c. Who was in charge of the original review and who is now in charge of reactivating the review?
- d. What has the follow-up been, since US Fish and Wildlife stated they planned to reconsider at a later time?
- e. It is clear that all development will need to stop until the Federal decision is made. How can the developer continue with this process if the designation of critical habitat has not yet been finalized?
- f. What group is overseeing that federal laws are being followed with respect to the designation of Critical Habitat of *M. villosa*?

p 6 see 6.

Questions on the Laaupoint EIS
to PBR Hawaii and Land Use Commission
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SECTION H QUESTIONS NUMBER 464 THROUGH 491
AND ALL THEIR SUBPARTS

Questions from appendix N & M

464. You did not state there were any runoff catchment plans on the project site. Are there any plans for this now?

465. How much water in gpd is expected to be acquired from the sewer system for common area landscape? Where will the storage reservoir be and what is the holding capacity for this water?

466. What is the gpd of water available from surplus mountain system for fire protection and irrigation?

466.a. Fire protection for what?

466.b. What irrigation area will be serviced by this water?

467. What if the brackish water from Kahalehale well is unobtainable? What is the back-up plan for water?

467.a. What exactly will be irrigated with brackish water?

468. How large will the storage tank or reservoir be that will hold

467. When was it decided to place fire hydrants at 450 to 500 feet intervals along the road. Will they be standard hydrants? How big will the pipes be in the road?

468. What are alignments under considerations to bring non-potable water from Kahalehale well? What size are the pipes expected to be? What alternative source of water is being considered should the Kahalehale well be unavailable?

468.a. At this time, what have been all the 'alignments' considered?

469. At full build out non-potable water demand will be 300,000GPD. From where will this source come?

469.a. Specifically, what is each demand for this 300,000 GPD? Please list in table form.

470. At full build out potable water demand will be 96,000 GPD. To what exactly does the build out refer to: the 200 residences?

470.a. This calculation was made on 80% occupancy of the 200 residences, correct? You are assuming 600 GPD per residence is that correct? What is the additional 14000 GPD for?

470.b. This projection appears low doesn't it? Isn't it usually 1000 GPD per residence?

470.c. This projection is made exclusive of irrigation on two acres per residence isn't it? What is your expectation of irrigation per residence?

471. Regarding potable water, does the new system extended from Kaluakoi to the project have a separate reservoir? If so, how large?

471.a. Will the water be a portion of the allotment for Kaluakoi hotel? What is the projected amount?

471.a. If this takes the remainder of the Kaluakoi water, what water will be left to open the Kaluakoi Hotel?

472. Because of your engineering background, you will probably be able, where others have failed, to make a table of all the sources of water demands for the ranch in order to clarify the water situation. What are the sources and demands for water by MPL?

Laa Point questions for EIS

473. In your revised report, was the project average occupancy of 30% added from the July 2006 report?

473.a. If not, what did you change for the November 2006 report from the July 2006 report?

473.b. What and why did you change/update your report?

473.c. Were you given new information? If do what?

474. If the anticipated occupancy rate for the project is 30%, will the amount of wastewater generated from that amount of people be sufficient to recapture and use as waste water? Is that the intention of the Ranch?

475. 4.3 appears to be a newer section with more information to catch runoff. Is it newer plans for runoff?

475.a. the development, if allowed to move forward, will create 123 cfs additional runoff from pre development grounds correct?

475.b. How much additional underground space will be needed to accommodate sub-surface storage and filtration systems required by Maui County's Storm Drainage Standards?

475.c. How many cubic yards of earth will be needed to be excavated by the additional storage and filtration systems' installation?

475.d. How many cubic yards of earth will be needed to be excavated in order to accommodate the culverts and drainage systems for the roads?

475.e. Are you aware your appendix on drainage does NOT speak of catchment, but only speaks of fire hydrants and underground pipes? Why, why not?

questions pertaining to social impact, this time from appendix M

476. Maui County General Plan endorses the following themes: Protect the county's AGRICULTURE identity, protect the county's shoreline and even has a general underlying POLICY of NOT DEVELOPING shorelines at all doesn't it?

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Laa Point questions for EIS

477. Maui County supports efforts by the Molokai community to evaluate the feasibility of Molokai becoming its own county, doesn't it? Do you have any idea why?

477.a. This is a unique island is it not? Not like any other Hawaiian island let alone any other island.

478. You listed me as a participant in your PUBLIC meeting. I did not speak except to ask you two questions because this was my first meeting on the Plan. You would have, therefore, assumed you did not know my opinion, Correct?

478.a. Who was told that they could submit written statements? Who informed participants of that option?

478.b. You should know by now shouldn't you that the community is solidly against the plan which includes Laa Point development and no amount of propagandizing the plan will change their minds when almost 70% of the island voted for two EC board positions that ran on the platform against Laa Point development trouncing the two pro Laa Point development proponents?

478.c. You spoke of "those who are not strongly aligned with either side, and it is likely a large part of the community, the prominent issue is the Laa Point Project". Wouldn't you say that having nearly 1200 people turn out to vote for EC candidates that were against Laa Point Project when roughly one half the island is illiterate and in all likelihood did not vote, that is a strong statement that most people are clearly aligned against Laa Point?

478.d. What do you attribute your misunderstanding of the breadth and depth of the feelings and beliefs of the Molokai Community against the Laa Point development? Could it be that you did not interview a broad enough cross section of the community? and were only given hand picked individuals to interview?

478.e. You state that "It is to their advantage to know about the Plan and the Project so that they understand the full implication of both", yet, given the vote, wouldn't you say that you underestimated the importance the mana of Laa Point to the native Hawaiians over any thing else?

478.f. CEO, Peter Nicholas, gave the community the question it it could take the plan and live with it's down side. I guess the community gave him his answer January 31, 2007 by saying it couldn't live with it's down side didn't it?

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Laaupoint questions for EIS

479. The OPONENTS of this Plan and Laaupoint development were the very SAME INDIVIDUALS who fought and won the cruise ship battle and Taro battle. ... not proponents, as you state, isn't that correct? If you do not believe this is correct list each and every person to which you are referring i.e. who fought the cruise ships and taro issue and are proponents for Laaupoint development? BE SURE TO INCLUDE in your answer the GMO/corn meetings those individuals attended.

480. You refer to direct and indirect impacts as being population and public services and CDC, Land Trust and reopening Kaluakoi Hotel; however, you do not take into account the social importance of Laaupoint... it's spiritual mana, do you, and what impact developing Laaupoint would have on native Hawaiians in this respect?

480.a. After January 31, 2007, you understand its importance now, don't you?

481. Name any Hawaiian study that did NOT show that the new outside values clash with traditional ones, thereby upsetting the social fabric as drastic demographic and ecological shifts have been shown to affect other Hawaiian communities.

482. How is Molokai like west Maui?

482.a. Don't you have economic disparity and racial tension, exacerbated feelings of helplessness and social stress and increased crime when you extract from the Hawaiian culture the means of sustaining their life without money and take away their spiritual life?

questions on 5.1.1.2; 5.1.3; 5.1.4

483. Your use of "EXPAND the Conservation District along the shoreline" doesn't tell the whole truth does it? While the actual volume of land in acres may be larger the PLACES of the volume of acres changes so that the shoreline is no longer the Conservation District as designated in both the Maui County and State Land Use Plans let alone Molokai the island on which the development is proposed is it?

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484. The criteria for decision making as set forth in HS Section 205-17, the reclassification must conform to the applicable goals, objectives and policies of the Hawaii state plan and the adopted functional plans. You're reclassification, however, is contrary to:

the Hawaii state plan i.e. shoreline is completely conservation,

Maui co. zoned agriculture with policy against developing on shoreline property,

and Molokai Land use plan which zones the area conservation along the shoreline and agriculture throughout the remainder of the proposed development isn't it?

484.a. How can you possibly say Laaupoint application for reclassification conforms to goals, objectives and policies of the Hawaii State Plan AND FUNCTIONAL PLANS? Explain concisely without repeating rhetoric but detailing with specificity how Laaupoint CONFORMS.

485. How does the reclassification preserve and maintain the important natural systems of habitats for the Critical Habitat of the *Marsilea villosa* and the endangered Monk seals in a colony of 17 (8 of which were born on Molokai)?

485.a. It can't possibly preserve those areas of habitat for those two very important species when you place people continually within their environment can it?

486. How can the development of Laaupoint maintain valued cultural, historical, or natural resources when one of the centers of native Hawaiian spirituality and mana is on Molokai...at Laaupoint.

486.a. After all, Molokai is the last Hawaiian island isn't it?

486.b. The southeast corner of the island was designated a subsistence zone i.e. a natural resource wasn't it?

487. How can the development of Laaupoint maintain valued cultural and historical resources when as you admit on page 157 "With respect to archeological sites, the area has had only limited analysis done to date, and where surveys have been conducted, sites have always been found based on the limited surveys it is likely that extensive archeological survey work would identify culturally-sensitive areas."

487.a. How can excavating this area for roads, sewers, water, utility pipes, fire hydrants, water meters etc etc. maintain any cultural and historical resources you admit are there?

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see H

488. Since when is this reclassification reasonably necessary for urban growth?

488.a. There is no growth in that near vicinity is there?

488.b. You have lots of lots still available for sale don't you?

489. The state encourages an increase in economic activities ...CONSISTENT WITH COMMUNITY NEEDS AND DESIRES. This community neither needs for desires the development does it? The employment rate on island is GOOD...under the national average by 1.4% unemployment. The opening of kaulaokoi would be nice, however, the Ranch closed this hotel in the first place didn't it? AND the January 31, 2007 election results speak for themselves don't they?

490. on page 140 you said the "SMA Permit is granted by the Molokai Planning Commission", when did this happen at what planning commission meeting? and who voted for it?

491. An objective and policy for the Economy of the State is to have "the agriculture industry that continues to constitute a dynamic and essential component of Hawaii's strategic, economic and social well being". How can taking land out of agriculture into rural for luxury homes ever help maintain and continue the agriculture industry the state wants?

Questions on Laau Point EIS
to: PBR Hawaii, Land Use
Commission, Ranch, & OEQC
by: Victoria Kapuni
P. O. Box 1962
Kaunakakai, HI 96748

SECTION I QUESTION NUMBER 492 THROUGH 524
AND ALL THEIR SUBPARTS

These are general questions and don't pertain to any particular section of the EIS

492. Why are the following pages intentionally left blank from the Ranch Plan? 141, 126, 108, 106, 96, 84, 90, 88, 82, 80, 76, 60, 36, 12, 10.

492.a. why are these pages intentionally left blank from the main text: viii, 14, 36, 48, 142, 176,

These are a few questions about the appendices to the Ranch Land Use Plan:

493. RE: Appendix 2: cultural sites of Kaulaokoi Map and Laau Point cultural resource protection zone map--the USGS map cannot be read. What is the significance of this map and can you produce a better larger one that can be read?

494. RE: Appendix 3: what is the Aquatic/Coral Reef Protection? who designated it as such? Page 1

Laaupoint questions for EIS
who protects it as such?
why is it designated as such?
who made the map?
for what purpose was it made?
why is the reef designation smaller on this map than on say the maps for appendix 6 & 87 where is there marked on the natural resource map The FEDERAL CRITICAL HABITATE LANDS?
why were they omitted?
Did you place them on another map somewhere in the EIS?

Laaupoint questions for EIS
499. When and where does the Land Trust directors meet? Can the public attend? Why, why not?

Questions from Chapter 5 of the Ranch Plan

495. RE: Appendix 5:
The dark line is proposed for the Land Trust isn't it?
BUT the xxx portion of the black line enclosure is IN NEED OF FURTHER STUDY isn't it?
where is the designation for the original 15 acres of expansion for the Maui Community College as stated in the MOLOKAI Land Use Plan?
496. who is the Conservation Fund which made these maps? where are they located? who funds them?

500. Chapter 5 has a ranch proposed development map which includes a very large expansion of the Kaulakoi Hotel. Do you have an enlarged area of the Kaulakoi Hotel expansion? If so, include it with the answer. I am asking for information in exact detail of all the development to occur in this expansion of the RESORT.

500.a. What are the details of this expansion of the Kaulakoi resort? Be very specific with details of buildings, hotels, restaurants, all facilities, new golf course etc.

501. The Natural Resource Protection map in chapter 5 once again omits the FEDERAL CRITICAL HABITATE of the endangered species Marstilia Villosa WHY?

Question on Chapter 7 of Ranch Plan

497. Why has not your Timetable been edited and made current? Don't you think that would have been appropriate for this EIS? Was this EIS put together piecemeal in haste with no one reviewing it in its total content?

502. Since elsewhere in the EIS, you have stated JOINT control of the Land Trust easements, would you explicitly state for each of the 65,000 acres the ownership, management and control and how the specific entities (Trust, MFL, homeowners, and CDC) interact? And who owns fee simple title of each segment of the lands?

498. You have yet to approach the Maui County and Molokai Planning Commissions for zoning changes reflecting the Land Trust zonings is that correct?

498.a. How can you assure "zoning is for all time"?

498.b. particularly when you want a zoning change for this Special Management area of Laau Point for your development?

498.c. What specifically is the zoning you need for the Land Trust lands for special NEEDS?

498.d. Give ALL your reasons why the LUC should overturn the SMA designation for your development? Weigh your reasons against protecting the County's coastline and resources as of utmost importance not only to the island of Molokai and the County of Maui, but, I dare say to the State of Hawaii at this point, given the diminished amount of undeveloped shorelines.

Questions from Chapter 4 of Ranch Plan

503. You state the relative importance of the MANAGEMENT AREA 'As time spent in subsistence fishing cultivates intimacy and harmony with nature that is the foundation of Hawaiian spirituality and religion.' How high on a level of 1-10 with 10 being the highest priority would you rank the management area's importance to Hawaiian spirituality and religion?

504. I quote further from the EIS. "To Hawaiians, the land and natural elements are the foundation of subsistence, cultural and religious beliefs, customs, and practices. The land and the natural environment are alive, respected, treasured, praised, and even worshiped. The land has provided for generations of Hawaiians, and will provide for those yet to come."

Laau Point questions for EIS

Hawaiian subsistence practitioners speak of their cultural and spiritual relation to the lands of their region and their commitment to take care of it and protect it for future generations. THE LAND IS NOT VIEWED AS A COMMODITY; IT IS THE FOUNDATION OF THEIR CULTURAL AND SPIRITUAL IDENTITY AS HAWAIIANS. The land is a part of their ohana and they care for it as they do the other living members of their families."

504.a. How is it that you can print in your Plan the essence of Hawaiian culture and not understand it?

504.b. Don't you believe that the Hawaiian culture, spirituality and connection with the land is PRICELESS?

504.c. You state that land is not a commodity to Hawaiians so how can you ever expect the Molokai community (the most Hawaiian island) to ever accept the development of Laau Point?

504.c. It is priceless, isn't it, to the Hawaiians?

505. What is the title of the Molokai map on page 37? It has no legend no title other than it is the Island of Molokai?

506. Has the Land Trust developed it's management Plan? to obtain it's 501c3 status? why? why not?

506.a. If the Trust has been formed, this is to happen immediately isn't that so?

506.b. where was the public input? who are on the committees? or is this like the operation of the EC...pre-selected people on the committees, unresponsive to the community? The two boards (EC and Trust) are very similar in the composition of the people aren't they?

506.c. Who are on the two Boards now? List.

506.d. who was on the EC board each year of its existence?

507. What EXACTLY is EC project #47? when was it voted upon at what meeting, by whom?

507.a. In your Schematic of process you show committees and PUBLIC INPUT to develop the RANCH Master Land Use Plan, which by now everyone knows was NOT developed with public input surrounding the two fundamental issues of Laau point and water; how would this board for the Trust be run any differently to obtain and USE PUBLIC INPUT?

507.b. Aren't the BOARDS VERY SIMILAR? What assurances are

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Laau Point questions for EIS
in place to prevent the dictatorial stance of the EC Board members on the trust Board?

507.c. Who, what, and where is the Conservation Fund?

507.d. Why is the Conservation Fund, EC and MPL all inputting into the Ranch Master Land Use Plan?

507.e. why do those three entities have dashed lines about them instead of solid lines?

507.f. What is the significance of the dashed lines?

508. Should we expect the same amount of public input in the Trust as we received on the Ranch Master Plan?

508.a. Does the Trust have all the minutes from the EC Committee meetings? or are the board members similar enough to the EC to remember the committee input of which they were a part?

509. Why has the Trust Board met in secret and been hidden from the public and news? What is it hiding?

510. The list of names on the EC committees has changed from the original EC Land Use publication sent out to all the committee members to thank them for their work and the EISPN sent to the Land Commission. What names did you delete? add and why?

Questions from 11.0

511. Why did William Akutagawa, Richard Cooke, Cheryl Corbrett, David Lunney, Colette Machado, Edwin Misaki and Stacy Helm Crivello receive copies of the EIS along with all the state, federal and county agencies and commissions?

512. Why did Daniel Inouye and the Lant Trust Steering Committee receive a copy?

512.a. who is on the Land Trust Steering Committee

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Laau Point questions for EIS

Question from 10.0

513. You have 25 references for your EIS and 19 or approximately 80% of them are papers written for MPL for the EIS isn't that correct?

513.a. why did you basically have your own supporting documents written by your own employee-contractors? wouldn't it have lent more credibility to your EIS to have more impartial third party references?

questions from 7.0

514. what is the partnership between EC and MPL? Explain EVERY facet of it.

515. What is the difference between Brierly Investments previously not consulting with the community on its development plans and what MPL has done with this development plan in NOT consulting the community about Laau Point and water?

515.a. Both have met with STRONG community opposition haven't they? However, this time, Molokai economy is NOT suffering. It has a good unemployment rate at 3.2% well under the national average doesn't it?

516. Does MPL think that water is the ONLY unresolved issue? I will not go through all my water questions again, even though you simply repeat the same paragraphs over and over again in your EIS, why? Do you believe that if someone reads or hears it enough, they will believe it?

516.a. Do you think withdrawal of an additional 1,000,000 GPD of brackish water from the kakalahale Well will take away water that DHHL will need to support future expansion of agriculture and residential lots on their Molokai lands? If not, FULLY explain why not?

517. Do you admit that water resource issues have yet to be identified?

517.a. If so, why are you bringing this to LUC? Before you have your water resource determined?

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Laau Point questions for EIS

Questions from 6.5

518. who is Clark Stevens and his company New West Land Company? Qualifications, background etc?

518.a. Where are they from? what are they in the business of doing?

518.b. who recommended the EC use them? Did the EC pay for the services? How much? what were they contracted to do?

518.c. what was the meeting date and those in attendance from the board who decided to use Clark Stevens?

518.d. what prior associations had Clark Stevens and/or New West Land Company had with any Board members? BIL, MPL, BPR Hawaii, subsidiaries affiliates etc.?

518.e. Did the EC receive a written report from Clark Stevens? If so where is it? Attach it for the answer in any final EIS as alternatives to the Ranch Plan please.

519. The EC rejected a motion to delay the vote on the Plan until alternatives could be investigated?

519.a. The EC rejected an alternative because there was no financial evaluation provided? why didn't the EC use Clark Stevens to financially evaluate it? or someone else? why was the EC Board determined to push the vote?

520. Why did the EC reject Stevens' proposed purchase of Laau Point and land of the trust? because they would have that land which was already planned for fee donation to them under the Ranch Plan?

520.a. Now the EIS is not giving the Turst in fee as much land as they originally thought is it?

520.b. The trust is nearly going to manage the lands, but the ownership even with the CDC will be STILL with MPL isn't that true? If not, what is the total amount of acres the Trust will hold in fee simple?

521. Did MPL ever come up with a purchase price of Laau Point? what was it? is it? I'm sure they would consider their cost per

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Laau Point questions for EIS
lot is \$360,000/lot to develop Laau Point if they sold it out right
wouldn't they?

521.a. Apparently there was no response from MPL on a price and
willingness to keep the alternative open was there?

521.b. MPL's response was they would take an equivalent return
on the development, but who ever bought it would have to protect
the areas for subsistence as proposed? why was that a stipulation?
maybe the new purchaser would NEVER place parks etc. on the shoreline.
or even subdivide the property at all?

521.c. why was there the stipulation that an endowment income
must be provided to the Land Trust and CDC to keep them functioning
presumably? Or was it to allow MPL to continue it's intent to be
a housing authority in leasing the lands through the CDC for a continuing
cash flow?

522. What does this sentence mean? "MPL will seriously consider
offers but after an extensive two-year community process does not
desire to indicate a price for the parcel because of the many variables
involved?" What variables are involved?

523. Has a serious buyer emerged? If so, did MPL enter into
negotiations?

524. Since MPL is cash poor and the "shareholders will not permit
this to continue without a solution," has MPL taken any initiative
to find itself a buyer? If not, why not, if the shareholders want
a solution?

November 1, 2007

Victoria Kapuni
P.O. Box 1962
Kaunakakai, Hawaii 'i 96748

SUBJECT: LĀ'AU POINT DRAFT ENVIRONMENTAL IMPACT STATEMENT

Dear Ms. Kapuni:

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

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

Response: The purchase of Kalaoko'i Hotel was a business decision. Along with
implementation of the Community-Based Master Land Use Plan for Molokai Ranch (Master
Plan), which includes the Lā'au Point project, we are also working on our plans to renovate and
re-open the Hotel.

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? What are the purpose statements for
each entity? Mission statements? 2.e. What is the purpose of the CDC?

Response: The CDC has yet to be formed, but a steering committee is examining the best type of
organization that suits its mission. It will be a separate entity from MPL and have no connection
with MPL. According to the Molokai Enterprise Community (EC) 2006 annual report (found at:
<http://www.molokaiec.org/resources/ecdocs.htm>): "A CDC Steering Committee was formed to
begin organizing for the incorporation of a Molokai CDC. Fundraising efforts have been
initiated, and leading nonprofit lawyers and accounting specialists have been contracted to begin
the work of securely structuring the gifted land (1,100 acres), easements (200 acres) and
revenues (approximately \$10 million dollars)."

The CDC will have no legal relationship with the Molokai Land Trust and will be a completely
separate organization from the Land Trust, with a different mission. The steering committee has
set the mission statement for the CDC as: "A community-based non-profit organization working
to enhance the quality of life for residents primarily in the areas of affordable homes for the

Victoria Kapuni

SUBJECT: LĀ'AU POINT DRAFT ENVIRONMENTAL IMPACT STATEMENT
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community, as well as economic development, education, health care, leadership, culture, and the environment, while preserving Moloka'i's rural character."

The CDC will be the organization accepting the 1,160 acres in fee. Questions as to the future plans of the Land Trust and the CDC, outside the broad guidelines given for MPL lands and revenue from Lā'au Point as outlined in the EIS and in the Master Plan, are matters for both those organizations, not MPL.

To reflect the above information in the Final EIS, Section 2.1.9 of the Final EIS has been revised as shown on the attachment titled, "Revised Section 2.1.9 (CDC)."

3. *List the names of the many Land use committee members who made at least 2 site visits to Lā'au Point. 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.*

Response: We recall the following members made at least two site visits to Lā'au Point: Colette Machado, Stacy Crivello, Rikki Cooke, Barbara Kalipi, Zhanell Dudoit (former staff member), Ed Misaki, David Lunney, Jimmy Duvauchelle (employee), Halona Kaopuiki, and John Sabas (when not an MPL staff member). All members were accompanied by Peter Nicholas.

4. *List the many Land use Committee members who may have made only one site visit to Lā'au Point. 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.)*

Response: We recall the following members having made at least one site visit: DeGray Vanderbilt, Walter Ritte, Matt Yamashita, Ella Alcon, Pat Benda, Dewitt Jones, William Akutagawa, Cheryl Corbiell, Dewitt Jones, at various times accompanied either by Peter Nicholas, or sometimes on visits on their own.

5. *State each and every way and with full detail how you intend to educate Lā'au point 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?*

Response: The Shoreline Access Management Plan (SAMP) for the area sets forth an education program required of all homeowners and visitors to the area that covers: cultural practices; cultural sensitivity and respect; environmental protection and concerns; historical significance of the area and resources; and the social fabric, traditions and culture of the Moloka'i community. In sum, the program is intended to make the users of the area aware of the value of the resources they encounter/harvest and to honor others rights and needs in the area.

SAMP education will be conducted in a variety of forms - written, audio-visual and personal hands-on on-site orientations - and not be limited to any one form. The educational requirement will be mandatory. From a practical standpoint, it is recognized that short-term guests may not have the time to undertake the program. However, it can be assumed that the homeowners who have undertaken the program will inform and educate their guests.

Victoria Kapuni

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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 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.

To reflect the information above in the Final EIS, as well as to address other questions and concerns regarding shoreline access issues, Section 4.3 (Trails and Access) has been revised as shown on the attachment titled, "Revised Section 4.3 (Trails and Access)," and the SAMP has been included as an Appendix to the Final EIS.

6. *Please produce in full the Lā'au Point Covenants (CC&Rs). 6.a. Please be sure to include each and every way they can be enforced. 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.*

Response: The enforcement of the CC&Rs shall be pursued by the Lā'au Point homeowners' association, affected persons such as the Land Trust who will be a party to the CC&Rs, and in certain situations MPL, as the declarant under the CC&Rs. The CC&Rs will be enforceable by all legal matters. To reflect this information in the Final EIS, as well as to address other questions and concerns regarding the CC&Rs, Section 2.3.6 (Covenants) will be revised as shown on the attachment titled, "Revised Section 2.3.6 (Covenants)."

7. *Please list each and every way naming the "extraordinary lengths" the Land Use Commission went to ensure that the Lā'au Point 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 counties 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 it's subsidiary did to accomplish the development they accomplished on Fiji? Who were the BIL employees who spearheaded that development and public input?*

Response: The comprehensive Community-Based Master Land Use planning process is unprecedented in Hawai'i. The Land Use Committee, comprised of the chairpersons and deputy-chairpersons of the five sub-committees under the EC's Project # 47 and others, met 28 times in addition to their own sub-committee meetings during the planning process to create the various components of the Master Plan. The strict covenants (provided in Section 2.3.6 of the Draft EIS) to be attached to the Lā'au Point project set this subdivision apart from other subdivisions in Hawai'i. The covenants respect the environment, character, and cultural resources of the area.

The questions relating to BIL developments in the past ten years and in Fiji have no relevance to this EIS. Other BIL subsidiaries, such as the one in Fiji, are separate, unrelated entities from MPL.

8. Please produce the document or state in its entirety the Articles of Incorporation for the CDC. 8.a. State all the Initial Board of Directors for CDC 8.b. State the name or names of the incorporator(s) for CDC 8.c. State all shareholders 8.d. State or attach by-laws. 8.e. State day the Articles of Incorporation were 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 attach them with this answer.
9. The CDC tasks are to develop affordable housing. Is that from the 1160 acres manka of Kaunakakai or elsewhere? What are the procedures CDC intends to carry out to accomplish this task? Be specific in you detailed account of your intentions.
10. How is CDC to promote economic development. Fully explain all ways this will be accomplished. Listing in 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?

Response: As addressed in #2 above, the CDC has yet to be formed. MPL cannot respond to questions on behalf of the CDC regarding CDC procedures. These questions should be directed to the CDC.

13. Since MPL will retain ownership of land around Kualapu 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?

Response: The CDC will be able to plan its own affordable housing without having to include MPL. In other words, MPL will not influence CDC decision-making for community expansion or affordable housing, but cooperate with it in making land in Maunaloa and Kualapu available for community housing at affordable prices. See Section 4.8.2 of the Draft EIS.

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?

Response: The Master Plan reflects the agreement made with Maui Community College-Moloka'i during the planning process. MPL acknowledges the Moloka'i Community Plan's land designation to the College; however, this land is to be donated to the Moloka'i Land Trust and this issue will eventually be addressed by the Land Trust.

15. List all names on the CDC steering committee that 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 they have done thus far explain fully. 15.d. Does this committee keep minutes? If so, attach all minutes to this answer.

Response: The chairperson of the CDC steering committee is Stacy Helm Crivello. MPL only deals with the chairperson and is unaware of the other members of the committee, or the names of its legal and other advisers. MPL is not privy to information regarding the CDC meetings or minutes.

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.

Response: We are assuming you that your reference to "Molokai Land Use Plan" is the Molokai Community Plan, and that your reference to "Molokai Ranch Plan" is the Community-Based Master Land Use Plan for Molokai Ranch. Section 5.2.2 of the Draft EIS discusses the project's compliance with the Molokai Community Plan.

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. list each and every new employment opportunity giving job descriptions and anticipated wages or salary for each position. 17.c. list 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?

Response: Section 4.8.4 of the Draft EIS discusses employment opportunities. In response to your comment, as well as to address other questions and concerns received regarding employment, Section 4.8.4 (Economy) in the Final EIS has been revised as shown below:

Proceeds from the sale of the La'au Point lots will fund the renovations and upgrading of the Kaluako'i Hotel and Golf Course. These facilities are crucial to revitalizing the Moloka'i tourism economy and are projected to provide over 100 jobs for Moloka'i residents. By outsourcing various hotel functions such as laundry, gift shop, beach shack and spa, and by committing to use local produce, small business opportunities will also be created for the community. However, the direct impact of La'au Point on tourism will be limited since no vacation rentals are allowed under the La'au Point CC&RS.

MPL is now totally managed on the island by members of the community, with many Native Hawaiians in key roles. Over the past five years there has been a conscious effort to promote local people into management positions within the Molokai Ranch Lodge and Beach Village. Local people, including a majority of Native Hawaiians, now hold all key management positions at the hotels and within the MPL management structure for maintenance and other on-island activities. Those individuals will form the core nucleus of the future management team in other MPL enterprises such as the Kaluako'i Hotel.

Regarding specific new jobs created by the La'au Point project, these jobs will be a mix of construction, maintenance, and service jobs at prevailing wages. Some will be short-

term, depending on the length of time for full build-out, and some will permanent and long-term. Many jobs will be contracted, therefore, for the contracted jobs during construction or after build-out. MLP will not be providing direct training and employment opportunities. Several positions also will be available for the operation and maintenance of the wastewater treatment plant. As mentioned above there will also be jobs re-created upon the re-opening of the Kahuako'i Hotel.

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". (p.18) 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 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.

Response: 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 and the future land uses of Moloka'i Ranch's 60,000+ acres. Key points of the Master Plan are summarized in Section 2.1.7 of the Draft EIS, which includes preventing development on 55,000 acres of Ranch land in perpetuity through the form of land donations and restrictive conservation easements to the Moloka'i Land Trust.

The Moloka'i Land Trust is an entity sponsored by the Moloka'i Enterprise Community (EC). The EC is part of the federal U.S. Department of Agriculture EC/EZ Program. The EC process in the U.S. began in 1998, which included the participation from the Moloka'i community to develop a 10-year strategic plan for Moloka'i. The EC Board is an all-volunteer, community elected board responsible for setting operating policies, allocating USDA Enterprise Community funds, and working with the community to implement and update the EC Strategic Plan.

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. List all of all legal entities necessary to provide this certainty of continuous stream revenue? 19.d. List all persons and entities who will control or be on the Board of Directors of all legal entities listed in 19.c. above.

Response: When title for the 26,200 acres passes to the Land Trust, the communications leases on those properties will pass to the Land Trust. MPL will merely assign the leases to the Land Trust. The revenue from the leases is currently approximately \$150,000 per annum.

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?

Response: Giving information about other "subdivisions with CC&Rs that have no CC&R violations" is not relevant to this project and not within the EIS scope. As addressed in #6 above, the Lā'au Point CC&Rs will be enforceable. The homeowners' association will be financed through monthly dues.

21. If you are unable to renovate Kahuako'i Hotel without developing Lā'au Point, why did MPL Purchase Kahuako'i Hotel?

Response: See our response to #1 above.

22. Will the Kahuako'i Hotel be economically viable after it is renovated? 22.a. Why? 22.b. Why not?

Response: As discussed in Section 4.8.4 of the Draft EIS, the hotel will need 60 percent occupancy, or 56,000 visitor nights annually to break even. The Moloka'i Responsible Tourism Initiative Report (2006) discusses an effort to revitalize Moloka'i's tourism economy, which includes the re-opening of Kahuako'i Hotel, creation of a visitor coordinator position, and the promotion of community tourism. With this overall effort, we have confidence that the Hotel can be economically viable.

23. What is each and every reason you have for saying "Lā'au Point...is but one part of the comprehensive Moloka'i 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 Kahuako'i Hotel were you not aware of the Moloka'i Land use plan. 23.b.i. why were you not aware? 23.b.ii 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 Lā'au Point from the time of purchasing the Kahuako'i Hotel? 23.c. Does viable mean financial? 23.d. When you purchased the Kahuako'i Hotel were you not aware that Lā'au Point was not to be subdivided in the Moloka'i Land Use Plan, Maui County Land use plan? and specifically against the Maui County's policy of no more shoreline development?

Response: See Section 2.0 of the Draft EIS for the project description and its relationship with the overall Master Plan. Appendix A of the Draft EIS contains the Master Plan in its entirety. Section 5.2.2 of the Draft EIS contains full discussion of the project's relationship to the Moloka'i Community Plan.

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?

Response: The project is careful to not disturb natural drainageways and gulches. Not every reviewer may be aware of the fact that natural drainageways and gulches should not be built in. Therefore, it is not incorrect to state this.

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.

Response: Yes, significant archeological, cultural, and historical sites can be preserved through other means. The Land Use Committee and the cultural committee decided a Moloka'i Land Trust cultural management plan, administered by the people of Moloka'i for the people of Moloka'i, was the best way to supplement the existing laws that protect cultural sites. In the proposed project, large areas adjacent and around the sites are also preserved in "cultural protection zones" to ensure there is maximum protection of the cultural sites and cultural areas. This was previously discussed in Sections 2.3.1 and 4.1 of the Draft EIS.

26. *How are the Land Trust and Lā'au 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 Lā'au point Homeowners Association?*

Response: The homeowners will contribute to the maintenance, protection, and upkeep of the expanded Conservation District through association dues. The funds will be managed by a council represented equally by the Land Trust and the homeowners. This council will prepare a budget and spend the dues and any other funds the Land Trust believes will protect and enhance the cultural sites and maintain subsistence fishing as presumed by the Master Plan. The CC&Rs binds certain fees on landowners. To clarify management duties in the Final EIS, Section 2.3.5 fo the Final EIS has been revised as follows:

Operations & Management – As previously discussed in Section 2.3.1, the Moloka'i Land Trust will have an ownership and a management role in all Conservation District land, with the possible exception of the two public parks (total of 17 acres), which could either be conveyed to Maui County Department of Parks and Recreation or held by the Land Trust. The Land Trust would solely own and manage the Kamāka'ipō Gulch (128 acres), and jointly own and manage the remaining 306 acres of Conservation District land with the Lā'au Point homeowners' association on a council. The homeowners' association will own and manage the 382 acres of Agricultural District lands that will be reclassified to Rural and contain the common areas between lot clusters and the mauka buffer zone of the project area (see Figure 40 13).

There are no commercial businesses proposed for Lā'au Point. Operations and management are primarily related to tasks associated with the community common areas' maintenance and upkeep, which would be administered through the Lā'au Point homeowners' association. The responsibility of the shoreline park maintenance and upkeep will be provided by the County Department of Parks & Recreation or the Land Trust, depending on ownership of the parks, and may include a live-in caretaker Resource Manager for the South Park. The Resource Manager will be responsible for community access and protection of the subsistence resources within the Lā'au shoreline. MPL and the Land Trust believe that providing on-site accommodation and having a Resource Manager on-site full-time will add additional protection to the marine resources at Lā'au Point. The management (land stewardship) of the coastal Conservation District areas would be administered jointly by the Land Trust and homeowners' association. Beyond this, Lā'au Point does not propose any other uses that require employees.

27. *Do you believe it is feasible to develop your lands on Molokai 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 desalination plant, what are the permits you must receive and the process you must go through to build such a facility on Molokai? Give exact details.* 27.a.ii *What is the estimated entire cost of such a project, i.e. build a water desalination plant? 27.b. If so, what land holdings on Molokai do you believe you can develop as of February 6, 2007 with the water amounts and rights you currently hold? 27.b.i. what is the percentage of your land holdings on Molokai 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 Maunaloa, 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.*

Response: Appendix P of the Draft EIS contains the Water Plan analysis for the project and the overall Master Plan. According to the analysis, there are sufficient water resources to implement the Master Plan and Lā'au Point project. Section 4.9.2 of the Draft EIS discusses water for the project, as well as the option of desalination.

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)."

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.* 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 Lā'au point 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 Lā'au Point.*

Response: The full archaeological reports and plans, provided as Appendix E of the Draft EIS, were prepared by Maurice Majors of Cultural Landscapes Hawai'i. The archaeological inventory was completed by Bishop Museum's Applied Research Group (then the contract archaeology branch of the Anthropology department). The following Bishop Museum employees participated in field work: Project Principal Investigator – Boyd Dixon, PhD; Project Field Supervisor – Michael Price; Field Crew: Alan Carpenter, Bruce Longton, Maurice Major, and Cary Stine. The following Moloka'i residents, many of whom were active members of the organization "Ahupua'a o Kaluakoa" at the time, also participated to varying degrees: Randy Abato, Harry Aki, Paul Auna, Mahi Bush, Kama Han, Halona Ka'opuiki, Kaleo LenWai, and Tom Manangan.

This report details field methods, which may be summed up as follows: The 6,348-acre Lā'au parcel was divided into smaller portions that could be easily identified on USGS maps (using roads, ridges, etc. as verifiable landmarks). Crews walked along set compass bearings, spaced 5 meters apart in heavily vegetated areas and more widely in open areas. When archeological sites

were encountered, vegetation was cleared and the features were described, mapped (methods varied according to site complexity, ranging from tape and compass to plane table and alidade, photographed in B&W negative and color slide formats, and their locations plotted in USGS maps. Sites were identified with temporary numbers written on flagging tape attached to a portion of the site. Selected sites were excavated to provide data regarding the age and function of sites; age and function was estimated for all features based on surface indicators such as style of walls, the character and age of surface artifacts, and the archaeologists' experience.

The remainder of your comments are beyond the scope of a EIS, especially given that the inventory report (Dixon and Major 1993) underwent SHPD review and was approved. We refer you to the "History," "Previous Archaeology," and "Oral History" sections of the inventory report (Dixon and Major 1993), as well as the bibliography of that document.

Previous archaeology information for the Lā'āu Point area is contained in the inventory report (Dixon and Major 1993), and is covered again in the "History and Archaeology" section of the current Preservation and Data Recovery Plans (Appendix E of the Draft EIS). Weisler's work in the 1980s and Bishop Museum's 1991 survey are by far the most detailed and comprehensive archaeological studies of the Lā'āu Point area.

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 Kamāka'ipō 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?*

Response: Donating these lands to the Land Trust was what was agreed upon during the community-based planning process. It was important to maintain local control of the lands for the community to own and manage. We believe the State or County may not be prepared to take on management of additional lands; they lack the resources, funding, and manpower to do so.

30. *How are the Land Trust and Lā'āu Point 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 Lā'āu Point Homeowners Association?*

Response: See our response to #26 above.

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 Lā'āu 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 Lā'āu Point in your*

EIS does it always refer to this same 4800 acres? 32.f. State and produce all documents that support your answers.

Response: The exact legal language for the easement lands are ancillary documents related to a business transaction, and is not required to be provided in the EIS. Some of these agreements are currently being drafted and being negotiated with the Molokai Land Trust, and will be available at the time of Land Use Commission hearings on the State Land Use District Boundary Amendment petition. These include:

- The Expanded Conservation District easement to the Land Trust.
- The Easements over the Rural Reserve and Agricultural lands.
- The Shoreline Access Management Plan.

In general, the easement to be held by the Land Trust will be on land title, which has not been conveyed yet. It will cover the area of the existing Conservation zone and the 254 additional acres to be rezoned from agricultural to conservation. The grantor of the easement is MPL and the grantee is the Molokai Land Trust.

The easement will be consistent with the Master Plan, tie in with the CC&Rs covering lot use and covenants, and reflect the Shoreline Access and Management Plan (SAMP) for the expanded Conservation District. The easement aims are to protect the expanded Conservation District from ever being developed, protect the rights of subsistence fishermen, protect archaeological sites and cultural preserves and ensure the area is managed consistent with the Master Plan. The easement will run in perpetuity.

33. *In your discussion of set backs 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 specify and state all those set 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 County 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?*

Response: Maximum setback required by Maui County is 150 feet. This project's setbacks exceed that. Figures 15 and 16 of the Draft EIS contain the tsunami inundation zone and flood zone maps, respectively. No development will occur within these hazardous zones.

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.*

Response: The Lā'āu Point homeowners' association will own and maintain common areas. This is stated in Section 2.3.5 of the Draft EIS. Also, see our response to #26 above for the revision to Section 2.3.5 in the Final EIS.

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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 6 2007? 35.b. Does the state Rural District designation already restrict development on these lands? If so how?*

Response: The Open Space areas you refer to will owned and maintained by the Lā'au Point homeowners' association. The area is currently County-zoned in Agricultural. A Change in Zoning application was submitted to Maui County Planning Department and transmitted to other agencies for review on December 20, 2006. Section 5.1.2 of the Draft EIS contains discussion of the State Rural District designation.

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.d. Is the intent to totally surround those 200 lots by fencing for one reason or another? 36.e. Who decides what type of materials are used and who builds and pays for the fencing? 36.f. Who will maintain the fencing? 36.g. What prohibits the party who owns, cares for, is responsible for the fence from changing it to say a cement wall?*

Response: The Land Trust will manage the subsistence hunting areas mauka of the project. A discussion of the reasons for the fencing is contained in Section 2.3.1 (Protected Areas) on page 25 in Draft EIS. Fences will be constructed of materials sufficient to prevent feral animals from entering the property. The fence will be constructed and maintained by the homeowners' association.

37. *For each and every parcel of land you are speaking about in the EIS that is Ranch land whether it is the Lā'au Point parcel, Moomomi parcel, easements or whatever, 37.a. List 37.b. state it's present use 37.c. State all the possible uses it can have restricted by current zoning. 37.d. State all the possible uses it can have restricted by current water supplies to which the Ranch is entitled.*

Response: Appendix A of the Draft EIS contains the Master Plan in its entirety, which discusses all of Molokai Ranch's land and the proposed Water Plan.

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

Response: To clarify, the South Park will be west of Hale O Lono at Pu'u Hakina, and the West Park will be at the Kamaka'ipō shoreline, not in the Gulch. The reasons are contained in various sections of the Draft EIS, such as Section 2.3, 4.3, and 4.10.5.

To clarify the South Park's location, Section 4.10.5 in the Final EIS has been revised as follows:

The Lā'au Point community is not expected to have a significant impact on public regional recreation facilities. To provide access for the shoreline and help manage the coastal resources, the Lā'au Point project will include two public parks (totaling

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approximately 17 acres), one by Kamaka'ipō Gulch (2 acres) on the west end of the community, and the other (15 acres) at Pu'u Hakina, west of Hale O Lono Harbor at the south end.

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?*

Response: Discussion of the reclassification of the proposed south shore beach park's nine acres from Conservation to Rural has been expanded to the following in Section 5.1.2 of the Final EIS:

A reclassification of nine acres from Conservation to Rural District is also proposed for the public shoreline park on the south shore. While park-type uses are compatible with the standards set forth in §15-1.5-20, HAR, the reclassification to the Rural District will facilitate implementation of park improvements (such as a comfort station, a parking lot, a Resource Manager's residence, an individual wastewater system, a drainage system, and footpaths) without the need for a Conservation District Use Application (CDUA). In their comment letter dated February 23, 2007, the DLNR Office of Conservation Coastal Lands confirmed that a petition to re-designate the nine acres from Conservation to Rural for the park development would not require a Conservation District Use Application (CDUA).

40. *The men's and woman's canoe races from Molokai to Oahu leave every year from Hale O Lono. Have you interviewed any canoeists about this proposed change in their launching place and along the pristine coastline? 40.a. Would you be surprised that my Husband and I did last fall during the 2006 races? 40.b. Would you be surprised that all those participants from Hawaii and other countries encouraged our fight to save Lā'au Point? 40.c. Would you be surprised that they Do Not want these changes to either Hale O Lono or the coastline? (My Husband won the men's 6-man race in the 60's.)*

Response: No changes will be made to Hale O Lono. The proposed South shoreline park will be located west of Hale O Lono at Pu'u Hakina. See our response to #38 above.

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?*

Response: We are not circumventing the Molokai Community Plan. Section 5.2.2 of the Draft EIS provides discussion of the project's relationship with the Molokai Community Plan. The State Land Use Commission (LUC) is the accepting authority for the EIS because they are the first agency to address land use approvals for this project. A petition for a State Land Use District Boundary Amendment was submitted to the LUC in May 2006. Following the State Land Use petition, MPL will have to come before the County Council and Molokai Planning Commission for approvals on the County applications.

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 Lā'au Point subdivision? 42.a. Are your mitigation plans infallible? Why, why not? 42.b. What did your experts use for this EIS and subdivision estimate the potential damage? 42.c. What are the high and low figures in every parameter? 42.d. What were the methods used for all predictions by your experts to predict the minimal effects of the 200 acres developed on Lā'au Point on the reef? Describe fully the methodology. 42.e. who are all persons consulted on the reef damage and drainage problems associated with the reef from development of Lā'au 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.f. Are there any additional ways you have to mitigate reef damage other than the CC&Rs and educating the homeowners?

43. Did you make a baseline study of water quality, marine life and coral life that surround Lā'au 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 Lā'au Point?

Response: We do not agree that "irreparable damage will occur to the reef upon developing Lā'au Point...." The baseline marine biological survey (Appendix D of the Draft EIS) indicates that the area is not particularly unique or sensitive. It is accustomed to episodic inundations of sediment-laden "red water," which the proposed action will reduce.

Responses to your questions have been previously addressed in the marine biological and water quality baseline survey report (Appendix D of the Draft EIS). The methodology employed for the assessment is sound as the following statement will be indicated in Section 3.8 of the Final EIS:

According to their letter dated February 15, 2007, the State Department of Land and Natural Resources, Division of Aquatic Resources stated: "the methodology employed by their subcontractor TEC is consistent with acceptable practices, and very likely akin to what we would have done ourselves if given the task."

The marine biological survey was done by Alan Friedlander, Ph.D., Marine Biology and Cindy Hunter, Ph.D., Marine Biology. The water quality survey was done by George Krasnick, M.S., Biological Oceanography.

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?

Response: We first note that you had two comments numbered #43. This is in response to the second #43. The open space buffer area will be zoned rural on the State Land Use map, but County-zoned Open Space. There are no plans to develop this area. The County's zoning designation will prevent further development in the open space buffer zone.

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

Response: Section 2.3.5 of the Draft EIS includes a conceptual landscape plant palette for Lā'au Point. Appropriate landscaping would include native plant species known from coastal dry plant communities on Molokai. The Lā'au Point Design Guidelines (to be drafted pending project approval) will contain the list of approved native plant species from coastal dry plant communities. Any species not listed in the approved list are prohibited.

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 Lā'au Point? 45.a. What are the possible jobs created directly from the Development of Lā'au Point? Please list each and every possible job that could be created.

Response: Other than those you have already listed, other new job opportunities will be a mix of construction, maintenance, and service jobs at prevailing wages. See our response to #17 above.

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?

Response: As it is stated in Section 2.3.5 of the Draft EIS, no fees will be charged for the parks.

47. Who will own all the privately owned roadways within the Lā'au Point community? 47.a. Can the owners of the private road gate them? Have the ability to gate them? 47.b. State all the legal case law cites to support your answer. 47.c. If the Homeowners own their own roads or 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.

Response: The homeowners' association will own the roads. As stated in Section 2.3.6 of the Draft EIS, the covenants prohibit a gated community at Lā'au Point.

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

Response: Yes.

49. Specify how any one of the following will be determined: ocean temperature, salinity, suspended solids and/or nitrogen ammonia, nitrogen in-trate 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?

Response: With the intent is to observe changes to the offshore marine community brought about by the presence of the proposed development, the strategy would be to first develop a hypothesis about how such a change would be brought about, and then monitor the proximate cause, e.g., runoff, nutrient loading, increased fishing pressure, etc.

Subsequent monitoring activities will be conducted by the Land Trust. In the Final EIS Section 3.8 (Marine Environment) will be revised to include the following:

Potential short-term impacts of construction on marine waters will be mitigated by implementation of State and County approved Best Management Practices to control drainage and mitigate erosion from grading for the duration of the construction period. Subsequent water monitoring activities will be conducted by a Council representing Homeowners and the Moloka'i Land Trust. These organizations will have management responsibility and enforcement authority over the Pu'u Hakina and Kamaka'ioe (Lā'au area) shoreline area and fishing zone. The Land Trust will conduct the monitoring on a regular basis. Should it be determined that there is some problem with water quality, testing will be undertaken and investigation made as to the cause. The action taken will depend on the results of the investigation and the attributed cause. Through the CC&Rs or through the courts, the problem will be rectified if the cause is a violation of the law of the CC&Rs.

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 dates and responsibilities over sites will each board (Land Trust and Homeowners Association) have? Please exhaust the lists. 50.c. what role does the State play in costs and responsibilities over their State Conservation District? Explain fully.*

Response: The Land Trust currently has nine members on its board of directors, but the size of the board may increase. The Land Trust includes its own bylaws to govern its lands. The Land Trust board of directors will determine rules and regulations as written in their bylaws. The Land Trust has adopted the same standards and practices of the 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> >.

The Lā'au Point homeowners' association will not be formed until the project is built.

The State does not own the Conservation land at Lā'au Point, so it does not have financial obligation to the management of the area. The State, however, does have legal jurisdiction over permitted uses in the Conservation District.

For further information concerning your questions, particularly concerning the relationship between the Land Trust and expanded Conservation District, we refer you to response #31 above.

51. *Who specifically will educate potential buyers and when will this be done? What will be the course materials?*

Response: See our response to #5 above.

52. *Who and how will enforcement of CC&Rs occur? 52.a. What penalties will be evoked for breaking the CC&Rs? 52.b. Exhaust all possible reasons you have for saving 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 occurrence?*

Response: See our response to #6 above.

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.*

Response: 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 near shore and offshore water quality. All lots will be required to retain runoff of their lot in surface or subsurface retention basins onsite per State DOH requirements. This applies to all runoff, whether it contains organic fertilizers or not.

To reflect your comment regarding organic fertilizer, Section 2.3.6 (Covenants) in the Final EIS includes the following revision:

- **Pesticide/Fertilizer restriction.** Pesticide use will be prohibited. Only organic fertilizers will be allowed, although this has not been finalized as some concern was raised in comment letters concerning potential damage to fisheries from organic fertilizers as well.

54. *What agreement has been reached between MPL and EC to ensure Lā'au 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 documents (s) supporting your response.*

Response: See our response to #31 above.

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? 55.b. How long do you estimate this process will take? 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.*

Response: The designation of "subsistence fishing areas" is subject to agreement by the DLNR and other organizations outside of its control. To reflect this information in the Final EIS Section 2.3.7 (Access for Subsistence Gathering) will be revised to include the following:

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 *Community-Based Master Land Use Plan for Molokai Ranch* 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 Molokai, Oahu 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 *Community-Based Master Land Use Plan for Molokai Ranch* 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 Molokai Land Trust.

57. *Regarding July 25, 26, 27, 28, 31 2006, social impact assessment focus group meetings: 57.a. What are the full names each and every person who attended each meeting? 57.b. How were they invited? 57.c. What was 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 was 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 meetings: 58.a. through 58.i. same questions as was asked above in 57.a. through 57.i.*

Response: a) Tables 9 through 13 of the Social Impact Assessment (SIA), provided as Appendix M in the Draft EIS, contain participants that signed in at each session.

Each session had one person coordinated invitations and meeting arrangements. Section 4.1.2 of the SIA discusses the purpose of each focus group and describes the participants. The session coordinator invited those who fit the criteria, as discussed in Section 4.1.2. The session coordinators determined the times and dates of the sessions.

The Maunaloa Residents session was held at 6:00 PM in the Lokahi Room at the Molokai Lodge on July 25, 2006. The West End Residents session was held at 6:30 PM at the Molokai Lodge

on July 31, 2006. The Filipino Residents session was held at 7:00 PM in a private residence on July 27, 2006. The ALDC session was held at 10:00 AM in Kaunakakai on July 28, 2006.

Coffee and water were served at the Maunaloa Residents and West End Residents session. Refreshments were served by the session coordinator of the Filipino Residents session. No refreshments were served at the ALDC session.

Berna Cabacungan of Earthplan facilitated all of the sessions.

The agenda for all focus group sessions is as follows:

1. Welcome and Pule
2. Meeting Purpose
 - a. Social Impact Assessment in the Environmental Impact Statement process
 - b. Meeting Approach and Protocol
3. Molokai Style and Future Generations
 - a. What is Molokai Style?
 - b. What is not Molokai style?
 - c. What do you hope for your future and future generations on Molokai?
4. Overview of Proposed Actions
 - a. Community-Based Master Land Use Plan for Molokai Ranch
 - b. Proposed actions at Lā'au Point
 - c. Relationship of Lā'au Point proposal to the Master Plan
5. Relationship to Molokai Style and Future Generations
 - a. If the Plan is carried out, what happens to Molokai Style? How does this affect future generations?
 - b. If the Lā'au Point proposal is carried out, what happens to Molokai Style? How does this affect future generations?
 - c. Do you have suggestions on how to make the Plan and the Lā'au Point proposal more consistent with Molokai Style?

The meetings were not taped.

59. *Regarding the August 25, 2006 meeting with EIS consulted parties. With respect to each consulted party listed or unlited, 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 Lā'au Point 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 Lā'au Point?*

Response: The following is a list of the attendees at the August 25, 2006 meeting: Brennan Purtzer, Kathy Davis, Bree Ullmann, Wayne Lee, Tom Hollomon, Glenn Teves, DeGray Vanderbilt, Yama Kaholoa, Steve Morgan Isaac Hall, Harold Edwards, Tom Schnell, Alan

Suwa, and John Sabas. This meeting was called to consult with those individuals that requested to be a "consulted party to the EIS." Attendees were invited by letter. Section 9.0 of the Draft EIS provides a list of EIS preparers, including the consultants.

60. *Regarding December 1, 2006 meeting with the Police Department? 60.a. Who attended this meeting? Please list names of everyone. 60.h. 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.*

Response: We consulted with Police Department to verify the department's technical information provided in Section 4.10.2 of the Draft EIS. This was incorrectly listed in Section 2.4 of the Draft EIS under community involvement and meetings. To reflect this change, Section 2.4 of the Final EIS will be revised as shown in "Table 2" of the attachment titled, "Revised Section 2.4 (Community Meetings and Involvement)."

61. *For the 28 LUC, 8, environmental, 11 Tourism, 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?*

Response: Section 2.1.6 of the Draft EIS contained summarized information concerning those meetings. Details regarding dates and minutes of meetings are available from the Moloka'i Enterprise Community, P.O.Box 1634, Kaunakakai Ph 553-8188.

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.*

Response: The Land Use Committee (LUC) members were chosen from the chairpersons and deputy-chairpersons of the five sub-committees under the EC's Project #47. Other than those people, some asked to be members of the LUC, such as De Gray Vanderbilt and Walter Ritte. Others were asked to be members because of their special positions in the community, their opposing views on the process or skills they would bring to the table. This latter group included Matt Yamashita (concerned with Alternatives), Lawrence Aki and Moke Kim (because of their knowledge of archeology and cultural matters), Kekama Helm (as a young adult leader), and Yannie Aihoo and Kuilei Perez (respected kupuna).

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.*

Response: MPL estimates that there were around 1,000 participants in the master planning process based on attendance sheets and other documents. The lists of attendees at the EC meetings on the Master Plan are held by the EC. As such, any questions or requests for the lists should be directed to them.

As discussed in Section 2.4 of the Draft EIS, sign-in sheets were provided at every meeting, but there were individuals who chose not to sign in as they did not want their names to be published. Therefore, a complete list of names for every participant cannot be included. The Master Plan

(Appendix A of the Draft EIS) and Section 8.0 of the Draft EIS, however, contain lists of active participants during the processes.

The participants who took part in the committee discussions are named in the Master Plan. The acknowledgements to the Master Plan outline those people who took part in the process and the process that was undertaken. Section 2.4 of the Draft EIS entitled "Community Meetings and Involvement" details all the meetings and timetables for these discussions.

Again, it is stressed all meetings were open to the public and participation from the entire island was encouraged.

64. *If the 1000 participants were counted in other then these focus group meetings asked about in question 59 above, what were the additional meetings that account for the "1000 participants"?*

Response: The estimated 1,000 participants count refers to the Master Plan process. Question #59 refers to EIS consulted parties. Therefore, the 1,000 participants does not include the meeting referred to in #59.

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?*

Response: See our response to #63 above.

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.*

Response: The presentations to which you refer to were made by the planning firm, PBR HAWAII, based on O'ahu. Presentations were made on Shoreline distance of lots from the shoreline under various scenarios, the economics of pushing the lots too far back from the shoreline and the resultant failure of the project, potential placement of lots, areas that could be retained for subsistence access, and explanations and answers to many questions posed by Land Use Committee members.

67. *On page 33, you state that Appendix A, Section 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?*

Response: The "Acknowledgements" section of Appendix A and Section 8.0 of the Draft EIS contain participant lists of the active participants during the planning process.

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 eg. ex. employee, family member employee, contractemployee for each person listed above in question 64a?*

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 65a?

Response: The members of the Land Use Committee are listed in the "Acknowledgements" section of the Master Plan (Appendix A of the Draft EIS). Those with connections to the Ranch at the time were Peter Nicholas, CEO, Harold Edwards, at the time senior vice-president, and Jimmy Duvauchelle, livestock manager. No other person was an employee contractor or received any payment from MPL at the time of the vote, although Zhanell Dudoit was an ex-contract employee.

On the motion in order to advance the "Community-Based Master Land Use Plan for Molokai Ranch," the Land Use Committee approves the Lā'au Development portion of the plan based upon and accepting the circulated Principles and Policies, Cultural Resource Protection Zones, and Design Guidelines and CCC&Rs for the Lā'au Subdivision, the vote was: 19 Yes, 6 No, 2 Abstain. The "Yes" voters were Vannie Ainoa, Ella Alcon, Billy Akutagawa, George Benda, Rikki Cooke, Cheryl Corbiell, Stacy Crivello, Zhanell Dudoit, Jimmy Duvauchelle, Harold Edwards, Dewitt Jones, Barbara Kalipi, David Lunney, Colette Machado, Davianna McGregor, Ed Misaki, Peter Nicholas, Milton Pa, and John Sabas (source: "Lā'au Point a Go," *The Molokai Island Times*, Vol. 01, Issue 28, August 3, 2005).

The members' "connection to the Ranch" was not relevant to the selection of Board members as those people were voted into the board by the total community. However, those at the time who were Ranch employees were John Pele and Raymond Hiro. Zhanell Dudoit had been a contract employee previously.

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.

Response: Section 8.0 of the Draft EIS lists the consulted parties to the EIS. Section 11.0 of the Draft EIS contains their comment letters. "All the other business each has done for the Ranch" is not required to be included by EIS rules.

71. Please describe in full detail what feedback you received on cultural assessment, social impact, water plans from public meeting 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. 72b. How were people chosen to be in a focus group?

Response: This information was summarized in Sections 4.2 and 4.8 of the Draft EIS, and full details were provided in Appendices F (Cultural Impact Assessment) and M (Social Impact Assessment) of the Draft EIS.

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.

Response: We first want to note that the DVD is not specifically part of the EIS. The DVD was sent to all mail post office boxes on Molokai. The Social Impact Assessment recommended that MPL conduct more education into the aspects of the Master Plan. Therefore, MPL contracted a film company to produce a DVD explaining aspects of the Plan. The cost of mailing is not relevant information to provide in the EIS.

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?

Response: Speakers in the DVD are supporters of the community-based planning process and the Master Plan. The speakers' connection to the Ranch is not required to be included by EIS rules.

75. In the cardboard flyer in which the DVD was sent out: 75.a. You suggest that your water plan protects DHHL homesteader water rights, and further state that DHHL 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 DHHL's request from the CWRM for 500,000 mgd from that 'preserved forever' allocation and to date CWRM has not approved the DHHL request? 75.b. In regards to well 17, you purport to generously offer 500,000 gallons per day to DHHL, BUT... The water from this well does not belong to the Ranch, it belongs to DHHL anyway, not you. 75.c. You imply that by giving DHHL 500,000 gpd from well 17, DHHL and the County would not need to go to the expense of replacing an antiquated delivery system. Are you saying DHHL 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. If your words in your flyer is NOT a contradiction, please explain what is it?

Response: We disagree with your conclusions and assumptions about what you believe the flyer implies about water and/or DHHL. The Water Plan (provided in the Master Plan and as Appendix P of the Draft EIS) is fully transparent of its intent.

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)." The response to this specific

comment is incorporated into the attachment. See the sections of the attachment titled, "DHHL's Future Water Needs" and "Molokai's 'Sole Source Aquifer' Designation."

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 its land use to subsistence use by the community? If so attach to the answer. 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 have passed 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.d. What are the supporting documents to guarantee the roads in La'au Point 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?

Response: All your above questions about the cardboard flyer in the DVD have been answered by Draft EIS. a) The occupancy rate is based on the Economic and Fiscal Impacts Report provided as Appendix J in the Draft EIS; b) The County's required shoreline setback is 150 feet; c) See Figure 1 in the Draft EIS; c) The Community-Based Master Land Use Plan for Molokai Ranch; cii) The land is legally open for subsistence activities, but the area is not yet legally protected with subsistence legislation; d) The CC&Rs; e) No development does not necessarily equate to protection. Currently, the archaeological sites in the area are afforded no protection from feral animals or trespassers. With the project, the archaeological sites will be designated into Cultural Protection Zones, and placed under the protection and management of the Land Trust.

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 and utilized in the Plan? were used in the Plan?

Response: See our response to #63 above.

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. 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? 78.b. You state that La'au Point 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.

Response: See our response to #26 above.

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 Kaitako '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 unemployable people? As of February, 2007 isn't the unemployment of Molokai 3.2% and below the national average?

Response: Molokai '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 Molokai '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 Molokai '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 Molokai 'i so that people do not have to leave to find work. It is expected that creating more jobs on Molokai '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 Molokai '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 Molokai '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 Molokai 'i people have moved to Maui for work. Creating more jobs on Molokai 'i will prevent a large out-migration of Molokai 'i residents to other islands.

80. How much water will be needed to prevent wind erosion? 80.a How will you water with brackish water? Won't it kill the vegetation? Explain.

Response: Water from Kākahale Well is considered "slightly brackish" with chloride levels of approximately 400 mg/L. In contrast, seawater is about 19,500 mg/L, and the County's Kawela Shaft (a drinking water source) has chlorides of about 200 mg/L. We disagree that brackish water will "kill the vegetation." There are many salt-tolerant plant species able to withstand irrigation with brackish water, such as beach heliotrope, naupaka, kou, and kiawe.

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.*

Response: 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 near shore and offshore water quality. All lots will be required to retain runoff of their lot in surface or subsurface retention basins onsite per State DOH requirements.

In the Final EIS, the Section 4.9.1 (Drainage) will be revised to include the following information:

Perforated users will be added to the inlets of these culverts as shown in Exhibit 7 of Appendix R. In addition, subject to the availability of boulders from the roadway excavation, boulder berms will be constructed upstream of some of the inlets to reduce the velocity in the driveway and also to induce gravitational settling of water borne silt and debris before it enters the culverts. Energy dissipators will be constructed at the outlets of these drainage culverts to keep the velocities equal to or less than pre-development velocities, in accordance with the provisions of Article 15-04-06 subparagraph (8) of Title NC-15. A Rules for the Design of Storm Drainage Facilities in the County of Maui.

82. *What permanent landscaping will be done? by whom? where? who will pay?*

Response: See our response to #44 above.

83. *What is each and every reason the Ranch had for ceasing agricultural activities in 1999?*

Response: Section 3.4 of the Draft EIS states: "No ranching activities have occurred at the site since 1999." [emphasis added] MPL did not cease agricultural activities in 1999, but around that time, it reduced its cattle herd because of high losses on the sale of animals. Other similar events took place by other landowners in the early 2000s evidenced by the fact that the total Moloka'i cattle herd now numbers less than 2,000 animals, which is a 200 percent drop in 10 years.

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 2.1.8?*

Response: The Land Trust will hold the 26,200 acres fee simple.

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 6, 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. 85.d. What is the legal description and attach a map of the "Rural Landscape Reserve".

Response: As addressed in #31 above, the exact legal language for the easement lands are ancillary documents related to a business transaction, and is not required to be provided in the EIS. However, these documents will be available at the LUC hearings on the State Land Use District Boundary Amendment petition.

The land proposed for agricultural easement is shown as "Proposed Agricultural Easement Land" map in the appendices of the Master Plan (Appendix A of the Draft EIS).

Water lines that service the area are non-potable water lines currently providing water to MPL's cattle herd. The Water source and transmission system, under the legal entity Waioa O Moloka'i, is owned by MPL. MPL believes it supplies approximately 80,000 gallons per day to those lands.

The Rural Landscape Reserve is defined distinctly in the Map on Page 9 of the Master Plan contained in this EIS document and which is entitled "Proposed Land Trust and Land Use Districts."

86. *Were the two earthquakes experienced in Hawaii last fall caused by volcanic activity or plate tectonic activity?*

Response: Earthquakes are natural hazards that cannot be predicted or prevented. Whether the earthquakes were caused by volcanic or plate tectonic activity is not affected by this project and therefore not relevant to the EIS.

87. *Have you determined the 50 and 25 foot flood areas? Please submit a map of those marks.*

Response: The Floor Insurance Rate Map was provided as Figure 16 in the Draft EIS.

88. *What are all the references, site trips, dates, times, duration and all other things William Garnett used to make his report.*

Response: See Appendix B of the Draft EIS for the William Garnett's Botanical Survey report. The botanical survey was carried out over a period of six months (late November 2005 to early June 2006) to assure detecting *Marsilea villosa* and other seasonally ephemeral species. Bill Garnett visited the site ten times during this period for a total of six full field days, including surveys after the heavy rains of 2006, so that the populations could be found and mapped under the best possible conditions. In addition, a 2.5 hour helicopter survey was conducted on May 15, 2006. To assure complete coverage, detailed GPS track logs were kept to record both ground and air survey routes. A detailed log of survey dates and times was not required or maintained.

To be aware of any possible rare plants from the area, a list of historical plant collections made from within the survey area was provided by the Bishop Museum herbarium. However, it is

always possible that additional populations could appear in other seasonal wetlands under different conditions in future years.

References for this survey included:

- A trip to the Bishop Museum Herbarium to review all historic collections from the area
- Review of the field notes of Noah Pekelo, former District Forester from Molokai.
- Review of the Hawaii Biodiversity and Mapping Program's map and records for the study area.
- Personal communications with Marie Bruegman, USFWS, a specialist in *Marsilea villosa*.

89. *What is William Garnett's educational degrees, publications, employment history, and whatever else would qualify him to make a botanical survey of La'au Point.*

Response: William Garnett is a recognized expert in native Hawaiian plants and the recovery of rare and endangered plants in the state of Hawaii. Since 2002, he has worked as the Endangered Plant Horticulturalist for Kalaupapa National Historic Park on the island of Molokai. He has worked in Hawaii as a botanist, ecologist and horticulturalist for more than 22 years and has conducted botanical surveys and collected endangered and rare native Hawaiian plants on O'ahu, Lana'i, Molokai, Maui, and Hawaii Island. His primary work focuses on the recovery of Hawaii's most endangered plants and restoration of Native Hawaiian ecosystems on O'ahu, Lana'i and Molokai. He has also assisted with recovery and restoration projects on Kaho'olawe and Laysan. His specialty is the ecology and restoration of Hawaiian coastal plant communities.

In these projects, Mr. Garnett has worked for the Hawaii Division of Forestry & Wildlife, University of Hawaii, The Nature Conservancy, US Army, US Fish & Wildlife Service, and Waimea Arboretum as a field botanist, ecologist, and manager on lands owned by the US Department of Defense, US Dept of Interior, Hawaii Department of Land and Natural Resources, Department of Hawaiian Home Lands, and numerous private landowners.

Mr. Garnett has 20 years of field survey experience on Molokai and has participated in previous rare plant surveys of coastal areas, including the La'au Point region.

90. *What money will be used and what amount is needed to make and who will make the management plan?*

Response: The flora management plan has been incorporated in the Shoreline Access Management Plan (SAMP), which will be appended to the Final EIS. To reflect the above information in the Final EIS, as well as to address other questions and concerns regarding flora, Section 3.6 (Flora) of the Final EIS has been revised as shown on the attachment titled, "Revised Section 3.6 (Flora)."

91. *Doesn't there need to be made a Federal study for the critical habitat 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 assigns, William Garnett, PBR Hawaii & Associates did to report this? 91.b. What are all your concerns about the*

endangered plant? Give a detailed response. 91.c. To whom did you report this? List every person and organization and give their response.

Response: We confirm that *Marsilea villosa* has been found around Kamaka'ipō Gulch. This area is proposed to be re-districated into Conservation District and designated a cultural protection zone, which will be owned and managed by the Land Trust.

This fern was federally listed as endangered on June 22, 1992. *Marsilea villosa* is the only federally listed endangered plant known from the La'au Point area. The Kamaka'ipō population of this rare fern is not a new discovery. This population is known from historic accounts and recent surveys. Flora collections were reported to state and federal agencies as part of required collection permit reporting. In the past, collections from this population have also been distributed to botanical gardens in Hawaii with programs dedicated to endangered plant conservation.

A proposed rule to designate critical habitat for listed species on the island of Molokai was published in the Federal Register in December 2000. We also note that the map indicating the general locations for the 46 endangered plant species on Molokai from USFWS (retrieved from <http://www.fws.gov/pacificislands/CHRules/molokai.reproposals.pdf>) does not indicate La'au Point as a "critical habitat." According to the USFWS map, the critical habitat areas are along the northern coastline and East end of Molokai.

As noted in the Draft EIS, this is one of five known populations of this fern. Due to its unique requirement for flooded areas, 'ihi'ihī can be very difficult to find. Hence, the survey for the 'ihi'ihī was specifically conducted over a six month period (28 November 2005 to 6 June 2006), including surveys after the heavy rains of 2006, so that the populations could be found and mapped under the best possible conditions. The biologist checked all potential habitat in the area multiple times this year and no additional 'ihi'ihī populations were observed.

The 'ihi'ihī population at Kamaka'ipō is currently expanding vegetatively, despite some impact from occasional foot traffic. Samples are being preserved in three endangered plant collections around the state. The surrounding habitat is no longer the intact native shrubland that would have existed there hundreds of years ago.

All plants observed in the Kamaka'ipō population were found within the coastal setback area identified for special management and the adjacent area designated public recreational access (Conservation District and Public Park/Shoreline Accesses shown on Figure 1 in the Draft EIS). Possible management activities to protect this endangered plant include: 1) rerouting the coastal trail; 2) creating a boardwalk through the 'ihi'ihī habitat, which would discourage deer; 3) fencing if the boardwalk is not sufficient to restrict deer access, and 4) some alien plant removal to help stabilize the site. The key to protecting this population is the development and implementation of a management plan to protect the fern from grazing, trampling, erosion, fire or other habitat changes.

Mr. Garnett's collections were reported to state and federal agencies as part of required endangered species collection permit reporting to the Division of Forestry and Wildlife

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(DOFAW). A copy of this report must be requested from the State Botanist at DOFAW, if needed.

Specifically, the updated status of this *Marsilea* population was reported to the State Botanist at the DLNR Division of Forestry and Wildlife and the USFWS Rare Plant Recovery Coordinator.

To reflect the above information in the Final EIS, as well as to address other questions and concerns regarding 'ihūhilaueka (*Marsilea villosa*), Section 3.6 (Flora) of the Final EIS has been revised as shown on the attachment titled, "Revised Section 3.6 (Flora)."

92. "The Lā'au 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 Lā'au Point project? Be specific and state the easements, lots other pieces of the Lā'au Point project.

Response: See our response to #44 above.

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?"

Response: It is not stated that the Kiawe will be changed. Existing Kiawe will remain as a buffer for the lots and the shoreline conservation area.

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 observance 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 Lono through Ranch lands. Did your observer see any owls? 96.a. if so, when and where and how many?

Response: Observed fauna and avifauna were listed in Appendix C of the Draft EIS; Section 3.7 in the Draft EIS contains a discussion.

Phillip L. Bruner conducted the survey. Phillip L. Bruner is an Assistant Professor of Biology and the Director of the Museum of Natural History at BYU-Hawaii. His research includes: Ornithological Survey of French Polynesia 1970 – 1971; Ornithological Survey of Micronesia 1976 – 1978; Ornithological survey of Samoa, Fiji, Tonga 1977; Behavioral Ecology of Pacific Golden-Plover (*Pluvialis fulva*) in Hawaii and Alaska 1979 – present. He has had numerous publications since 1972; the most recent featuring the breeding biology in Pacific Golden-Plovers nesting on the Seward Peninsula of Alaska.

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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 Lā'au Point? Who are those employees and for what purpose are they sent? 97.b. Have they ever stated they saw seals? How many?

Response: Lā'au Point is known to be frequented by Hawaiian monk seals. According to the NOAA National Marine Fisheries Service comment letter dated February 5, 2007, 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.

To reflect the above information in the Final EIS, as well as to address other questions and concerns regarding Hawaiian 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 frequency and purpose that Ranch employees travel to Lā'au Point and the name of them is not relevant information to be included in the EIS.

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 the time of study?

Response: See our response to #94 above

99. What is the name and current employer of each and every person who has written a report on Lā'au point or written anything for the EIS on Lā'au point. 99.a. Who does or has worked for PBR Hawaii & Associates and has contributed in anyway to this EIS on Lā'au Point.

Response: Section 9.0 of the Draft EIS contains the list of preparers of the EIS.

100. What information is known to you about the remaining 1100 monk seals in the world.

Response: See our response to #97 above.

101. What are the details of your knowledge of the laws that protect monk seals.

Response: The Hawaiian monk seal is protected under the Endangered Species Act and the Marine Mammal Protection Act.

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 text that must be passed on the education materials for the homeowners?

103. Where did you discover what the "appropriate protocol" is when encountering a monk seal and several monk seals on the beach.

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 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 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.

104. Is there a permanent protection in place now for monk seals at Lā'au point?

Response: Yes. As stated in #101 above, the Hawaiian monk seal is protected under the Endangered Species Act and the Marine Mammal Protection Act.

105. Why do you state impact of Lā'au Point Project on birds is not expected to be significantly adverse. List each and every reason. 105.a. How much will the Lā'au Point Project adversely impact the bird population of Lā'au Point should it be allowed to be developed. 105. b. What have your experts said about how the birds will be adversely impacted?

Response: This was discussed in Section 3.7 and Appendix C of the Draft EIS.

106. What are the enforcing policies and procedures to be developed for subsistence and gathering?

Response: See our response to #54 above.

107. What exactly are the landscaping restrictions and allowable plants at Lā'au Point? Please list completely. 107.a. where are they so stated?

Response: See our response to #44 above.

108. What are dates, time and duration of observation and specific locations of fish around Lā'au Point? 108.a. Who did the observing? What is the full list of educators 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 Lā'au Point?. 108.c. Was the observer(s) employed by a subsidiary or affiliate of the Ranch, BIL, PBR Hawaii & Associates. For how long?

Response: See Appendix D of the Draft EIS for the complete Marine Biological report prepared by TEC, Inc. The marine biological survey was done by Alan Friedlander, Ph.D., Marine Biology and Cindy Hunter, Ph.D., Marine Biology. The marine biologists who performed the baseline survey are among the most well-respected researchers in Hawai'i; they are as knowledgeable of the taxonomy and habitats of endemic species as any marine scientists in Hawai'i. Each has conducted research for many years throughout the Hawaiian Islands and other Pacific Islands as well. One of the researchers, Dr. Alan Friedlander, has been instrumental in development of the community-based management regime in place at Mo'omomi, and is intimately familiar with the marine biota of Moloka'i.

Information whether the observer was previously employed by PBR or the Ranch was not solicited during the request for proposal process.

109. Regarding the marine biological and water quality, how large and area was observed? Be specific in measurement and location, supply map of observation. 109.a. Were baseline surveys ever done for marine biological and water quality? If so, supply data in appendix 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 believe your values are lower than large scale studies done statewide. Where were these other statewide studies done. 109.e. can you explain why your values from Lā'au Point (presumably a relatively low fishing area compared to other parts of the State have lower values than state wide studies. 109.f. How large are the statewide studies and contrast each function with the Lā'au Point study you had done. 109.g. Who and what firm(s) were the persons who did the studies associated with? 109.h. What are the qualifications for the person(s) doing the study, including publications, degrees and prior experience.

Response: These comments were previously addressed in the Marine Biological report, provided as Appendix D of the Draft EIS. The marine survey represents a snapshot in time. However, the conditions observed represent the integration of historic influences on that coast. While there are likely some annual, seasonal, diurnal and perhaps longer-term fluctuations in the apparent abundance and diversity of marine biota, the intent of the survey was to characterize the area in comparison with a range of other coastal habitats around the Hawaiian Islands to determine its

uniqueness and/or special qualities. The results indicated that the area was not remarkable in comparison with other areas around the Main Hawaiian Islands. Additional surveys would not likely alter this conclusion. If the intent is to observe changes to the offshore marine community brought about by the presence of the proposed development, a better strategy would be to first develop a hypothesis about how such a change would be brought about, and then monitor the proximate cause, e.g., runoff, nutrient loading, increased fishing pressure, etc.

The methodology used in the baseline marine biology survey was quantitative transects. The 1984 Moloka'i Coastal Resource Atlas was developed from a combination of aerial photo interpretation and extensive, rapid, qualitative surveys to ground-truth the photo interpretations. A coarse description of bottom types and fairly detailed information of resource uses resulted. The Atlas was used in planning the locations of transects for the current study, but no attempt was made to reproduce an area-wide bottom type survey, such as might be done by towing divers along the coast. The two methods are designed for different purposes and the results are not directly comparable. The other recent South Moloka'i investigations are those of the USGS. Because of the well-documented "red water" plumes that appear along South Moloka'i after heavy rains, the USGS is using the area as a test ground for benthic habitat mapping using remote sensing technology (multispectral imaging) and underwater videography. They are also looking at sedimentation using various instrument packages to measure oceanographic conditions. Again, the purposes of the surveys and the methodologies are different between Laau baseline and the USGS studies. The post-storm water quality samples and observations showed that a red water plume extended throughout the study area following that event. The area of coverage and concentration of suspended sediments will vary with the storm intensity and duration, wind direction, tidal state and other factors. The essential conclusion to be reached is that any improvement of the drainage pattern to reduce runoff and sediment delivered to the ocean, as proposed in the Draft EIS, will improve long-term water quality.

110. TEC, INC is incorporated where and does business where (see section 4.2 also) 110.a What is the purpose clause of incorporation, who incorporated? Who is on the initial Board, and who are the shareholders?

Response: TEC Inc. is incorporated in the state of Virginia, and has had an office in Honolulu since 1991. TEC does business in all 50 states and many foreign locations.

111. Who (individual, firm entity etc.) will install, oversee, manage and maintain the drainage plan?

Response: The drainage plan will be implemented during construction. Maintenance of the drainage structures will be managed by the homeowners' association.

112. How will a fishing subsistence resource, a subsistence fishing management zone be created? 112.a Who will enforce it? and how? 112.b. Who will administer/manage it?

Response: See our response to #55 above.

113. How does a community based fishing zone protect the Hawaiian cultural heritage? Please explain fully.

Response: As stated in Section 4.2 of the Draft EIS, the subsistence fishing zone for La'au would be modeled after the Hui Malama O Mo'omomi Subsistence Fishing Zone which has proven to be most successful in protecting the coastal resources at Mo'omomi. To reflect this information in the Final EIS, Section 4.2 (Cultural Resources) has been amended to include the following:

- Seek to establish a subsistence fishing zone (see Appendix A, p. 59), which will not require special legislation to be enacted by the State legislature (as previously discussed in Section 2.3.7). The zone would encompass the areas stretching from the shoreline to the outer edge of the reef on the Southern coast, and where there is no reef on the western shoreline, out a quarter-mile from the shoreline along the 40-mile perimeter of MPI's coastline property. The subsistence fishing zone for La'au would be modeled after the Hui Malama O Mo'omomi Subsistence Fishing Zone which has proven to be most successful in protecting the coastal resources at Mo'omomi. As with the Mo'omomi Community-Based Subsistence Fishing Management Area, the objectives are: 1) Regulate fishing activities that are incompatible with sustainable use of marine resources in the marine waters and submerged lands traditionally utilized for subsistence; 2) Prevent depletion of subsistence fishery resources by managing on the side of caution; 3) Maintain and restore customary fishery practices that are consistent with subsistence uses and values; 4) Establish a cooperative management system in which authority and responsibility are shared by the fishing community and the State of Hawai'i and there is a fusion of customary management practices with contemporary government regulations; 5) Train volunteer resource managers, recruited from the community, to monitor harvesting activities and resource conditions and assist the State of Hawai'i in enforcing regulations in the management area; 6) Design and implement an educational program to perpetuate subsistence fishing methods and values through initiation of novice fishermen of the young generations; 7) Integrate local knowledge of natural history and fishermen's experience with conventional scientific data collection to monitor and manage the fishery. ("Proposal to Designate Mo'omomi Community-Based Subsistence Fishing Area," Northwest Coast of Moloka'i, Hui Malama O Mo'omomi, April 1995, p. 5).

All of these objectives are aimed at the perpetuation of traditional Native Hawaiian subsistence practices and customs.

114. "Preservation of off shore and shoreline resources for subsistence gathering is of great importance to the people of Molokai." Do you believe you understand this statement in your EIS?

Response: Yes, and this will be accomplished working in conjunction with the Moloka'i Land Trust, together with Ranch employees, longtime residents of the Kaluako'i ahupua'a, and the homeowners.

115. Do you believe a resource manager to maintain subsistence lifestyle will be paid for by the homeowners in the CC&Rs? 115.a. What is the language dealing with this issue in the CC&Rs? Attach a finalized copy of the CC&RS.

Response: Resource managers will be hired by Land Trust. The specific language regarding the resource manager is outlined in the SAMP, which is appended to the Final EIS. The CC&Rs will be available at LUC hearings on the petition.

116. Why do you think protection of the offshore coastal areas will be best achieved by controlling access areas? 116.a. Who will create the management plan? Fully explain or attach the legal language and explain how it will be enforced. 116.b. What specifically is the protocol, rules and "permitted activities for persons enjoying in subsistence shoreline fishing and gathering"? 116.c. What do you mean by the context in traditional subsistence gathering and access responsibilities? Fully explain. 116.d. Specifically state why you want to limit public access around the USA Lighthouse parcel. What are the limitations?

Response: The largest impact upon cultural and natural resources on Moloka'i, such as at Hale O Lono or along the Kaluako'i Resort and Pāpohaku subdivision has been from overharvesting by Moloka'i residents and offshore boats. Restricting vehicular access and limiting shoreline access to foot access will limit what is harvested to what can be carried out by individuals, rather than in coolers in vehicles.

A detailed plan to inventory, monitor and manage the cultural and natural resources of the west and south coastal areas will be developed and implemented by a committee that will include representatives of cultural practitioners of the area including Ranch employees, Maunaloa residents, persons with ancestral ties to the south and west coasts, well as the homeowners, and the Moloka'i Land Trust which is comprised of members from the larger community.

The lighthouse property is owned by the US Government and is under the jurisdiction of the US Coast Guard. The shoreline and ocean area around this parcel can be treacherous and is not advisable for inexperienced users. MPL recognizes that it cannot exercise control over or prevent access along the shoreline below the high water mark. The area controlled by the Land Trust and the Homeowner's Association can be subject to conditions and rules of access. As the area near the lighthouse is hazardous, the conditions themselves will discourage inexperienced users. This could be supplemented by warning signs and educational materials.

117. Please describe fully the methodology used in the archaeology report 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. 117.b. How long did it take the archaeologist and what area was covered? Please be specific with maps or drawings, field notes etc. 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.

Response: See our response to #28 above. Field notes are archived in Bishop Museum.

118. You state known archaeological sites you want to preserve, what about preserving unknown sites? 118.a. What specifically did the cultural Committee of EC do. Attach supporting documents like minutes etc to describe their actions.

Response: Since the inventory was approved in 1993, we feel that most, if not all, sites have been documented. As set forth in the Data Recovery Plan, Monitoring Plan, and Preservation Plan of Appendix E in the Draft EIS, should the proposed re-survey of lots and

infrastructure/road corridors turn up any new sites, they will be documented, their significance evaluated, and if they are significant, will be recommended for Preservation or Data Recovery. Preservation is the preferred treatment, but is not guaranteed for sites that have not yet been documented.

As stated in Section 4.0 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.

As stated on page 24 of the Master Plan (Appendix A of the Draft EIS), the Cultural Committee's function was: "Collect and map locations and significance of archaeological sites. Identify areas of traditional use, such as hunting, fishing, gathering, and ongoing cultural activity." We do not have documents from EC committee meetings.

119. What are the Cultural Protection zones? Supply detail maps etc.

Response: This was explained in Section 2.3.1 of the Draft EIS. Cultural Protection Zones are areas where groupings of archaeological and historic sites exist were denoted (zones total approximately 1,000 acres). See Figure 10 in the Draft EIS for a map.

120. How much time has been spent on searching for unrecorded archaeological 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?

Response: The inventory survey took six months; very few of the sites recorded then were previously known. In addition, the Data Recovery and Preservation Plans accompanying the Draft EIS commit to a re-examination and supplemental data collection of the Lā'āu Point subdivision road and infrastructure corridor prior to construction.

It should be noted that the 1991 survey was thorough, covering 100 percent of the 6,348-acre Lā'āu (then referred to as the Alpha USA) parcel. The re-examination is intended to provide greater intensity of coverage aimed at finding small, unobtrusive features or artifacts that might not have been visible in 1991 due to vegetation. It is anticipated that there will be additional small finds, but not substantial new finds.

123. Was there any archaeological excavation ever done even when there is "makai settlement pattern system prevalent in the Kaluako'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. 123.c. If not, who not? 123.d. What were the instructions given to the archaeologists?

Response: Yes, some excavation was done as part of the inventory. Excavation, although it may provide good data, also consumes intact cultural deposits, and is thus "destructive." Despite the potential for learning, excavation should be carefully controlled, not just in the context of a particular hole (i.e., good technique), but also in its scope and extent, since archaeological deposits are a non-renewable cultural resource. For that reason, the plans in the Draft EIS do not propose much excavation, except for the purpose of site discovery and to answer specific research questions.

Specific locations are not yet determined. To do so, the archaeologist should know the overall scope of excavations being contemplated, the questions that excavation is being called upon to answer, and the field conditions. The precise location of a dig, even when we might know a site or area where we want to dig, should come down to a decision made in the field, rather than a predetermined spot on a map.

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, Lā'au Point, agriculture easements etc.?

Response: It is not clear whether "how much" refers to abundance of archaeological deposits in known sites, or the vertical or horizontal extent of deposits associated with features, or deposits that may be unaccompanied by surface features. Modeling methods used in accepted practice would indicate that in some areas (southwest) only small amounts of material can be expected, some are likely to be found on the coast and in the gulches. The modeling used predicted immediately atop ridges or cliffs mauka of the coastal flat, are "high probability," whereas former pineapple fields and areas eroded down to hardpan are "low probability." These projections also suggest relatively high probability in gulches and along their rims, as well as the summit region from Maunaloa town east to Pu'u Nānā and Kā'ana. These projections played a part in the establishment of the Cultural Protection Zones, expansion of the Conservation District, and the Cultural Resource District overlay.

125. What is the relevance of population from 1850 through the present when we are talking about archaeological sites much much older than then that?

Response: One factor is that SHPD requires a discussion of historic era patterns of land use and settlement. Another is that post-1850 settlements and land use have an effect on the older sites. Sometimes people re-occupied older sites and altered them (as likely happened when a lighthouse was built at Lā'au, and the Burrows family lived there for years). In other cases, we can look at the Ranch and military structures and see that they may have utilized stone from earlier structures, and that we may want to search below surface for older deposits. Often, though, it is just a matter of people re-using the same places over many generations—if we see

intensive historic occupation of the sort around Hakina or Kamāka'ipo (a.k.a. "Egusas"), we can predict that older occupations occurred as well.

The post-1850 population is not reliable as a reflection of the overall earlier population. We know that the West End population dropped drastically in the 1790 – 1820 timeframe as a result of devastating raids by an O'ahu chief, emigration of Hawaiians to developing urban centers, and a host of other possible factors including Kamehameha's occupation of central Moloka'i, foreign diseases, changing economic forces, and drought.

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?

Response: Basically, the 20th Century saw the first scientific documentation of sites on Moloka'i. In 1909, John Stokes of Bishop Museum documented some of the archaeology, but was focused entirely on shrines and heiau. Weisler's study in the 1980s focused on some sites he documented, and although he was aware that more existed, it was the size and quality of the 11 mentioned that caused him to nominate them for inclusion in the National Register of Historic Places (NRHP) as the District (which then got one all-inclusive number, 803). The Bishop Museum survey covered a larger area, and included not just major sites such as those documented by Weisler, but also things as small as a concentration of a few basalt flakes. For these reasons, the Bishop Survey documented 596 features in 163 sites.

Despite that fact that each of these studies found more than the earlier ones, it is false to conclude that the next one would continue this trend. The reason is that the 1991 Bishop Museum study systematically covered the entire 6,348-acre Lā'au parcel, and we cannot expect to find much more. Any additional finds will almost certainly be small things previously hidden in vegetation, such as low features or midden and artifacts scatters. Some may be isolated enough to get a new site number, but others may just be outliers of previously identified sites. Although the Bishop study did have a major unexpected find—the multi-roomed enclosures mauka of the expected location for bug features—these were large, easily visible, and nothing of their scale remains undiscovered at this point.

Previous studies were mentioned in both the 1993 inventory report, and in the 2006-2007 Archaeological plans (provided as Appendix E in the Draft EIS).

127. Now you know the earliest hypothesis that the inland features were marginal is incorrect don't you?

Response: Since "inland" and "marginal" have different degrees, it is difficult to know exactly what is meant here. In terms of overall settlement patterns, it is the far makai (the coastline and

coastal flats) and far mauka (the area above 900-foot elevation) that are most intense in terms of archaeological sites. In between, sites tend to cluster around resources such as water, high quality stone sources, and agriculturally useful settings; most of the area between the coast and the summit, however, has few sites and would be called by most archaeologists "marginal." This does not mean that sites inland of the coastal flat are unimportant or uninformative; just that they do not appear to have been the center of stable habitations or most daily activity.

On the scale of coastal settlements, the most massive and well-constructed features are often closer to the shore, and the inland edge of coastal sites tends to have features whose construction is not quite as nice, and frequently not as substantial. However, important activities such as agriculture and burial are frequently associated with the inland edge of coastal sites, and so the frequent lack of outstanding architecture does not translate to functional "marginality." In some cases, such as at Hakina, where a large heiau is located mauka of the village core, the inland edge is decidedly not "marginal," and of course the multi-roomed enclosures mentioned by the commenter as well as the quarry complexes and mauka-makai trails show that areas inland of the main habitations were sometimes important.

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 was not in just one place and probably extended a substantial distance? 128.c. Is it not probable that if there is one multi-room enclosed site, that there would be others?*

Response: We interpret this question to be asking how we can manage cultural resources without having data from excavations. First, there are two management purposes for excavating to collect data: to recover data a way of mitigating impact to a site (in other words, learning what you can before a site is destroyed), or to collect data to guide interpretation. Only 20 - 23 of the sites in the project area will experience data recovery, because the subdivision and road were already re-drawn to avoid sites. The focus at this stage is conservation of cultural resources. Excavation can then occur later in the preserve.

There are few places where it is likely that ruins, in the sense of stone walls or other architectural features, can be hidden beneath the thin soil. It is true that most of the sites in the 1993 inventory are described based on only surface features, and it is possible that buried cultural deposits extend beyond the edges of those features. The re-survey proposed in the "Introduction" to the Data Recovery and Preservation Plans resolves this issue by proposing transects or grids of excavations with the purpose to more accurately define site boundaries. It is expected that in certain settings, such as the coastal flats around the small bays of the west coast, for example, may have buried cultural layers.

Heavy erosion has occurred in much of the project area, and this frequently exposes stone, shell, bone, and other cultural materials where there are buried cultural deposits. This was not observed in the project area very far beyond the surface sites, and so the "considerable area" would still fall within the Cultural Protection Zones.

As discussed in the archaeological reports (Appendix E of the Draft EIS), there are four multi-room enclosures Upper Kamaka ipō. Two are in Site 771, and one each at Sites 772 and 775. Somewhat similar, but much closer to the coast near Lā'au Point, is Site 764. It is extremely unlikely that the multi-room enclosures extended substantial distance given the fact that when those features were found, during the total coverage of the area for the 1993 inventory, similar surrounding areas were examined, which no more multi-room enclosures were found.

129. *Can anything be done to protect sacred Hawaiian lands other than to not develop them?*

Response: Yes. The Preservation Plan (provided in Appendix E of the Draft EIS) confines development activity to the areas where it will have the least impact. All ko'a (fishing shrines) and heiau are being protected and preserved, and Lā'au Point itself, since it is under control of the US Coast Guard, is not being developed at all. In the residential development itself, there are many rules and restrictions that will help preserve the appearance of the landscape, and will also help halt erosion that has been happening for generations.

130. *Do you know of any surveys that have been followed up with excavation? If so, please state.*

Response: The inventory survey report of 1993 describes the excavations done for that project.

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?*

Response: As indicated in Appendix E of the Draft EIS, there are 197 sites included in the archaeological plans with the following recommended treatments: 1) Preservation - 160 sites (81.2%); 2) Data recovery - 23 sites (11.7%); and 3) No Further Action - 14 sites (7%).

It is likely that the number of sites being preserved will rise by 3 or more after the re-survey of the road corridor and subdivision lots. It is extremely rare for a development project to commit to such a high proportion of preservation sites, and because the sites are being preserved within large Cultural Protection Zones that protect not just sites, but their context.

The sites deemed "not significant" in 1993 were too recent to merit preservation treatments; no Hawaiian pre-Contact features were included in this category. Below are the reasons for each site's "not significant" determination:

- 661 (BPBM B6-111) - Military training features
- 677 (BPBM B6-127) - Radio Tower foundation
- 740 (BPBM B6-154) - Deer hunting blind, modern
- 758 (BPBM B6-171) - Military training feature
- 759 (BPBM B6-173) - Deer hunting blind, modern
- 766 (BPBM B6-180) - Deer hunting blinds, modern
- 767 (BPBM B6-181) - Deer hunting blind, modern
- 1129 (BPBM B5-89) - Ranching features
- 1135 (BPBM B5-94) - Deer hunting blind, modern

- 1137 (BPBM B5-96) – Historical stone alignment, just 1.1-meter long
- 1138 (BPBM B5-97) – Deer hunting blind, modern
- 1140 (BPBM B5-99) – Deer hunting blinds, modern
- 1159 (BPBM B5-118) – Ranching features
- 1165 (BPBM B5-124) – Ranching features

In addition, the majority of these sites are outside of the proposed development area, and will likely be preserved as-is. The reason these are not placed in the Preservation status is that they are remote and isolated, and therefore would be more difficult to stabilize and interpret.

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?*

Response: There is not yet a contract with any archaeological firm for construction time, but MPL will choose from the list of approved archaeological contractors with current SHPD permits; a list is available from the SHPD office and website. We note that since 1997, Cultural Landscapes and its Principal Investigator, Maurice Major, has been the archaeological consultant for Molokai Ranch and MPL.

133. *Will you re-route roads and re-plot lots as sites in road corridors are found and excavated? and if excavation leads to sites that run into land 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?*

Response: Re-examination of the proposed road corridor and subdivision lots has as its primary goal the location and delineation of sites so that development can be planned to avoid impacts to sites. In fact, the planning process has already taken into account the known sites, leading to re-routing the road, decreasing and re-defining the subdivision footprint, and applying to the LUC to change 254 acres of agricultural land to conservation district.

Should the re-examination find additional sites or expand known sites within the project area, the preferred response will be to preserve the sites in place. In some cases, this may not be possible, and sites may undergo data recovery mitigation. Examples include cases where re-routing the road would create an undue safety risk, unfeasible engineering, or would cause impact to a more significant site. Sites in lots will be shown on parcel plans, and preservation sites will be protected with buffers; all future buyers will be informed of preservation sites on their parcels, and will have to respect the preservation commitments.

All currently known burials and possible burials are to be preserved in place, as specified in the draft Burial Treatment Plan (Appendix E of the Draft EIS). This plan is currently being reviewed by the Burials Program of SHPD, which has the initial responsibility for review, after which the Molokai Island Burial Council (MIBC) will review the plan. The position of Cultural Landscapes and MPL is that the MIBC, especially where it is stating the views of lineal and

cultural descendants, should be the main voice in the process. The rules assign this authority to the BC only for previously identified human remains, reserving the inadvertent finds to SHPD determinations. Although the MIBC has not met in years, we look forward to the opportunity to present the plan to them and receive their mana'o.

As stated above, the ultimate legal responsibility, as stated in the Burials Act of 1990 and subsequent State rules (HAR 13-300), lies with the SHPD Burials Program for inadvertent burial discoveries. However, the MIBC will be a key player in the SHPD forming its recommendations in these cases, and is the body responsible for determining treatment of previously identified burials. Again, MPL does not intend to ask permission to move burials or damage them in any way.

It is not possible to provide an absolute number for "how many people will be observing the development to ensure ceasing work when a burial ground is discovered." The Monitoring Plan included in Appendix E of the Draft EIS specifies that there shall be enough monitors to keep watch on whatever ground-disturbing activity is being done. Therefore, if one or more machines are working in a small area, one monitor may suffice. More machines distributed over an area too large for one person to watch will require multiple monitors. Whenever work is being done in the vicinity of a known burial or known possible burial, at least one monitor will be present, and a crucial part of his or her responsibility will be to protect the burial buffer zone.

To reflect your comment in the Final EIS, Section 4.1 (Archaeological Resources) has been revised to include the following:

After the re-surveys re-examinations of the road corridor and project site, short-term site preservation measures will be implemented, such as establishing protective buffers and emergency stabilization. Then, data recovery and long-term preservation measures will be implemented. During construction, monitoring by an approved archeologist will occur. In their July 5, 2006 comment letter on the EISPN, OHA requested that "an archaeological monitor be on-site during all excavation and ground disturbances for this project." The archaeological mitigation plan has been submitted to the State Historic Preservation Division (SHPD) for review. The monitoring plan submitted to SHPD includes a provision for an archaeological monitor to be on-site during all construction activities, including excavation and/or ground disturbances.

The Preservation Plan, Burial Treatment Plan, Monitoring Plan, and Data Recovery Plan are contained in Appendix H. By letter February 13, 2007, SHPD has approved the Data Recovery Plan contained in Appendix H. The other three plans will be submitted in a revised form to SHPD in the near future. The Archaeological Plan in the Draft EIS has been replaced in its entirety by the four aforementioned plans.

Traditional gathering rights and access will not be restricted during construction, except as necessary to ensure safety. In the event access is prevented for safety reasons alternate access routes will be provided.

Finally, 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. ~~The-Moeloke-i-Burial-Geneat-will-also-be-netified-of-any-newly-found-burials--Should-a-possible-burial-be-encountered-that-cannot-be-planned-around-SHPD-and-OHA-will-be-consulted-prior-to-any-testing-of-the-burial.~~

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?

Response: Professor McGregor did not use the phrase "significance of mythical and mystical qualities to area or people." Professor McGregor stated in the Cultural Impact Assessment (Appendix F of the Draft EIS), "It is so isolated that most of the residents of Moloka'i have never even been there and have no direct experience with the place. This factor gives Lā'au an almost mythical quality." As written, it means that although many persons have no direct experience with the area, that they idealize its qualities because of what they have learned of the place from legends, myths, oral histories, work-of-mouth, photos, news accounts, or what they see when they have flown over the area or driven within its proximity.

135. Explain fully why and when Lā'au Point as a raw and untouched land came to have a mythical quality.

Response: The Cultural Impact Assessment (CIA) does not state that Kalaeokalā'au (Lā'au Point) has a mythical quality because it is a raw and untouched land. The CIA states that it is mythical because most of the people on the island have no direct experience walking, fishing, gathering or hunting at Lā'au Point or along the western and southern shores adjacent to the point. Nevertheless, as previously stated in #134 above, many people idealize the area as significant based upon what they have learned of the place from legends, myths, oral histories, work-of-mouth, photos, news accounts, or what they see when they have flown over the area or driven within its proximity.

136. How has "Lā'au Point become an icon of what Molokai represents? Please give a full explanation.
137. How has "Lā'au Point become a rural stronghold and reserve of Native Hawaiian culture—a cultural kipuka." Why?

Response: The actual statement in the EIS and CIA is: "This factor gives Lā'au an almost mythical quality. Lā'au Point has become an icon of what Moloka'i represents - a rural stronghold and reserve of Native Hawaiian culture, a cultural kipuka." It is Moloka'i, the island, which is a rural stronghold and reserve of Native Hawaiian culture, not Lā'au itself. Opponents to the proposed development on the west and south coasts adjacent to Lā'au Point promoted this notion of Lā'au Point being an "icon" or symbol of the island beginning around Summer 2004.

138. You have said and I quote "if Molokai is the Last Hawaiian Island, then Lā'au is one of the 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?

Response: The proposed development will not destroy the cultural resources of the area. It is first important to note that Lā'au Point, itself, can be considered a significant cultural property. Hawaiians named specific sites according to their natural resources and features. Looking at historic and contemporary maps of Moloka'i, Ka Lae O Ka Lā'au is within the 51 acres owned by the federal government. This property will not be disturbed or developed on by the proposed project.

The west and south shorelines adjacent to Lā'au Point, Keawakalani on the southeast and Kamāka ipō on the northwest, is where the proposed development is projected. According to the archaeological surveys and ethnographic documents, there were settlement clusters around protected bays, such as at Kapukuwahine and Kanaluakaha on the south shore. In addition, the Master Plan identified Kamāka ipō as an important cultural and spiritual place.

Molokai Ranch has applied to the State Land Use Commission to re-district these areas from Agricultural to Conservation district in order to protect the significant settlement areas and clusters along the west and south shores adjacent to Lā'au Point, notably at Kamāka ipō, Kapukuwahine, and Kanaluakaha. These proposed conservation zones will be gifted to the Moloka'i Land Trust.

A Shoreline Access Management Plan, included in the Final EIS, sets out management guidelines for the Lā'au shoreline area, which includes an expanded conservation district zone between the makai boundary of the proposed residential lots and the shoreline, and two parks at the culturally significant Kamāka ipō Gulch and Pu'u Hakina areas. Access will be limited to foot travel in these areas to limit the amount of traffic and disturbance.

In addition, a cultural management plan will guide protection, access to and use of the cultural and spiritual sites. These cultural guidelines are provided on pages 116-117 of the Cultural Impact Assessment report (provided as Appendix F of the Draft EIS).

139. Do you agree subsistence has substantially contributed to the persistence of traditional Hawaiian culture, values, customs and practices.

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?

Response: Yes, we agree.

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? 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 mythical, 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 Lā'au Point?

Response: As addressed in #138 above, the proposed development will not destroy the cultural resources of the area. As discussed in Section 4.2 of the Draft EIS, the Master Plan will repatriate and protect 24,900 acres of sacred cultural sites and subsistence resources, which include the following:

- The ancient burial ground in the sand dunes inland of Kawa'aloa Bay. At one time the Ranch allowed the mining of sand and planned to build a resort here. Now these sacred grounds will be permanently protected.
- Kā'ana is the birthplace of the hula that originated on Moloka'i and spread throughout the islands. This sacred site will never be destroyed or commercialized.
- Nā'iwa, the only traditional makanihi grounds that remain intact in the islands. This extensive area, once threatened by the development of a golf course, will be protected forever.
- Village sites at Kawākiu, which would be destroyed under current zoning 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.
- Key fishing grounds from Keonelele to 'Īlio Point and from Palā'au over to Hale O Lono, including Hālena and Kolo will be protected for subsistence.
- The historic Paka'a house site, upland sweet potato gardens and connecting trails will be preserved.
- Kaiaka Rock will not be developed.
- Kamāka'ipō Gulch and the fishing village north of Kaupoa Camp will be preserved.
- These places are widely acknowledged and recognized as culturally significant. Moreover, many Moloka'i residents have direct experience with these areas.

In addition to providing 150 Moloka'i residents employment in current Ranch operations, the plan proposes to re-open the Kaluako'i Hotel, creating stable jobs for an additional 100 Moloka'i residents. The outsourcing of hotel functions such as the laundry, gift shops, beach shack, spa and outdoor recreation and committing to use local produce, will create opportunities for small businesses on the island.

In addition, 1,300 acres will be donated to a Moloka'i community-based corporation - development rights on 200 acres will be donated for community housing around Kualapu'u and Maunaloa, and 1,100 acres will be donated fee simple for community expansion around Kaunakakai.

Regarding your comments about addiction in young people on Moloka'i (141.c. and 141.d.), we do not believe this existing social problem of the island can be attributed to this project, nor can the project be blamed for adding to the problem. A discussion on this topic is beyond the scope of this EIS.

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. 142.a. Does Lā'au point and this proposed subdivision hold spiritual importance and culture for Hawaiians in reverence and respect? If so explain exactly how.*

Response: See our response to #138 above.

143. *To the best of your knowledge as a professor of Ethnic studies, what are all the spiritual importance aspect to Hawaiians surrounding Lā'au 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.*

Response: The Cultural Impact Assessment (Appendix F of the Draft EIS) previously addressed this comment in Sections 3.4, 3.5, and 3.6, pages 58 - 102. We are not sure which mo'o story you are specifically referring to. Halona Kaopuiki has shared one tradition which is quoted on p. 58 as follows:

Beyond their grasp was that "Moloka'i pule o'o (Moloka'i of the potent prayers)," a "figurative reference to Moloka'i's fame in sorcery" (Pukui and Elbert, 1957:266; cited in Summers:15) was a spiritual island, an island of mana. Halona Kaopuiki shares with us the mana of Molokai.
"... when you look at Molokai, when you look at the island, it's a mo'o, it's a mama lizard, and all the valleys is the babies that she is carrying on her back, of Molokai. My father use to tell us, where the mana stay, where's the defense of the lizard, the mo'o? The tail, the West End!" (Enos et al., 2005:24)

144. *Do you believe the spirituality of Hawaiians is natural to their cultural practices?*

Response: This comment is unclear. Most of Native Hawaiian cultural practices are spiritual in nature.

145. *Please propose how you can separate the culture from the spiritual island Molokai is recognized to be by Hawaiians?*

Response: This comment is unclear. The Cultural Impact Assessment, Sections 3.4, 3.5, and 3.6, pages 58 - 102 relates these distinct qualities and their interrelationship.

146. *How does the "most marine resources" of Lā'au fit with other areas of your EIS that states the average or low undersea life? Which is a correct assessment of Lā'au Point reef?*

Response: As you have pointed out, the opinions of the cultural assessment interviewees may vary with the opinion of the marine biologist. Regardless, the mitigation measures proposed will reduce the potential adverse impacts to the reef.

147. *What provisions in the plan preserve and protect the coastal trail Kealappu, Molokai?*

Response: While the actual location of the historic Kealaakapupu is not known, informants indicated their belief that the Kealaakapupu trail coincides with the historic trail drawn on the 1886 and 1897 Monsarrat Maps. The trail from these maps is reproduced in Figure 5 of the CIA (Appendix F). The legend for Figure 5 labels this historic trail as the "Keala Pupū Coastal Trail."

Informants suggested that there be a physical demarcation between the property line and the ocean, along which the access trail would run. The trail would follow the contour, following the

old traditional historic trail as much as possible, to respect traditional access for subsistence, cultural and spiritual purposes. The existing kiawe would serve as a buffer between the trail and the sand and ocean. This can help reduce impact of the trail on the beach and ocean. The kiawe can be pruned. It is a nitrogen fixing plant and will help other plants to grow around it. The trail should be placed back from the ocean so that it won't wash out. The trail will only be for walking and not for ATVs or even bicycles. The trail should not be paved but kept clear and maintained (CIA, p. 20).

148. You state three reasons of how Lā'au point was named. However, you omitted the third (p. 53). What is the third story and elaborate with specific detail.

Response: The third was included. See page 53 of the Draft EIS, or pages 69 – 70 of the Cultural Impact Assessment, Appendix F in the Draft EIS.

149. The 1993 Governor's Molokai Subsistence Task Force declared the entire coastline of MPL lands important for subsistence fishing and ocean gathering coasts. 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.

Response: See response to #55 above regarding the designation of the subsistence fishing zone.

The Draft EIS, the Cultural Impact Assessment, and the Master Plan all acknowledge the importance of the coastline fronting MPL lands as important for subsistence fishing and ocean gathering and project the establishment of a Community-Based Subsistence Fishing Management Area to protect these cultural and natural resources for subsistence. The 1993 map of subsistence activities from the Governor's Molokai Subsistence Task Force is in the Cultural Impact Assessment (Appendix F of the Draft EIS) on p. 39, Figure 1.

150. what difference does it make if the swells in the ocean make the west and south shores of Lā'au 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?

Response: We note that this is stated as informational content in the EIS. Yes, the ocean swells along the west and south shores alternate from summer to winter.

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?

Response: Boats can go to the back side of Molokai on calm days in winter. It is important to know when the back side is generally accessible, in order to manage its resources.

152. When many of us went to Lā'au 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 Lā'au Point 152.a who were they? give names please.

Response: Generally, during winter (December through March) months, many north and northwest swells bring large waves and treacherous ocean conditions for the north- and west-facing shores of all the Hawaiian Islands. All of the key informants spoke of the ocean off of Lā'au Point and along the west and south shores as being treacherous. They speak of an especially strong current that has pulled even the best divers out into the deep.

The names of the 18 key informants are on pp. 46-47 of the Cultural Impact Assessment (Appendix F in the Draft EIS). The key informants are longtime kama'āina with multi-generational knowledge of the west and south coasts adjacent to Lā'au Point. Dr. McGregor agreed to keep their mana'o anonymous.

153. I quote 5 statements from your EIS 4.3.2 A Development of Lā'au 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 altogether, ongoing traditional gathering activities currently enjoyed at Lā'au 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?

Response: We note that the statements you cite are from the Cultural Impact Assessment (CIA) provided as Appendix F of the Draft EIS, and are cultural respondents' shared mana'o. These are not proven potential impacts.

The names of the 18 key informants are on pp. 46-47 of the CIA. The key informants are longtime kama'āina with multi-generational knowledge of the west and south coasts adjacent to Lā'au Point. Dr. McGregor agreed to keep their mana'o anonymous so that they would feel free to share their thoughts without fear of intimidation. Not all of the above statements, however, were from key informant semi-structured interviews. Most of these comments were from someone who filled out and mailed in a questionnaire that had been distributed at the community meetings. Some of the comments were shared in the community meetings and were documented in the notes for those meetings.

In addition, community meetings to receive input were held throughout the island in Maunaloa, Ho'olehua, Kaunakakai, and East End, as well as for fishers, gatherers, and hunters. Everyone was invited to give mana'o in the meeting, to fill out and turn in their comments on a questionnaire, or to make an appointment for a key informant interview.

154. "Lā'au 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?

Response: As addressed in #138 above, the proposed development will not destroy the cultural resources of the area. First, the 51 acres of Lā'au Point proper which is owned by the federal government will not be disturbed. Second, the Shoreline Access Management Plan sets out a managed area, which includes an expanded Conservation District between the makai boundary of the residential lots and the shoreline and two parks at the culturally significant Kamāka ipō Gulch and Pu'u Hakina. Access will be limited to foot access in these areas, to limit the amount of traffic and disturbance. Third, a cultural management plan will guide protection, access to and use of the cultural and spiritual sites. Guidelines in the Master Plan are on pp. 116-117 of the Cultural Impact Assessment (Appendix F in the Draft EIS).

Community concerns have centered on impacts to subsistence and cultural customs and practices and upon historic cultural and religious sites. No one has indicated that they conduct religious ceremonies of worship in the area where the residential subdivision will be developed. The cultural and religious sites, such as fishing ko'a, heiau, and burials, are primarily located in the area proposed for rezoning from agricultural to conservation, and will be managed as a protected area. Individual sites outside of the managed protected area will also be protected.

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?

Response: As addressed in #153 above, the key informants are identified on pages 44 - 47 of the Cultural Impact Assessment (Appendix F of the Draft EIS).

The archaeological survey was thorough, systematic, and comprehensive; however, it is still possible that additional sites will be found during the course of the development. This potential is addressed in the Archaeological Plans (Appendix E in the Draft EIS).

156. The Lā'au 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 Lā'au 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?

Response: As addressed in #138 above, the proposed development will not destroy the cultural resources of the area. The Cultural Impact Assessment (Appendix F of the Draft EIS), p. 12 and p. 99 states, "The overall spiritual quality of the Lā'au area as a wahi pana and wahi kapu cannot be quantified and deserves recognition and respect."

158. When one speaks of a spiritual resource like Lā'au, 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 Lā'au

Point for the Hawaiians would be like desecrating those two great spiritual edifices for Muslims and Catholics wouldn't it?

Response: We acknowledge your comparisons to the other spiritual edifices, but do not agree that Lā'au Point can be compared to these structures. As discussed in #138 above, the 51 acres that is Kālaeokālā'au (Lā'au Point), which is the focal point of concern as a southwestern point of the island, will not be developed, as it is owned by the federal government.

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.

Response: The dates, times, locations, and topics of the community meetings are provided on page 45 of the Cultural Impact Assessment (Appendix F in the Draft EIS). Again, input received was noted, but not attributed to individuals, so that persons would feel more free to give their mana'o.

160. Won't drawing brackish water out of the Kākaalahale well, as proposed by the project have a huge impact on the culture and way of life on Molokai? 160.a. If so in what ways? 160.b. If not why not, give explicit hydrologic details and cultural details in your answer.

Response: The assessment of the proposed water plan's impact on cultural resources was previously discussed in the Cultural Impact Assessment (Appendix F in the Draft EIS), Sections 6 and 7, pages 126 - 134.

161. Will additional water proposed to be drawn out of the Kākaalahale Well, even if it is brackish, strain and diminish the water table on Molokai? 161. a. If not, give specific hydrologic water data on the Molokai 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 Kākaalahale 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.

Response: Within the dike-free lava flows, a freshwater lens floats on denser, underlying saltwater. Saltwater flows landward in the deeper parts of the aquifer, rises, and then mixes with seaward-flowing freshwater, creating a freshwater-saltwater transition zone. Under hydrostatic conditions, the thickness of the freshwater lens can be estimated by using the Ghyben-Herzberg relation, which predicts that every foot of freshwater above sea level must be balanced by 40 feet of freshwater below sea level. The Ghyben-Herzberg relation is sometimes used to estimate the depth at which brackish water in the transition zone has a salinity of about 50 percent of seawater.

USGS drilled a deep monitor well in the Kualapu'u area and collected salinity profiles from this well from 2001 to 2004. Measured salinity profiles indicate a freshwater lens of about 260 to 290 feet thick. The upper part of the freshwater-saltwater transition zone generally is about 150 feet thick.

The Kākalahale Well site, however, is hydrogeologically isolated by subsurface intrusive structures. The Kākalahale Well was developed in 1969 as a drinking water well for the Kāluako'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 maunaloa-to-makali 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. Pumping water from the Kākalahale Well will not draw down on the fresh water lens underlying the Kualapu'u wells or cause a rise in the transition zone.

The water proposed to be drawn out of the Kākalahale Well will not increase the salinity levels of neighboring wells. 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 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.

Regarding ocean discharge, ground water pumped from the Kākalahale Well will reduce by approximately the same amount the groundwater discharge along the south shore of Moloka'i. Coastal-discharge reductions due to such pumpage generally are greatest immediately downgradient from sites of withdrawal, and effects diminish with lateral distance from the directly downgradient location.

Ground water modeling of proposed pumpage of 1.25 to 1.326 mgd from the proposed Waiola well predicted a reduction in groundwater discharge of 3% over a 13-mile coastline to 15% over

a 6-mile stretch of coastline. At that magnitude, the resultant change in salinity at the shoreline would not be distinguishable. For example, in fishponds, which are subject to less sea water influence and mixing, the lowest salinity measured along the south coast of Moloka'i was 28.6 parts per thousand (ppt). Assuming the salinity of the groundwater at the point of the shoreline discharge is 4 ppt, reducing the quantity of discharge by 10 percent would cause a salinity increase in the fishpond of 0.6 ppt, from 28.6 ppt to 29.2 ppt. Such a change is less than the within-day salinity variation in the fishpond due to tides and mixing by wind.

In response to your comments, 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)." See the section of the attachment titled, "Additional Information on the Kākalahale Well."

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 Kākalahale 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.

Response: Withdrawal of groundwater, whether from the proposed Waiola well or the Kākalahale well, will reduce by approximately the same amount the groundwater discharge along the south shore of Moloka'i. Coastal-discharge reductions due to such pumpage generally are greatest immediately downgradient from sites of withdrawal, and effects diminish with lateral distance from the directly downgradient location.

Ground water modeling of proposed pumpage of 1.25 to 1.326 mgd from the proposed Waiola well predicted a reduction in groundwater discharge of 3% over a 13-mile coastline to 15% over a 6-mile stretch of coastline. At that magnitude, the resultant change in salinity at the shoreline would not be distinguishable. For example, in fishponds, which are subject to less sea water influence and mixing, the lowest salinity measured along the south coast of Moloka'i was 28.6 parts per thousand (ppt). Assuming the salinity of the groundwater at the point of the shoreline discharge is 4 ppt, reducing the quantity of discharge by 10 percent would cause a salinity increase in the fishpond of 0.6 ppt, from 28.6 ppt to 29.2 ppt. Such a change is less than the within-day salinity variation in the fishpond due to tides and mixing by wind.

Given the relative locations of the Waiola and Kākalahale wells, the modeling of shoreline discharge from proposed pumping of more than 1 mgd from the Waiola well provides a good indication of anticipated impacts from pumping 1 mgd from the Kākalahale well.

In response to your comments, 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)." See the section of the attachment titled, "Waiola Well Issues Raised."

164. What scientific data (hydrologic support) do you have for saying the withdrawal of 1,000,000 GPD will not take away water from DHHL 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? 164.b. What are all legal arguments that you have for saying that you have a right to withdraw 1,000,000 GPD from Kākalahale Well? Give statutes and citations.

Response: 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.

In order to pump 1 mgd from the Kākalahale Well, MPL will have to obtain a water use permit from the Commission on Water Resource Management. To obtain such a permit, MPL will have to meet all the criteria set forth in HRS §174C-49.

In response to your comments, 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)." See the section of the attachment titled, "DHHL's Future Water Needs."

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?

Response: The Master Plan is very specific about the events leading up to Project #47 and the partnership that began between the EC and MPL on developing the Master Plan (see Section 1.1 of the Master Plan provided as Appendix A in the Draft EIS).

The Water Plan you refer to is included under Section 6 of the Master Plan, which forms part of this document. The EC adopted the Master Plan and the Water Plan contained therein. No plan was submitted to the EC for transmission of brackish water to the West End, and the Water Plan is specific in saying this was a matter outstanding. The Water Plan is specific in how that brackish water is to be used to replace current potable water being used 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?

Response: We were not aware of the status of EC Project #7 at the time we started the process. Regarding the moratorium on water transfer to the West End by seeking a new pipeline to replace transmission through the MIS, this was an MPL initiative taken in 2004, and not a decision by the EC, as outlined in the Water Plan.

167. Have you applied to the Water Commission for well permitting? You stated this would occur in late 2006. Why, Why not?

Response: We have not applied to the Water Commission yet because MPL is currently working with all parties on future water solutions.

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 Lā'au Project?

Response: 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.

At a presentation to a stakeholder group in June 2007, DHHL's water consultants indicated that even with a build-out under the DHHL Moloka'i Island Plan, DHHL would still have 800,000 gallons remaining in reserve of their 2.905 million gallon reservation.

In response to your comments, 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)."

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.

Response: As discussed in #153 above, notes were taken on the concerns and mana'o, but not attributed to individuals. This policy was announced at the community meetings so that participants would feel free to express their mana'o. Dr. McGregor did not tape record or film the meetings.

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. 170.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?

Response: The quotation you refer to is from the Cultural Impact Assessment (CIA), Appendix F, p. 9, which quotes the findings of the Supreme Court in the Ka Pa'akai O Ka 'Āina ruling. The CIA states:

This report has especially been designed to fulfill the mandate to the Land Use Commission from the Hawai'i State Supreme Court in its ruling, *Ka Pa'akai O Ka 'Āina v. Land Use Commission*, State of Hawai'i / 94 Haw. 31 (2000). The specific section of the ruling that served to guide the development of the report is as follows:

"In order for the rights of native Hawaiians to be meaningfully preserved and protected, an appropriate analytical framework for enforcement is needed. Such an analytical framework must endeavor to accommodate the competing interests of protecting native Hawaiian culture and rights on the one hand, and economic development and security, on the other. . . .

In order to fulfill its duty to preserve and protect customary and traditional native Hawaiian rights to the extent feasible, the LUC, in its review of a petition for reclassification of district boundaries, must—at a minimum—make specific findings and conclusions as to the following: (1) the identity and scope of 'valued cultural, historical, or natural resources' n27 in the petition area, including the extent to which traditional and customary native Hawaiian rights are exercised in the petition area; (2) the extent to which those resources, including traditional and customary native Hawaiian rights will be affected or impaired by the proposed action; and (3) the feasible action, if any, to be taken by the LUC to reasonably protect native Hawaiian rights if they are found to exist. n28"

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?

Response: The statement in the Cultural Impact Assessment reads: "In the final analysis, the government agencies responsible for decisions about the future of the land and natural resources of Molokai must weigh the cultural impacts and benefits of the proposal to develop the west and south shorelines of the island of Molokai in consultation with the people of Molokai who depend upon these resources for subsistence, cultural and spiritual purposes. In particular, the kama'āina families who have lived in Maunaloa and the Kahaako'i ahupua'a for generations and the longtime employees of Molokai Ranch and their relatives have been the primary users of these resources and will be the most directly affected by the proposed development."

In the report, Dr. McGregor faithfully reported and disclosed the concerns and issues conveyed by participants in the public meetings and by informants in interviews so that the government

agencies would be able to take these concerns and perspectives into account when making their decision.

172. Don't you think the people of Molokai were consulted when finally given a chance to voice their opinion on the Lā'au 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 Lā'au Point development ousted the two incumbents and two other pro Lā'au 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 Lā'au candidates were elected to the Board, correct? 172.b. This year one of the Lā'au 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 Lā'au Point?

Response: We believe that all points of view deserve to be heard, even if they are not in the majority. We also 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 formal mandate for the Lā'au Point project.

In addition, the cultural assessment is not based upon majority or minority votes. It is based upon input from those persons who have direct experience with the place that will be affected.

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'au Point, the proposed development at Lā'au 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 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'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 Molokai'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 Board Directors that have no such regulatory power.

173. *Since you are a professor of ethnic studies, surely you know Kupunas 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 Kaluako'i 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 Lā'au 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 Lā'au point don't you?*

Response: We agree the Master Plan for this project will affect the whole island. It is for this reason that community meetings to receive input were held throughout the island in Maunaloa, Ho'olehua, Kaunakakai, and the East End, as well as for a broad community base which included fishers, gatherers, and hunters. Everyone was invited to give mana'o in the meeting, to fill out and turn in their comments on a questionnaire, or to make an appointment for a key informant interview. Dr. McGregor invited input from everyone.

174. *The Ranch had been asked two times prior for an island wide election on the Lā'au Point Development and refused even though they have long touted the MIS:fact that they had a silent majority hadn't they?*

Response: The regulatory process for approval of the Lā'au Point development is the State and county approved process for deciding such issues. It is not required anywhere in Hawai'i to have public elections on planned development of private property.

175. *On two prior occasions the Ranch has been asked to put the Lā'au 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 tabling 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.*

Response: See response to comment #172 above regarding your request for a vote. Since MPL is not a member of the EC Board, we have no knowledge of their deliberations in their Executive Session. These questions to the EC are outside of the purview of the EIS.

176. *Generally, the people interviewed and who came to the cultural assessment community meetings expressed reservations about Lā'au Point Development, and there were no enthusiastic advocates while most were opposed, correct?*

Response: The report states that the most "vocal" were opposed. Dr. McGregor did not take a vote or a poll in the public meetings so we do not know if most of those present were opposed.

177. *As a matter of fact the Maunaloa people who live in the ahupua'a were most concerned and reluctant about the development, right?*

Response: As it is stated in the Cultural Impact Assessment (Appendix F of the Draft EIS), the Maunaloa kupuna and larger community and longtime employees of Moloka'i Ranch have the most direct and longtime experience with the area proposed for development. What is striking is that while they are very concerned and reluctant about the development, they are also willing to acknowledge and support the right and the need of the Ranch to seek the development. They feel that the negative impacts could be managed if the development would conform to the strict covenants, conditions and restrictions outlined in the Master Plan. They are confident that their community can work together with the project's resource managers to provide stewardship over the marine resources that they rely upon for subsistence. They also felt that the negative impacts would be offset with the gifting of important legacy lands to the community.

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?*

Response: We disagree with your statement. As addressed in #6 above, CC&Rs are legally enforceable.

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 kupuna 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?*

Response: As addressed in #153 above, the list of key informants is on p. 46 - 47 of the Cultural Impact Assessment (CIA), which was provided as Appendix F in the Draft EIS. Their input is accurately documented in the CIA. Nothing detrimental was deleted; in fact, many such statements were included in the CIA report.

180. *Who specifically are the longtime adversaries of Moloka'i 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*

Response: Some of the longtime adversaries of the Ranch who participated in the plan were Colette Machado, Walter Ritte, Glenn Teves, John Sabas, DeGray Vanderbilt, Barbara Kalipi, William Akutagawa, and Halona Kaopuiki. They served on the committees which developed The Master Plan. Of this list, those who withdrew support of the plan were Walter Ritte, Glenn

Teves, and DeGray Vanderbilt. Those who still support the Master Plan are Colette Machado, John Sabas, Barbara Kalpi, William Akutagawa, and Halona Kaopuiki.

Some of the previous development plans met with strong community opposition were hotels, condo projects, equestrian arenas, airports, and helicopter landing strips, including:

- A 375-room hotel on Kanaka Rock at the Kalhako'i Resort (we note that Mr. Ritte supported this scheme).
- A 150-unit condominium at Kawākiu.
- The Highlands Golf Course and Club House at Nā'iwa.
- The Waiola Well and Pipeline.

The EIS states that MPL will seek only one million gallons of brackish water from the abandoned Kākalahale Well.

Water was discussed over a month period at the beginning of 2004; including a panel of experts' forum at which DHHL, DWS, USGS, the Water Commission, and the Department of Agriculture participated. There was a public input session held by the Land Use Committee at Kulana 'Ōiwi in late January 2004.

MPL is unaware of those who withdraw their support for the Master Plan during the EC sponsored Project #47 process. Even current opponents, Walter Ritte and DeGray Vanderbilt, stayed involved in the planning process.

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?

Response: Preventing development on 50,000+ acres (proposed Land Trust donations and easements) of land in Moloka'i will be a factor in controlling population growth.

In addition, we note that the level of new population due to Lā'au Point is not significant enough to cause major social impact. As discussed in Section 5.2 of the Social Impact Assessment (Appendix M of the Draft EIS), the project's permanent population at build-out is estimated at 174 persons, which is only two percent of the forecasted 2025 population. On the average Lā'au Point residents will make up three percent of the island 2025 population. Further, the new Lā'au Point residents will not be the only new Moloka'i residents. In contrast, residents in proposed DHHL projects would account for 13 percent of the forecasted population in 2025.

Water is one limiting factor to development as well.

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?

Response: The Draft EIS has discussed implementation of an educational program for new residents as a mitigation measure for new residents to understand the Moloka'i lifestyle and subsistence practices. The Shoreline Access Management Plan (SAMP) for the area sets forth an education program required of all homeowners and visitors to the area that covers: cultural practices; cultural sensitivity and respect; environmental protection and concerns; historical significance of the area and resources; and the social fabric, traditions and culture of the Moloka'i community. In sum, the program is intended to make the users of the area aware of the value of the resources they encounter/harvest and to honor others rights and needs in the area.

SAMP education will be conducted in a variety of forms - written, audio-visual and personal hands-on on-site orientations - and not be limited to any one form. The educational requirement will be mandatory. From a practical standpoint, it is recognized that short-term guests may not have the time to undertake the program. However, it can be assumed that the homeowners who have undertaken the program will inform and educate their guests.

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 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.

To reflect the information above in the Final EIS, as well as to address other questions and concerns regarding shoreline access issues, Section 4.3 (Trails and Access) has been revised as shown on the attachment titled, "Revised Section 4.3 (Trails and Access)," and the SAMP has been included as an Appendix to the Final EIS.

We disagree with your assertion that "people who can afford a \$1-2 million lot and place a \$5-6 million home on it can never understand the Moloka'i lifestyle." It is difficult to predict what various individuals can or cannot understand, regardless of their income levels.

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 Lā'au Point development not be approved? Be specific in your answer please?

Response: As discussed in #141 above, significant Hawaiian legacy lands and cultural sites will be protected through the implementation of the Master Plan. The "no action" alternative discussed in Section 6.1 of the Draft EIS discussed the plans should the Master Plan and Lā'au Point project not be implemented.

184. c. Why have you not initiated any protection thus far? or have you? and if so what? Be specific please.

Response: MPL has initiated protection so far by committing not to either sell, use, or change in any way the lands that are to be donated to the Moloka'i Land Trust until the outcome of this process is known.

MPL is also working diligently with the Moloka'i Land Trust to facilitate the first donation of 1,600 acres of land—land that is to be donated regardless of the outcome of the Lā'au project.

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, BILL and all legally connected entities of whatever nature done to begin securing this Law? Protecting the subsistence of Native Hawaiians?

Response: See our response to #55 above.

186. This subsistence Fishing Zone is the same zone marked as such in 1993? Correct? by the Governor's Task Force?

Response: No. The Governor's Moloka'i Subsistence Task Force Report recommended the establishment of a Community-Based Subsistence Fishing Management area from Nihoa to 'Ilio Point on the northwest coast of Moloka'i.

187. In your plan, to ensure access to the shoreline, it will only be available by foot through two parks, correct?

Response: The project will only create two public access points at each end of the project. Persons can enter from any point beyond the two parks; however, the two parks would be the closest point where vehicles can approach and park.

188. What "experienced Resource Group" will be recommending open areas for subsistence fishing? 188.a Isn't all the coastline subsistence fishing areas?

Response: The Land Trust will manage the area and resources. This is outlined in the Shoreline Access Management Plan, which has been appended to the Final EIS. Protocols for monitoring the resource are included as well as the ability to designate seasonal and long term restrictions are included.

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?

Response: The Land Trust and its subsistence advisors will give educational courses. This is outlined in the Shoreline Access Management Plan as discussed in #182 above. As discussed in #55 above, it will take 18 months to 2 years to establish the Subsistence Fishing Zone under the DLNR/DAR rule making procedures.

190. It is no longer true that MPL is working with DHHL on any level is it? 190 a. As a matter of fact the Hawaii Attorney General told DHHL 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 Moloka'i's long term water demands? 191.a. I understood that the Maui Water Department had employed the USGS to model Moloka'i'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. Moloka'i 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? 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?

Response: As addressed in #168 above, MPL is working cooperatively with DHHL, as well as DWS and USGS, to find water solutions for Moloka'i's future needs. DHHL is not negotiating Homesteaders water rights as you imply. MPL has often reiterated its recognition of DHHL's priority rights to water, which is a priority established by law.

Since September of 2006, MPL has attempted to join with DHHL and the DWS in having USGS perform a comprehensive model for the Moloka'i aquifers. USGS is now moving forward with a joint study, the terms of which are currently under discussion with all parties. The USGS joint study is anticipated to be a three-dimensional model. MPL is actively involved in discussions with all parties of this study.

USGS also recently undertook a two-dimensional modeling exercise of the Kualapu'u and adjacent aquifers for the Army Corps of Engineers. This study included modeling of the impact of the Kākahale Well on the DHHL wells. The results, which were outlined in a briefing to all interested parties in late June, indicate that the pumping of 1.0 mgd from the Kākahale Well would have a negligible effect on the DHHL wells and the Kualapu'u aquifer as a whole. This study is extremely conservative in nature.

To reflect the above information in the Final EIS, as well as to address other questions and concerns 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)." See the section of the attachment titled, "Additional Information on the Kākahale Well."

193. Development of Lā'au point will destroy the spiritual man and power of the place won't it?
194. The spiritual quality of Lā'au Point as a wahi puna and wahi kapu cannot be quantified can it?
195. The Lā'au Point project will have an impact upon the solitude and spiritual resources not existing.

Response: See our response to #138 above.

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 Lā'au Point development (including the vice president) and who never listened to the community about the water issue and the Lā'au point Development issue and were under the delusion that a majority of the island supported the Lā'au Point development, will ever be able to "bring various sectors of the community together" in a working relationship?

197. How will these same directors ever 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 Lā'au Point are properly cared for?

Response: See our response to #172 above.

199. You speak of respect for the area, do you believe that anti Lā'au supports believe that if you respected the aina and native Hawaiian culture, you would never even want to develop Lā'au Point?

Response: We cannot offer a response on what anti-Lā'au supporters might believe. Your question does not relate to the project elements, environmental impacts, or their mitigation measures.

200. Do you know of any laws, violation of which, brings jail time for destroying the critically endangered plant found in Kamāka'ipō 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?

Response: You will need to check directly with the authorities regarding "jail time for destroying the critically endangered plant." Regardless, Kamāka'ipō Gulch will be protected as a cultural protection zone; no development will occur there.

With the maps provided, Mr. Garnett made the assessment that the Marsilea villosa population was not within the proposed residential lot development area. The final boundaries when the lots are surveyed will ensure this is maintained.

201. What protection is afforded this trail from Moomomi to Ilio Point and then along the west coast to Lā'au Point? Is this the shell trail?

Response: While the actual location of the historic Kealaakapuu is not known, informants indicated their belief that the Kealaakapuu trail coincides with the historic trail drawn on the 1886 and 1897 Monsarrat Maps. The trail from these maps is reproduced in Figure 5 of the Cultural Impact Assessment (Appendix F of the Draft EIS). It is identified in the map legend as the "Keala Pupu Coastal Trail," as informants indicated that they believe it is possible that the

trail drawn on the Monsarrat Maps was possibly located upon the Kealaakapuu or shell trail established by Kīhaapi'ilani. Informants indicate that the existing dirt road is located upon the old traditional trail and serves the purpose of providing access to subsistence, cultural and spiritual resources utilized for traditional and customary purposes.

Informants suggested that there be a physical demarcation between the property line and the ocean, along which the access trail would run. The trail would follow the contour, following the old traditional historic trail as much as possible, to respect traditional access for subsistence, cultural and spiritual purposes. The existing kiawe would serve as a buffer between the trail and the sand and ocean. This can help reduce impact of the trail on the beach and ocean. The kiawe can be pruned. It is a nitrogen fixing plant and will help other plants to grow around it. The trail should be placed back from the ocean so that it won't wash out. The trail will only be for walking and not for ATVs or even bicycles. The trail should not be paved but kept clear and maintained (Appendix F of Draft EIS, p. 20).

202. Why is hunting only permitted to Ranch employees and their families?

Response: On MPL's private land, hunting is a benefit provided to Ranch employees.

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?

Response: Appendix 8 of the Master Plan (which is provided as Appendix A of the Draft EIS) contains a recreation/trails map. The surf spots are identified along the Lā'au Point coastline.

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?

Response: We state this because it is correct.

205. What's wrong with the Maui county code about 1500 feet right always so there would be 16 public access rights of way in the Lā'au 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 Lā'au Point shoreline not be conducive to protecting the coastal resources any more than 200 developing 200 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?

Response: The project proposes two shoreline access points based on the results of the community planning process (see Sections 2.1.6 and 4.3 of the Draft EIS). Based on the

community-proposed access plan (see Appendix A of the Draft EIS, p. 105), protection of the off-shore coastal resources at Lā'au Point would best be achieved by controlling access to the area so that the community can retain the area for subsistence gathering. Providing only two public access points was agreed upon in the Master Plan. The intent was to limit access to prevent culturally sensitive areas from harm and to maintain the biological resources of the area. Approval of these access points is pending approval.

Should MPL be required to provide additional public access to the shoreline, the area can still be managed successfully. The terms of the shoreline access management plan (SAMP) will be enforced at the access points and the limitations on vehicular access will still apply.

The SAMP is a community-based and developed set of guidelines, rules, monitoring programs, and general principals for the protection and utilization of the cultural, biological, and social resources of Lā'au Point. The SAMP is intended as an initial governing document based on current knowledge of the cultural, subsistence, and biological resources of the Lā'au Point area. From a social standpoint it is intended to foster a harmonious and respectful relationship between current users and subsistence practitioners of the area and Lā'au homeowners and new local users of the area. The SAMP will be incorporated by reference into the CC&Rs.

To reflect the information above in the Final EIS, as well as to address other questions and concerns regarding shoreline access issues, Section 4.3 (Trails and Access) has been revised as shown on the attachment titled, "Revised Section 4.3 (Trails and Access)," and the SAMP has been included as an Appendix to the Final EIS.

In addition, a cultural management plan will guide protection, access to and use of the cultural and spiritual sites. These cultural guidelines are provided on pages 116-117 of the Cultural Impact Assessment report (provided as Appendix F of the Draft EIS).

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?

Response: See our response to #26 above.

207. Regarding the access plan i.e. Appendix A which is: restrict shoreline to foot travel, CC&Rs 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 verbage 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?

Response: Comment noted.

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?

Response: See our response to #6 above.

209. Once again this is repeated information you state, but what specific protocol, rules and 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 protocol 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?

Response: See our response to #5 above.

210. Regarding emergency access and kupuna 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.?

Response: Regarding discussion on emergency access, Section 4.10.3 of the Final EIS, has been revised as follows:

Fire and rescue emergency services will be able to access Lā'au Point and the shoreline from the new paved access road from Kalhako'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 Kalhako'i to access Lā'au Point.

Kupuna who wish to access the shoreline managed area for religious or cultural purposes, who are disabled or unable to enter the premises on their own, may request assistance from the resource manager. Assisted access (including vehicular) may be provided at the discretion of the SAMP Council in an appropriate manner and under conditions designed to protect the resources of the area.

To reflect the above information in the Final EIS, Section 4.3 (Trail and Access) has been revised to include the following:

Vehicular access in the Conservation District area will be prohibited, unless identified required for emergencies or kupuna use. Kupuna and the infirmed will be allowed to access the area in small motorized vehicles such as golf carts via trails along the shoreline.

211. *What specifically is the "build-out of the Kaluakoi Resort? Give exactly the details of 'the build-out'.*
Response: In this context (page 64, Section 4.4 of the Draft EIS), the "build-out of the Kaluakoi 'i Resort" means the building of a house on every residential lot at Kaluako 'i and the re-opening of the Kaluako 'i Hotel.

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?*

Response: There was not a projection of 300 cars stated in the EIS, so we are unaware of where you reached that assertion. Traffic conditions are discussed in Section 4.4 and Appendix G of the Draft EIS.

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.*

Response: This information is provided on page 2 of Appendix G (Traffic Impact Assessment Report) in the Draft EIS.

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?*

Response: This information is provided on page 3 of Appendix G (Traffic Impact Assessment Report) in the Draft EIS.

218. *What level of service standard should apply to Molokai? 218.a. The same level of service should not apply to Molokai as applies to the other islands should it? why, why not? 218.b. What is each and every reason you have for choosing the LOS you did?*

Response: This information is provided on page 4 of Appendix G (Traffic Impact Assessment Report) in the Draft EIS.

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.*

Response: Phillip Rowell is the principal of Phillip Rowell and Associates, a traffic engineering and transportation planning firm based in Hawai 'i. As the principal of a sole-proprietorship, he is responsible for all aspects of my company's work, including job development, field surveys, analyses, report preparation and public hearings. He has over thirty years experience in the traffic engineering field and has practiced in eight states (SC, NC, KY, TN, MI, CA, NV and

AR) and two foreign countries (Hong Kong and Malaysia). He has been practicing in Hawai 'i since 1989 and has had his own firm since 1989. Information whether the Mr. Rowell was previously employed by PBR or the Ranch was not solicited during the request for proposal process.

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?*

Response: We note that you had two # 218 and #219 comments. See Appendix G of the Draft EIS for the Traffic Impact Assessment Report. We note that the stop sign in Kaunakakai is not in the vicinity of the proposed project.

220. *MPL will fund costs for all Lā'āu 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?*

Response: The County has already stated they do not want the roads dedicated to them. The Lā'āu Point roadways will remain privately-owned. To reflect this information in the Final EIS, Section 4.4 (Roadways and Traffic) has been revised to include the following:

MPL will fund the construction costs of all Lā'āu Point roads which will be built using County standards to keep the option for future dedication. In their June 21, 2006 comment letter on the EISP, the Maui County Department of Public Works and Environmental Management stated: "We note that roads for the development will be built to County standards. We also note that access for these roads are from a private road. As such, the roads for the development shall remain under private ownership and maintenance. After build-out, should the roads will remain private, and the Lā'āu Point homeowners' association will be responsible for maintenance."

221. *You state the coastal jeep road will be abandoned to avoid archaeological sites and erosion. Do you know exactly all the archaeological sites at the Lā'āu Point development? or were you just given that information by the Ranch or PBR 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.*

Response: As addressed in #118 above, since the archaeological inventory was approved in 1993, we feel that most if not all sites have been documented. Figure 10, Section 4.1, and Appendix E of the Draft EIS contain information regarding archaeological sites at Lā'āu.

The "jeep road" is the usual access road along the shoreline from Kaupoa Camp and from Hale O Lono. This road may form the basis of the new coastal trail along the shoreline, although this will be determined in the future by the Moloka 'i Land Trust. From this trail or former "jeep

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road" access will be available through the subdivision for emergency vehicles. Where those access points are located will depend on the final subdivision plan.

222. *Is the only noise you heard on your study that of wind, birds, ocean and occasional distant aircraft?*

Response: Yes. This was stated on page 3 of Appendix H (Noise Assessment report) of the Draft EIS.

223. *Is impact measured by a baseline of what noise is currently occurring? Or is it measured against a state, national or otherwise standard?*

Response: This was addressed on pages 4 – 5 of the Noise Assessment report (Appendix H of the Draft EIS).

224. *Did you investigate any noise impact or the wildlife, particularly the monk seals and owls?*

Response: As stated in Section 4.5 of the Draft EIS, construction activities will comply with Chapter 11-46, HAR (Community Noise Control). Proper mitigation measures will be employed to minimize construction-related noise and comply with all Federal and State noise control regulations. The substantial setback from the shoreline (250 to 1,000 feet) will also provide mitigation for potential noise impacts to the shoreline area caused by the development process.

225. *Are you aware the CC&Rs are worthless as an enforceable measure for noise equipment etc.?*

Response: We disagree; CC&Rs are enforceable. See our response to #6 above.

226. *Lā'au Point can be very windy can't it? 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?*

Response: As discussed in Section 4.6 (Air Quality) of the Draft EIS, an effective dust control plan will be prepared for the project construction phase. MPL's Water Plan (Section 6 of the Master Plan and Appendix P of the Draft EIS) is very specific about the amount of water allocated to keep dust down during the construction phase of Lā'au Point.

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?*

Response: You have misstated the Draft EIS; the Draft EIS states that traffic associated with the project is estimated to be "less than" 200 vehicles per hour (page 66). Traffic is discussed in Section 4.4 and Appendix G of the Draft EIS.

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229. *You realize the lack of enforcement afforded by CC&Rs don't you?*

Response: Again, regarding your comments about CC&R enforcement, we direct you to our response to #6 above.

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 than 26,000 sq. ft. doesn't it?*

Response: The EIS states that the maximum "buildable area" is 30 percent (~ 26,000 square feet) of the lot. Buildable area is the only area of the lot in which there can be disturbance for the construction of the home, accessory buildings, decks, parking areas, landscaping, etc. The CC&Rs state that the maximum building size is 5,000 square feet. One accessory building, such as a work shed or an 'ohana dwelling, may be built as an accessory to the main house. The house and accessory structure cannot exceed 5,000 square feet.

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?*

Response: We note that you had two # 230. This is in response to the second #230.

The Knowledge Based Consulting Group (KBCG) is based in the San Francisco Bay Area, with affiliates and expertise in both Europe and Asia Pacific. KBCG was formed in 2002 to serve client needs through the services of Senior Executives with extensive experience and vision. KBCG expertise is focused in real estate and entertainment industry market analysis, product development, database marketing, financial planning, and the applications of new technology. Clive B. Jones, Principal of Knowledge Based Consulting Group, provides expertise in market and investment analysis, development programming, economic impact assessment and database marketing to the attractions, hospitality, entertainment, and tourism industries. His projects in Hawai'i have included: Hokua and Victoria Ward Apartments in Honolulu; Palamanui/University Village, Big Island; Waiawa, O'ahu; Kapalua, Maui; Mauna Lani, Big Island; BeachWalk/ Trump Tower, O'ahu; Royal Lahaina, Maui; Keaouhou, Big Island; Royal Hawaiian Shopping Center, O'ahu; Hualalai, Big Island; Kaanapali, Maui. Mr. Jones completed a market assessment of the Molokai Ranch in 2001/2.

Earthplan is a sole proprietorship that was formed in 1982. Berna Cabacungan is the Principal and Owner of Earthplan. She specializes in social impact assessments, community planning projects, and community participation programs. Earthplan has completed over 60 social impact assessments and social issues analysis on a variety of projects, including residential complexes and large tract plans and developments. Berna Cabacungan has been qualified as an expert witness in social impact assessments and issues analyses before various commissions and County Councils. Projects included: Kuhio Highway Bypass, Kaula'i; Bypass for Honoapi'iani

Highway, Maui; Koloa - Poipu Bypass Road, Kauai; Lihū'e Airport Improvements, Kauai; Kahuli Airport Improvements, Maui; Ha'ena State Park Master Plan, Kauai; Lihū'e - Hanalei Master Plan, Kauai. This is Earthplan's first project with MPL.

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?

Response: Table 3 and Figure 1 in the Social Impact Assessment (SIA) report (provided as Appendix M of the Draft EIS) show population trends of Section 2.3.1. Between 1970 and 2000, the population of East Molokai increased by 82% and West Molokai's population increased by 2%. As discussed in Section 2.3.1, the decrease in West Molokai's population is largely attributed to plantation closures. Net decrease information was not available.

232. a. Is there a current population record of the west end now? of the east end now? of Kaunakakai now?

Response: We do not have information on West Molokai's current (2007) population. The last "official" record is the US Census taken in 2000.

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?

Response: The SIA report was completed in August 2006. As discussed in Section 3.1.3 of the SIA, the socio-economic forecasts were derived from projections prepared for the Maui County General Plan (June 2006). Maui County extrapolated Molokai's projections from the DBEDT projections.

You are correct that Molokai has already, by 2000, reached 7,257 people.

As discussed in Section 3.1.3 of the SIA, the model in this forecast is not designed to predict short-term economic cycles. Rather, it provides estimates of long-term trends. Actual conditions will diverge on a short term basis within the long-term time frame.

234. You base your population projections on a potential Lā'au Point 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 Lā'au Point? 234.a. List the comparable similarities of those communities with Lā'au Point? What are they? 234.b. Now, state what are all the possible dissimilarities of those communities when compared with Lā'au Point? 234.c. What are the comparisons between the islands you chose and Molokai? Use as many factors as you can think of.

Response: KBCG has conducted numerous surveys of property owner usage and occupancy patterns in seasonal communities and subdivisions on Maui and the Big Island. These communities include Keauhou, Hualalai, Mauna Lani, Mauna Kea, Waikoloa Beach, Waikoloa Village, Kohala Ranch, Wailea/ Makana, Kaanapali, and Kapalua. The population and occupancy rate projections considered the results of the property owners surveys in total and KBCG did not compare or relate the projections to any single seasonal community.

235. State all the reasons you have for stating the occupancy rate of 30% would apply to Lā'au Point should it be developed?

Response: KBCG has conducted numerous surveys of property owners at ocean front communities on Maui and the Big Island. In those surveys, owners were asked how often they visit and how much total time they spend in Hawai'i. Based upon the responses to these questions, the following distribution of occupancy was calculated (provided on page 6 of Appendix J in the Draft EIS):

Resort Community Occupancy Patterns

Days Occupied Category	Average Days	% of Households	Weighted Days	
			All	Seasonal Only
Less than 60	40.2	35%	14.2	14.2
60 to 90	67.1	17%	11.5	11.5
90 to 120	93.3	11%	10.2	10.2
120 to 150	124.2	7%	9.1	9.1
150 to 180	157.6	12%	19.2	19.2
180 and over	250.9	17%	42.8	42.8
Average Days Occupied			107.1	64.2
Resident Occupancy Rate			29%	18%
Rentals			0%	0%
Total Occupancy Rate			29%	18%

We see no direct reason why occupancy patterns at Lā'au Point should be particularly higher or lower.

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?

Response: This information was derived from census information prepared by the U.S. Department of Commerce. The factors that contribute to the difference between the increases in housing unit supply and population include an increase in housing vacancy and a decrease in household size.

The housing figures were derived from census information prepared by the U.S. Department of Commerce, which is information that provides the foundation for comparisons and analysis.

Other data sources, such as the State of Hawai'i Data Book and the Native Hawaiian Data Book, extrapolate their information from this base.

238. *What is your source for saying the majority of Molokai real estate buyers is from Hawaii? What is 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?*

Response: KBCG analyzed zip code data in Assessors records (where property owners receive their tax bill) to determine the origin of non-resident owners. Your statement "the majority of Molokai real estate buyers is from Hawaii" is referenced from page II-14 of the Real Estate Market report (Appendix K of the Draft EIS), where it is noted that Molokai has the highest percentage of all the islands in terms of non-resident owners that live permanently elsewhere in Hawai'i. Whereas this is just less than 24%, it is not a majority. Rather, the referenced statement is best interpreted to reflect all residential sales, rather than just those to non-residents of Molokai.

KBCG has not done any specific market research to determine the reason for higher than average appeal of Molokai real estate to other Hawai'i residents, but it seems reasonable that it represents a desire to own property that provides a relatively convenient escape from the stress and urbanization of the more congested areas of O'ahu and Maui. Track changes start here on this version.

239. *Isn't the exact reasons for the Ranch wanting to develop Lā'au Point because 'it is a unique product in the state'? 239.a. It is anticipated that Lā'au point 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 Maunaloa 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.g. When these lots are subdivide, won't they require additional water also?*

Response: Section 2.2 of the Draft EIS provides the statement of purpose and need for the Lā'au Point project. MPL has gone into a lot of detail in the EIS and the Master Plan as to the reasons for this development.

The sale of Maunaloa subdivided land has not been "fast" as you imply, more than 50 lots are still for sale, and it has been more than 10 years since those lots were developed.

MPL is unable to obtain the answer to your question regarding the "number of lots already platted and subdivided on Molokai, but not yet built upon." You will need to ask the appropriate Maui County agency for that information.

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.*

Response: For their analysis, KBCG considered comparable non-resort settings to include several Big Island locations (Puna area, Hamakua Coast, and the Kohala Makai and Kohala by the Sea subdivisions on the north Kohala Coast) as well as several locations on Maui (Hana Highway, Keano Point, and Honokohau).

241. *There is anticipated a very great demand for lots at Lā'au Point because of limited availability, of low-density oceanfront, don't you? 241.a. what are the special conditions and requirements associated with ownership at Lā'au Point? List each and every one in detail.*

Response: We believe the remoteness and isolation, combined with the beachfront setting, will attract buyers to this development. See Section 2.3.6 (Covenants) of the Draft EIS for special conditions and requirements associated with ownership at Lā'au Point. To reflect your comment and other comments regarding covenants associated with Lā'au Point in the Final EIS, Section 2.3.6 of the Final EIS has been revised as shown in the attachment titled, "Revised Section 2.3.6 (Covenants)."

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?*

Response: We did not include any real estate inflation or appreciation in our analysis. The \$34.4 million represents the total sales value of the 36 Lā'au Point lots sold in the first year. At the end of lot sales, the value of \$211.9 million represents the value of selling all the lots plus the improvement value of the 22 residences that had been constructed by this time.

The project in its entirety is expected to increase in value. The total buildout value of \$362.2 million includes both the land value of the 200 lots plus the value of the residential improvements thereon.

Average lot prices range from \$460,000 for south facing ocean view sites to \$1.75 million for west facing oceanfront lots. The overall average lot price is \$1,023,750. The average residence is 3,500 square feet and the construction value is \$788,000. KBCG has made no assumptions as to future selling prices.

We disagree that this encourages real estate speculation. See Appendix L of the Draft EIS regarding the project's non-impact on increased property taxes.

243. What percent of people who might purchase at Lā'au should it make it to development stage do you anticipate will be from this transfer market you speak about?

Response: The transfer market could account for 50% to 75% of Lā'au Point sales.

244. Regarding Appendix L, and assessing property not adjacent to Lā'au Point lots will not be directly affected, but it will be indirectly affected won't it? 244.a. What are the indirect effects 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 move quickly then in a huge 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?

Response: Hallstrom's analysis (Appendix L in the Draft EIS) does not imply there will be indirect effects; he states: "Only to the extent that worker in-migration to the island to support or sustain the development and its residents, could there be some modest indirect impact on selected real estate activity and prices." It is noted that this is offset by the transfer of land to the Land Trust and other covenants prohibiting further development.

We disagree with your assertion that a "domino affect of adjacent lands" will occur on property assessments because of this project. Discussion discounting this scenario was previously provided in Appendix L of the Draft EIS. Adjacent lands to Lā'au Point will be donated and easement lands going to the Land Trust; no development will be allowed on these lands. Therefore, there will be a separation from other developments on the island by 50,000+ acres of Land Trust donated and easement lands.

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?

Response: The Hallstrom Group, Inc., undertakes market valuation analysis across the State of Hawai'i for many clients. The company has conducted many valuation assignments on Molokai and in particular for MPL over many years since the mid-1990s, and for other clients with property on the island.

The company has a database of information on property valuation and property tax trends right across the island; a database which is constantly updated. Pairings were made between expanding urban developments, primarily resort residential product, and proximate rural area in representative areas of Hawai'i.

The Hallstrom Group used acceptable market valuation methods prepared in accordance with the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute, and the Uniform Standards of Professional Appraisal Practice (USPAP). They have

conducted a number of real estate valuation and appraisal reports for clients in Hawai'i who have submitted EIS documents.

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?

Response: The Hallstrom Group is in regular contact with assessors in both the Maui County and O'ahu tax offices as part of its on-going valuation and appraisal work. Their names are not relevant to be included in the EIS. The issues described in The Hallstrom Group's opinion letter were discussed with them.

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? 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?

Response: We refer you to Hallstrom's Letter in Appendix L of the Draft EIS for information as to why the Lā'au Point project, and its separation from other developments on the island by 50,000+ acres of Land Trust donated and easement lands, will not directly impact values on the remainder of the island.

Property values in other parts of Molokai will be impacted by sale prices and values of adjacent properties, not by sale prices more than 20 miles away on the West End. We note that the East End also contains high-priced real estate as well.

The Hallstrom Group is a real estate consultant and valuation consultant group, and does not sell land or property as part of its services.

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)?

Response: See our response to #244 above.

251. Are you saying that eventually the whole island will not feel the effect of these lots, should this development proceed?

Response: No, what the future holds is unpredictable. What is being said is that under the reasonably foreseeable conditions of this project, there will be no impact to property values.

252. Are you saying that the easements created around the Lā'au Point isolates and distinguishes it from the rest of Molokai? Making it exclusive?

Response: The strict CC&Rs attached to the project, comprehensive planning that went into the project, and the 50,000+ acres of donated and easement lands distinguish Lā'au Point from other projects on Molokai, and the rest of Hawai'i.

253. Who contacted you to make a comment on real estate tax impact on Molokai?

Response: The Hallstrom Group was retained by MPL.

254. Do you have any experience in tax assessment? previous to this task?

Response: Yes, the Hallstrom Group has experience in tax assessment.

255. Have you done these sorts of comment letters in the past? For whom and why were you asked of you?

Response: As addressed in #246 above, The Hallstrom Group has conducted a number of real estate valuation and appraisal reports for clients in Hawai'i who have submitted EIS documents. A list of previous clients is not relevant for inclusion in the 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?

Response: The role of the Molokai Planning Commission includes: 1) advising the Mayor, County Council, and Planning Director in matters concerning planning programs; 2) Reviewing the general plan and revisions thereof prepared by the Planning Director or at the request of the County Council, and after public hearings transmits findings and recommendations to the County Council for consideration and action; 3) Reviewing other proposed land use ordinances and amendments prepared by the Planning Director or by the County Council, and after public hearings, transmits findings and recommendations to the County Council for consideration and action; 4) Acting as the authority in all matters relating to the Coastal Zone Management Law; and 5) Adopting rules pursuant to land use ordinances or law (source: Maui County Planning Department website).

Your questions regarding the role of the CDC were addressed in #2 above.

*We note that you did not have comments numbered 257 to 266.

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.

Response: We have addressed this comment in Sections 2.1.7, 2.1.8, and 2.1.9 of the Draft EIS.

268. Will the 100 acres around Kualapuu and Maunaloa be deeded over to an entity? What entity and when?

Response: MPL will retain ownership of that land and work with the CDC to ensure that it is available for affordable homes.

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.

Response: CDC will organize the affordable housing and community expansion. As addressed in #2 above, questions as to the future plans of the CDC, outside the broad guidelines given for MPL lands and revenue from Lā'au Point as outlined in the EIS and in the Master Plan, are matters for that specific organization, not MPL.

270. The "1100 acres will be gifted to CDC"? Has this been done? 270.a. When will it be done? 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 intention of the Ranch other then to keep their fingers in the pie? (see other questions relating to the relationship of the various entities discussed in this EIS.)

Response: The CDC will receive the land donation in fee simple once the Lā'au Point project has been approved. MPL will have no interest in the land thereafter.

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 Lā'au Point 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?

Response: The CDC will organize future affordable housing and expansion on the donated and reserved lands set forth in the Master Plan. MPL may assist with the actual development of housing; however, MPL will not be part of the actual decisionmaking regarding the future community expansions.

You do not specify a particular housing project in Honolulu; therefore, we cannot respond to your comment of whether we are planning "what the state is currently doing for homeless Hawaiians in Honolulu with housing projects."

The Draft EIS, Section 4.8.2 states: "There will be a continuing need in the future for more housing for Moloka'i families at affordable prices based on incomes." We anticipate that the Master Plan and project will be able to ensure the development of future affordable housing projects for any qualifying Moloka'i residents, not just native Hawaiians.

Subsistence activities in the Conservation District areas and other protected resource areas at La'au Point will continue to be maintained with this project.

272. What exactly do you mean by "balanced community"?

Response: As stated on page 69 of the Master Plan (Appendix A of the Draft EIS), a "balanced community" includes affordable housing along with other community-facilities to serve that specific community/neighborhood.

273. How much of the 'gifted lands' for the 'Ohiana 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. 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?

Response: The Master Plan is very specific concerning which lands MPL will retain ownership of (the 100 acres each around Maunaloa and Kualapu'u) and which land is being donated for affordable homes (1,100 acres above Kaunakakai). Decisions on the use and extent of affordable homes will be made by the CDC. The remainder of your comments are addressed in Section 2.1.9 of the Draft EIS.

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?

Response: The "importance of development timing" refers to the time it takes to develop properties and the cash flow impact of that timing.

The exact reference from the Draft EIS (p.79) you refer to states: "Moreover, placing housing development in the hands of a community organization provides the opportunity for appropriate development timing, which is important in a slow-growing community like Moloka'i. As stated in the Plan: "The growth of Kaunakakai, Kualapu'u, and Maunaloa should be community-planned and should be allowed to happen naturally as community-driven demands require" (Appendix A, p. 67)." Therefore, "Appendix A, p. 67" cites where the quotation is referenced from.

276. Moloka'i 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? 276.b. Moloka'i is still governed by the old ways of life with relatively few land corporations, trusts, housing authorities, government boards etc. ruining 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 Moloka'i'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 than 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.

Response: You assert that the current Moloka'i social environment is due to "keeping development off the island." We note that Moloka'i has been experiencing growth and development, as evidenced by population trend information presented in the Social Impact Assessment (SIA), which found that Moloka'i has experienced steady growth since the 1970s for an overall 43% increase by 2000. Significantly, East Maui's population grew by 82% between 1970 and 2000. The Moloka'i lifestyle and values continue to persist with the increase in population. In spite of the changes, those interviewed in the SIA (Section 4.2.2) described a long-standing "Moloka'i Style," which was founded on Hawaiian values, and included characteristics of being laid back, respectful, helpful and accepting social interactions, and a tradition of survival.

You also assert that the lack of roadway infrastructure and other factors of the urban environment is due to no development. Moloka'i has historically experienced growth and development, as discussed above. The State Department of Transportation and Maui County determine the level and timing of infrastructure improvements. While no traffic lights are proposed, various other public projects that are typical of growing communities are under consideration and are presented in Section 3.4 of the SIA.

We disagree with your conclusion that "Moloka'i is still governed by the old ways of life with relatively few land corporations, trusts, housing authorities, government boards, etc." due to "no development." First, numerous public agencies that serve the social and economic needs of Moloka'i residents have offices on Moloka'i, and public entities, such as the Department of Hawaiian Home Lands, the State Commission on Water Resource Management, and the Maui County Planning Department, are instrumental in directing the future of Moloka'i's resources. Second, the growth in Moloka'i's population and housing supply is evidence of development.

We agree that subsistence activities play an important role in Moloka'i's culture. This lifestyle is supported and supplemented by economic development and increased tax base resulting from an increase in population.

We disagree with your premise that the Moloka'i lifestyle has persisted because development has been kept off the island. Moloka'i is already changing and public and private resources have been supporting the continuation of the Moloka'i lifestyle.

277. Regarding appendix M discussed on page 72 of the EIS, what type of entry 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 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?

Response: We responded to your comment regarding Earthplan's qualifications in #230 above. The remainder of your comments were addressed directly in the Social Impact Assessment (SIA), provided as Appendix M of the Draft EIS.

Earthplan attended all of the meetings presented in Tables 9 through 13 of the SIA. Information meeting participants and locations are contained in sections containing the respective tables. In addition, Earthplan conducted all of the interviews contained in Table 14.

As discussed in Section 1.1, the social impact assessment was prepared by Earthplan, whose principal Berna Cabacungan managed the project and served as primary interviewer, researcher, analyst and writer. Independent contractor Michael P. Mays assisted in interviews and research related to community issues, public services and facilities and projects with similar characteristics. Nalani Dahl of Community Planning and Engineering assisted with interviews and research related to census information and major forces independent of the proposed action.

The social impact assessment included an analysis of the existing social environment and major forces for change independent of the proposed project. Community issues were identified, and potential social impacts were identified and analyzed. Detailed information on the methodology and research involved in preparing the study components are presented in detail throughout the SIA.

The SIA did not exclude any information that was relevant to the study components identified in the previous response.

278. Who were the individuals you spoke 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 Lā'au Point? 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 foregoing 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?

Response: The information sources and references are footnoted throughout the SIA report and the bibliography lists printed references. The manner in which Earthplan conducted the interviews is described in Section 4.1.3 of the SIA.

The SIA did not state: "Two persons were recommended by those you interviewed" as you reference. Because your statement is inaccurate, we cannot respond to this question.

In Section 4.2.2 of the SIA, it is noted that the foundation of Molokai'i Style is Hawaiian culture and values. It does not state that the Hawaiian values are unique to Molokai'i. In Section 4.2.2 of the SIA, it is noted that mālama'aina and aloha'aina are part of the Molokai'i Style. Section 4.2.2 also describes the 'ohana aspects and other attributes of the Molokai'i Style.

The Hawaiian foundation of Molokai'i Style is not unique to Molokai'i. While these attributes are often found in small and isolated communities, they are not unique to these communities. Evidence of Hawaiian culture and values are found throughout Hawai'i.

Although Molokai'i residents may share the common bond of "loving the 'aina and taking care of the 'aina," we do not assert that the attributes embodied in Molokai'i Style are not found in other small communities as well. The values of aloha 'aina and mālama'aina are Hawaiian and are found throughout Hawai'i.

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 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 barrier don't they? This is part of their survival isn't it?

Response: We agree that homelessness is virtually non-existent on Molokai'i, as stated in Section 4.2.2 of the SIA. We note that your statements are direct quotes from Section 4.2.2 of the SIA.

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 Lā'au 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 to 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?

Response: Again, you provide statements that are direct quotes from Section 4.2.2 of the SIA.

You assume that Lā'au Point will contain 26,000-square foot homes. As addressed in #230 above, the CC&Rs restrict building size to a maximum 5,000 square feet.

In your comment, you also imply that affluent people with expensive homes do not currently live on Moloka'i. Lā'au Point will not be adding a new element of luxury housing on Moloka'i. This is already occurring in East Maui and other portions of Moloka'i. Interaction between people of different economic status is already occurring. There is already co-existence between people of different economic backgrounds on Moloka'i, and economic stratification is not evident.

There is no evidence that justifies your assertion that this project will "make native Hawaiians homeless."

281. Who was each and every Kūpuna 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 Lā'au Point development? 281.b. Have these kupuna attended EC board of directors' meetings and observed the rudeness exhibited by EC board members to the public attending their meetings?

Response: Those comments were made in interviews and, as discussed in Section 4.1.3 of the SIA, confidentiality of individual comments will be upheld. We do not know which non-project meetings were attended by those interviewed.

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 Lā'au Point? 282.a. wouldn't you say that the overwhelming landslide vote on this island against Lā'au 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 Lā'au Point?

Response: People may feel they are not being heard, but their input has indeed been heard. Earthplan has heard the various opinions, concerns, and issues regarding the project. This input is in documents and is a matter of public record that will be reviewed by the community and public decision makers. The documentation of EC meetings is outside the scope of the SIA.

Comments regarding the EC Board vote were previously addressed in #172 above.

We note that the "rudeness at meetings" cited by those interviewed was not confined to meetings regarding Lā'au Point or the Master Plan. Those interviewed observed this type of behavior at public meetings in which controversial matters not related to Lā'au Point or the Master Plan were discussed as well.

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 Lā'au Point residents and the

public controversy"? 283.a. You precede this statement about Kupuna concern about disharmony and stress behavior don't you?

Response: The statement you reference is contained in the SIA Section 5.4.4, and the steps that lead to this statement are presented in Section 5.4.3, and further discussed in 5.4.4. The SIA finds that this impact stems from the heated nature of the controversy surrounding the Lā'au Point and Master Plan. Neither the project nor the Master Plan is the base cause of this impact. Rather, project opponents have vocally perpetuated negative expectations about the new residents in their efforts against Lā'au Point. Many people accept these expectations as fact, and those who express different expectations, such as Lā'au Point being part of the solution and not the source of problems, are publicly and vocally attacked. Hence, the project has become the embodiment of negative expectations.

The statement you quote above is on page 79; the statement regarding kupuna's feelings is located on page 48 and only remotely precedes the former statement.

284. But, aren't you speaking of social impacts right prior to the development? 284.a. The at least 70% population against Lā'au 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?

Response: The social impact related to perpetuating negative expectations and fears relate to the proposed project.

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 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 Lā'au Point 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 Bill, 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?

Response: The SIA analyzed impacts to the social environment that collectively comprise many groups. Social impacts specifically related to Native Hawaiians are covered in the Cultural Impact Assessment (Appendix F of the Draft EIS).

While the entire Section 5.4 identifies future impacts of the proposed project, the impact related to negative expectations is real and already occurring. The SIA is a disclosure document that needs to identify all social impacts related to the project.

Your questions regarding Earthplan's project experience were previously addressed in #230 above.

286. *Aren't you speaking about the Molokai people's expectations and pre-conceptions about the homeowners on Lā'au Point who would be different?*

Response: As discussed in Section 1.2 of the SIA, one of the purposes of a SIA is to understand the ability of a community to adapt to changing conditions. In identifying social consequences of a proposed action, cause- and effect relationships are complex. Different people and different communities react differently to similar events. An important function of SIAs is therefore to obtain and analyze the necessary information about community organization and likely responses to changing conditions. As such, the non-project social scenario is as important as the with project scenario because it provides the analyst with a realistic social context for the proposed action. Understanding people's expectations regarding future change meets this SIA purpose.

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 Lā'au Point is allowed to be developed? why? why not?*

Response: While the entire Section 5.4 of the SIA identifies future impacts of the proposed project, the impact related to negative expectations is real and already occurring. The SIA is a disclosure document that needs to identify all social impacts related to the project.

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 Lā'au Point development nor the water issues on island until the last minute so to speak over the process they took to develop the plan?*

Response: The future social environment will be an extension of the current social environment. These environments are not distinct from each other. It is therefore important to analyze future possible scenarios based on existing conditions. This is not just a social impact approach. It is the fundamental approach of the entire environmental impact statement process.

We disagree with your statement that "neither Lā'au Point development nor the water issues" were brought up "until the last minute." On January 28 and 29, 2003, the Conservation Fund convened a meeting of all interested parties at Kūlana 'Ōiwi. A process was agreed upon and Peter Nicholas outlined what MPL needed from that process to remain viable. At the time, during a discussion of the process, Peter Nicholas said that it was not much use discussing water or the Lā'au development unless the community agreed other major aspects of a Master Plan for the property. We note that this valid process was agreed upon by many of those people who now object to the process.

To reflect this information in the Final EIS, as well as to address other questions and concerns regarding the validity of the community-based planning process, Section 2.4 will be revised as shown on the attachment titled, "Revised Section 2.4 (Community Meetings and Involvement)."

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?

Response: The expectation that "people with lots of money . . . would be materialistic with no 'poor friend'" is a negative expectation that is unfounded. In fact, interaction between people of different economic status is already occurring on Molokai. For example, people of different economic groups have united in educational, environmental, and anti-development efforts. Economic stratification is not an issue when it comes to common causes.

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?*

Response: Changes in Molokai discussed in the issues analysis are discussed in Section 4.2.2 of the SIA. Feelings about alienation from the land were not expressed. Rather, people felt that they continue to have strong ties to the 'āina.

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 mālama 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?*

Response: As discussed in Section 4.2.2 of the SIA, there was a common identity and definition of Molokai Style, which was based on a foundation of Hawaiian values. The attributes of Molokai Style include being laid back, a clear pattern of social interaction, a tradition of survival, and a clear self-identity. These attributes have persisted in spite of changes and community controversies.

The non-existence of homelessness was reported in the SIA. Aloha and mālama 'āina are part of the foundation of Hawaiian values. Molokai Style includes bartering and caring for one another. Specific personal bartering transactions were not identified by anyone, regardless of economic status.

As discussed in Section 2.4.1, the Hawaiian population continues to be the largest ethnic group in 2000. In that Hawaiian culture and values form the foundation of Molokai Style, Hawaiian values are a contributing factor in all the responses in this question.

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 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'?*

Response: Future growth and development was discussed in all of the focus group sessions and in the interviews. Sections 4.1.2 and 4.1.3 of the SIA describe these meetings in detail. Regarding the July 26th meeting on social impacts that you attended, while the agenda was loosely followed, participants objected to discussing the items on the agenda. This was the choice of the participants, of whom you were one, and was the only meeting that did not cover this topic.

The statement "there was a strong consensus that growth needs to be planned slow, and controlled" was based on analysis of the aggregate findings from interviews and focus group sessions. Planned, slow and controlled growth is related to other factors outlined in Section 4.2.3 of the SIA.

Section 4.2.3 of the SIA reports the findings from interviews and focus group sessions. "Right type of growth" is defined by those who provided input.

293. weren't the people's concern about Lā'au 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?

Response: As discussed in Section 4.4.4 of the SIA, people expressed strong concern about the impacts on the social environment, and these impacts were related to assumed cultural clashes based on economic differences. People did not identify specific instances of conflicts with "extremely wealthy" Moloka'i residents. However, they did discuss situations where people of different economic groups have united in educational, environmental, and anti-development efforts.

294. Aren't the fences in front of and behind these residences to make the residences more exclusive?

Response: The makai fences are to demarcate the Land Trust conservation district boundaries from the residential area. The mauka fences are to demarcate the residential area from the hunting areas, and to keep deer and livestock from entering the residential area.

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?

Response: The SIA analyzed impacts to the social environment that collectively comprise many groups. Social impacts specifically related to Native Hawaiians are covered in the Cultural Impact Assessment (Appendix F of the Draft EIS).

296. What luxury homes say \$2 million and up that do NOT have tall fences, walls, gates etc. to protect their property?

Response: A survey of luxury homes and how properties are delineated and protected with fences and other structures was outside the scope of the EIS. The CC&Rs addresses the issue of fences and walls. The "luxury homes" you refer to on other islands have no relevance to this

Lā'au project in that the buyers of the homes will know and sign agreement to conformity with the project CC&Rs, covenants that will be able to be enforced legally by the Land Trust who will be a party to the CC&Rs.

297. As a sociologist, don't you agree, structures of the kind expected at Lā'au 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 then developed?

Response: Feelings of exclusion depend on the social mores of the region. Some people accept fences and walls as typical residential lot structures. Others may not be accustomed to fences and walls and may feel offended and excluded. In any case, using a fence for demarcation was acceptable to the Land Trust, who reviewed and approved the CC&Rs and the shoreline access management plan.

298. Are you aware of the Hawaiian law that allows the public access on Hawaiian shorelines 50 feet from the highway mark? What would make you think any of the Lā'au Point shoreline was inaccessible? It has always been accessible by boat hasn't it?

Response: We note that this is an incorrect assertion regarding the law. Regardless, the shoreline has always and will continue to be accessible to the public. Accessibility issues to Lā'au Point are addressed in Section 4.3 of the Draft EIS.

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?

Response: The social impact meeting that you attended on July 26 was open to the public. The focus group sessions were essentially focused interviews of certain groups of people. Section 4.1.2 of the SIA discusses the purpose of each focus group and describes the participants. The session coordinator invited those who fit the criteria.

300. To mitigate the disparities in income between the Lā'au 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. Molokai enjoy being like they are. Do you really believe that homeowners at Lā'au Point would actually want to understand and assimilate into Molokai culture anymore then Molokai would want to assimilate into their culture? 300.d. You are placing enforcement abilities in CC&Rs, why? They are not capable of assisting you in any mitigating effects 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 Lā'au 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 state let alone many individuals' traditional subsistence survival? albeit it Molokai Style?

Response: "Regional level" implies interaction of several communities. Moloka'i commonly refers to east end and west end; both are considered regions. In the case of Lā'au Point, integration needs to occur initially with West Moloka'i, which includes communities of Maunaloa, Kāluakō'i and Pāpōhaku Ranch. This integration also needs to extend to other parts of Moloka'i as the new and existing residents interact in commercial, educational, business, religious and other social settings.

Social integration is a complex idea and can mean different things to different people. For some, it is an inclusionary goal, implying equal opportunities and rights for all human beings. In this case, becoming more integrated implies improving life chances. To others, however, increasing integration has a negative connotation, conjuring up the image of an unwanted imposition of uniformity. Your comment implies that social integration is having Moloka'i conform to the general population. In the SJA, the concept of social integration is based on inclusionary principles so that both new and existing have equal opportunities. Further, social integration is used as a concept to encourage people of different cultures and backgrounds to interact, appreciate differences, and contribute to common efforts.

Inclusionary social integration does not dilute the Hawaiian culture. In fact, the social integration movement of the 1960s and 1970s has helped to significantly expand knowledge and appreciation of Hawaiian culture in mainstream society. Moloka'i is known as the "last Hawaiian place," and support of Hawaiian culture and values is found in mainstream arenas, such as education, public policy and legal system.

It is expected that new homeowners would learn about the host culture of Moloka'i. Those who choose to buy a lot and build a house at Lā'au Point will likely be attracted to the beauty and mystique of the area. It is very likely that new buyers will be willing to learn how to protect the environmental resources and Moloka'i lifestyle and culture. The education program was addresses in # 182 above.

We agree that the new residents will need to earn the trust of existing residents. We also believe that appreciation of Moloka'i Style is not confined to the classroom environment. The new residents' appreciation of the Moloka'i lifestyle and values will grow as they witness Moloka'i Style in action.

Your comments regarding enforcement of CC&Rs were addressed in #6 above.

301. Existing residents are respectful and appreciate other peoples' right to enjoy Lā'au Point; however, not live there. That is an appropriate Molokai Style stance isn't it?

Response: While, typically, people did not visit Lā'au Point unless they received permission by the landowner or they trespassed illegally, they tended to respect people's legal right to enjoy the area. There did not seem to be strong support for trespassing.

302. If the Ranch and it's owners truly understood and recognized and respected traditional native Hawaiian culture, it wouldn't want to develop Lā'au Point would it?

Response: MPL has stated that it worked with the community, through the EC, on the Master Plan, and what resulted was a community-based plan, not a Ranch-based plan.

303. Existing residents can visit Lā'au point shorelines anytime, 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?

Response: As discussed in Section 2.3.7 of the Draft EIS, approximately 40,000 acres of Ranch land, previously reserved for commercial operations, will be opened up for subsistence hunters. These include all of the lands to be donated to the Moloka'i Land Trust, the current 4,000 acres of preserves, and the land designated under the Master Plan for Open Space/Protective Easements.

We are unclear to what you are specifically referring to as "alien concept to traditional native Hawaiian culture."

304. What does "expectation management will be incorporated in the resource 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?

Response: Shoreline users will be provided information regarding resource management practices and requirements, as well as other aspects such as the visual environment. This information will form realistic expectations of their shoreline experience.

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?

Response: The setbacks were determined during the Master Plan process to provide an expanded Conservation District along the shoreline. Maximum setback required by Maui County is 150 feet; this project's setbacks exceed that. Figures 15 and 16 of the Draft EIS contain the tsunami inundation zone and flood zone maps, respectively. The residential areas will not be located within these hazardous Zones.

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? 306.c. How does the plan assist or promote subsistence survival more then 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?

Response: The protection of 50,000+ acres in perpetuity, as provided by the Master Plan, speaks to the very core of Molokai's Style. It allows for community control and self determination. It is community control that will help existing and new residents take care of the shoreline and other conservation areas. It is community control that will mālama cultural resources and promote subsistence activities. It is community control that will develop the right type of affordable housing and will make sure that Molokai's Style is perpetuated.

As addressed in #79 above, an explanation to the 3.2% unemployment rate on Molokai is due to the out-migration of Molokai's residents to other islands or places for work. The increase of employment opportunities on Molokai will increase residents' ability to help each other, decrease their dependence on public assistance funds, and remain on the island so they can continue the Molokai's lifestyle.

MPL will not be a "housing project manager." The CDC, the organization that will spearhead the building of affordable homes through partnerships with MPL and other organizations, will manage the expansion of affordable housing.

The shoreline access management plan, to be enforced by the Land Trust, assists in subsistence survival.

307. Wouldn't a better way to ensure rural lifestyle be to not develop Lā'au Point at all and not change the zoning?

Response: The best way to maintain a "rural lifestyle" is to ensure it is planned into the future growth plan of Molokai. As population increases, development to accommodate the increase is inevitable. The Master Plan provides a thoughtful and comprehensive blueprint for a sustainable future for Molokai.

Non-implementation of Lā'au Point does not ensure the rural lifestyle. If the project is not implemented and MPL seeks other alternatives, the future of its holdings, including Lā'au Point, is uncertain. The community would lose control of resources, and economic opportunities would decrease. There may be multiple landowners, which would make it difficult to develop a cohesive and comprehensive plan for West Molokai. The uncertain future of land uses and cultural and environmental resources, coupled with diminished hope for jobs, would cause social anxiety and tension and stress social and health services. Unemployment and out-migration rates would likely increase. Further, for those who would lose their job or business due to business

closures, financial pressures and family stress would result and they would need to find alternative means of support.

308. Again, why tout CC&Rs as ensuring anything that you want, when they are unenforceable? It is a moot point isn't it?

Response: Comments regarding CC&R enforcement were addressed in #6 above.

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?

Response: Molokai's economic situation was discussed in Section 4.8.4 of the Draft EIS. We would not agree that the state of Molokai's economy can be simply summed as "cyclical." Although the rise and fall of past large-scale agricultural operations appear to have come in "cycles" on Molokai, the EC's various projects and the creation of the Master Plan have provided a rather different vision for Molokai's economic future - a sustainable one.

310. Jobs are not critical at this point in Molokai's economic cycle is it?

Response: We believe that long-term stability of Molokai and its sustainability, which includes economic (which includes jobs) along with environmental and social stability, is always critical.

311. The Kaluakoi resort was bought and then subsequently closed by the Ranch wasn't it?

Response: The Kaluakoi Hotel was closed by the previous owner prior to MPL's purchase of the property.

312. How many jobs were lost at Molokai's hospital? The hospital is currently making an addition isn't it? Will that provide additional jobs to the already good job market in Molokai?

Response: Although additional improvements at the hospital would provide additional jobs, this discussion is outside the scope of this project and EIS.

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?

Response: See our response to #79 above.

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?

Response: We neither agree nor disagree with your conclusion. See response to #79.

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 Kualakoi Resort a breakeven operation? 315.b. we all want Kualakoi hotel to reopen, however, it no longer is essential to the island's tourism economy now is it? If you up date your data from 2004 to 2006, you would see the rising figures of tourism on Molokai are occurring in spite of Kualakoi being closed.

Response: Your comments regarding tourism were previously discussed in Section 4.8.4 of the Draft EIS. The data we use in the EIS is what is available at the time of analysis.

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?

Response: MPL is still involved in agriculture with its cattle operations and has 500 head as well as breeding animals, making it probably the largest single cattle-ranching operations on the island. MPL has not developed further agricultural enterprises on its lands because of the scarcity of available water and the distance from markets, factors which make agricultural business extremely difficult economically for all those other than homesteaders and those agro-businesses who are able to purchase water from the MIS system at rates of 30 cents per thousand gallons. MIS water is not available for cattle ranching and other meat or wool-related businesses, but rather for the growing of crops such as corn and coffee.

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 Kualakoi. what is the correct current number of employees?

Response: MPL's staff numbers fluctuate depending on occupancy at its tourism properties. Its tourism properties are of a seasonal and event-dependant nature. Currently, MPL employs 104 full-time employees and 30 part time and casual employees.

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 Lā'au Point lots to open Kualakoi 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 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?

Response: MPL's parent, BIL International Limited, publishes its results to the Singapore Stock Exchange quarterly. Updated financials can be found on <www.bilgroup.com>. BIL's shareholder equity at March 31, 2007 was listed as \$1,040 million.

Between 2001 and 2007, the Economics Report (Appendix J of the Draft EIS) indicates that MPL's operating cash deficit was in excess of \$40 million. It has operated a cash operating

deficit every year in that period. MPL has managed to offset those operating losses with the sale of land to remain overall cash positive and fund future years' losses and much needed replacement capital. However, MPL is selling land just to keep ahead of operating losses.

Because BIL will no longer fund losses of MPL, MPL must resort to selling land to remain cash positive. In the event MPL is not able to remain cash positive, or it has no hope of a cash-positive future other than by selling land, the BIL directors have mandated management of BIL to sell the property piecemeal to the highest bidders to extract maximum value.

MPL accounts are prepared on a General Accounting Practices and Principles (GAPP) standard and MPL amortizes its assets.

MPL's Lodge and Beach Village operations have been cash negative since they opened in the late 1990s.

Further detailed economic information is either contained in the Economics Report (Appendix J of the Draft EIS) or not available as it is considered confidential.

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?

Response: MPL has received a number of offers for its property, or parts of its property, since the community-based planning process began in 2002/3. The details of those offers remain confidential to MPL and its directors.

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?

Response: See our response to #318 above.

321. Who told you there was "intensive input from the community" for the Lā'au Point plan development? Do you think that the community of Molokai supports the Lā'au Point development? If so why? 321.a. Did you know that there was a strong referendum January 31, 2007 against the Lā'au Point development here on island? Almost 70% of the island voted against Lā'au Point ousting two pro Lā'au Point development incumbents from office -- one an OHA Trustee even! 321.b. Does that sound like intensive community input for Lā'au Point development?

Response: See our response to #172 above.

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 and supplied the data? and what is that person's background work and education and experience? 322.b. what is the business of KBCC? 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?

Response: See our response to #230 above.

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?

Response: Discussing compensation for consultation work is not relevant to 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?

Response: The buildout assumption is that the average residence is 3,500 square feet, which is the average at Kohala Ranch on the Big Island, and therefore, as close a comparison in terms of a large lot development.

As addressed in #230 above, the maximum building size is 5,000 square feet; maximum buildable area is 30% of the lot or approximately 26,000 square feet.

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?

Response: In some cases, capital does increase the value of a group of assets. However, where assets are merely replaced, which was the case in relation to most of the capital spent in this period, there is little increase in overall value of MPL's assets. As an example, in years capital is replaced, you may see an increase in assets value however as years past the asset value is amortized or depreciated before it again needs to be replaced. However if you look over a period of years, the assets value would remain about the same if spending were for replacements.

Refurbishment of the golf course, which cost \$350,000 over two years in 2003 and 2004, could be said to increase the asset value, however with its continuing losses, these value improvements would be irrelevant.

The capital you refer to was spent on the following:

- Replacement of vehicles and equipment to do property maintenance.
- Upgrading water infrastructure to meet health and regulatory requirements.
- Replacing worn out and obsolete equipment at the Lodge and Beach Village.
- As mentioned above, the refurbishment of the Kahako'i Golf Course.

When MPL indicates its on-going operational losses are about \$3.5 million per annum, this is prior to any amortization or depreciation expense. Adding this expense would show its losses increase by approximately 3.7 million per annum.

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.
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?

Response: See our response to #318 above.

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?

Response: MPL is unable to answer questions relating to the financial affairs of its predecessors. BIL first purchased an interest in Molokai Ranch in 1988. To the knowledge of current management, MPL has never shown positive cash flow from its operations.

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?

Response: See our responses to #328 and #318 above.

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?

Response: See our response to #315 above.

331. Isn't the gifting of anything including land a tax write off?

Response: It is highly unlikely MPL will be able to claim a tax deduction for the donations to the Land Trust and CDC. Regardless, MPL, with \$90 million of accumulated Net Operating Losses (NOL), is little concerned about potential tax deductions that could, but are highly unlikely to, result from these donations.

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?

Response: MPL, as a foreign-owned company, is unable under the law, to make political donations.

333. What is your authority support that there would be an addition of 60 new on-going jobs upon full build-out?

Response: See the Economics and Fiscal Impacts Report, provided as Appendix J of the Draft EIS. The addition of 60 new jobs is expected from new economic activity and new on-island spending by La'au Point residents.

334. Why didn't Morihara Lau & Fong LLP place their name on Appendix P?

Response: The report's author is provided in Section 9.0 of the Draft EIS (page 175).

335. Is the statement "MPL is currently working with the DHHL, 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 DHHL's Ho'olehua lands for the transmission of Kākalahale water. What meetings have you held with DHHL on this request? When have you met, have you requested meeting? Will you have any future meetings on this issue? why, why not?

Response: These meetings are still on-going.

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.

Response: We acknowledge your comment, but still believe the analyses presented to be reasonable and realistic. Regulatory agencies have the final decision regarding project impacts on the environment and how these impacts will be mitigated, according to each agency's mandate.

337. Why are you stating Lā'au point 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?

Response: The water system consultants are being appropriately conservative and prudent and a good steward of the island's water resources.

338. Given your figures on the Kākalahale well (which 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 Kāluakoi 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, if you placed all needs and all future needs in a table along with all the sources of water from which you expect to fulfill those needs? 338.d. Don't you think any decision maker would appreciate clarity on the water issue?

Response: The responses to these comments have all been previously addressed in the Water Plan, which is provided as Chapter 6 of the Master Plan and Appendix P of the Draft EIS. We do not believe the water resources and uses could have been explained more clearly in a table form.

339. In your cost analysis, you give the cost in dollars/feet, but no one has given the cost to actually construct and maintain a desalination plant, cost of maintenance and amount of water to construct and maintain such a facility, what are those costs?

Response: We disagree; all current cost estimates were previously addressed in the Water Plan, which is provided as Chapter 6 of the Master Plan and Appendix P of the Draft EIS.

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?

Response: Trenches will have to be dug. Cubic yardage of excavated soil will depend on each lot design. This will not be quantifiable until after design issues have been determined in the preliminary design phase of the project.

341. The electrical, telephone and cable distribution systems will be underground and extended from Kāluakoi. 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 Kāluakoi?

Response: The cubic yards of each related to this project are unknown at this time. Routes will be consistent with the roadway routes and alignment of utility easements.

342. Who will improve the roads for a mitigating measure? At what cost and for how long?

Response: MPL will construct the roadways and later the roadways will be turned over to the homeowners association. A development timetable is provided in Section 2.5 of the Draft EIS.

343. Is the new fire station for Kāluakoi 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?

Response: No, the new fire station is not on the land designated in the Community Plan for expansion of the community college.

344. How do you intend to have a recreational facility at Kamāka'ipō Gulch when that is the sight of a critical habitat 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?

Response: The Marsilea villosa habitat is only a small portion of the planned park. Protecting the Marsilea villosa habitat can be accomplished in a public access area with a few boardwalks and fences around the perimeter of the population that would prevent foot traffic and deer access. These improvements would discourage deer and cattle from trampling the site, which are

currently greater threats to the fern and remaining native plants. Interpretive signage would also be appropriate to avoid unintentional damage to the area by visitors.

To reflect the above information in the Final EIS, as well as to address other questions and concerns regarding *Marsilea villosa*, Section 3.6 (Flora) of the Final EIS has been revised as shown on the attachment titled, "Revised Section 3.6 (Flora)."

345. Why do you call this appendix P an analysis? Give each and every reason.

Response: Appendix P is an analysis of the Water Plan for the Community-Based Master Land Use Plan for Molokai Ranch.

346. Wouldn't it be more aptly called a discussion?

Response: We disagree. Appendix P contains both a discussion and analysis.

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.

Response: The Community-Based Master Land Use Plan for Molokai Ranch (initially launched as EC Project #47: Community-Based Compatible Development) is the product of more than 150 community and special interest group meetings, the majority of whom were members of the community and were invited to take part in the planning process. We also addressed this comment in #63 above.

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 DEIS, you included both your Ranch Plan And the Molokai community Land Use Plan which supersedes your Ranch plan doesn't it? 348.b. why did you delete the Molokai 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 Molokai Plan and the Ranch Plan? Presenting this information in table form would be most clear wouldn't it?

Response: Section 5.2.2 of the Draft EIS discusses the project's conformance with the Moloka'i Community Plan. We have not "deleted" the Moloka'i Community Plan. This is a County plan outlining county policy, which can be downloaded directly from the County of Maui website. Points of comparison and convergence were thoroughly covered in Section 5.2.2 of the DEIS.

349. Why do you call this appendix an analysis? Give each and every reason.

Response: See our response to #345 above.

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.?

Response: Yvonne Izu, an attorney with the law firm Morihiro Lau & Fong, is the author of the Water Plan Analysis. She has extensive experience in the area of water law and water regulation and has been involved in many of the large water usage disputes before the State Commission on Water Resource Management. Ms. Izu has been recognized as one of the Best Lawyers in America in 2006 and 2007, and by Honolulu Magazine as one of the best water lawyers in Hawaii in 2007. Ms. Izu also served as Deputy Director of the State Commission on Water Resource Management.

351. What was each and every document periodical, case law, law, regulation etc. reviewed by the author in preparation to write this analysis?

Response: A bibliography is attached at the end of Appendix P in the Draft EIS. Further citations are included in the Endnotes of Appendix P.

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??

Response: The author of the Water Plan Analysis (Appendix P of the Draft EIS) has reviewed innumerable documents, periodicals, cases, etc., in acquiring expertise in the area of water law and water regulation. Research specific to the preparation of Water Plan Analysis is listed in the bibliography attached at the end of Appendix P. Further citations are included in the Endnotes to the Water Plan Analysis. No documents, etc., that were reviewed by the author specifically for preparation of the Water Plan Analysis was deliberately excluded from the bibliography.

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?

Response: The entirety of the Water Plan Analysis was written by the author. Section II of the Water Plan Analysis, (II. Master Land Use Plan and Water Plan), was distilled from the author's reading of the Master Plan (Appendix A to the DEIS) and the MPL/EC Project #47 Water Plan (attached as Appendix A to the Water Plan Analysis in Appendix P). To the extent the author required clarification of anything in either of these documents, clarification was sought from MPL.

Sections III and IV of the Water Plan Analysis (III. Brief Description of Moloka'i Water Resources; IV. Moloka'i Water Systems) were distilled from a number of publications that are listed in the Bibliography at the end of Appendix P.

We do not believe the water resources and uses could have been explained more clearly in a table form.

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.

Response: Yes, the author is an expert; see our response to #350 above.

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?

Response: MPL has data relating to its Waiola Well application, and data from the previous owners of Kāhako'i Resort concerning the Kākalāhale Well abandonment. The Maui Department of Water was also consulted on these issues. All data concerning that abandoned well were disclosed in the Water Plan.

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 P? 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?

Response: Your interpretation of the "disclaimer" is not correct. The author of the Water Plan Analysis is aware that there may be disagreements amongst hydrologists and others about water resource data, interpretations of such data, and the reliability of sustainable yield estimates for Molokai aquifers. The author is not voicing any opinions about these disagreements.

As indicated in the "Introduction and Purpose" section, the Water Plan Analysis is a regulatory analysis. For regulatory purposes, the author accepts decisions adopted by regulatory agencies. For example, the Water Commission has adopted a sustainable yield of 5 mgd for the Kualapu'u aquifer system. Some may think that number is too high; others may think it is too conservative. The author utilizes 5 mgd as the sustainable yield for the Kualapu'u aquifer in doing the analysis because that is what the Water Commission works with. Another example is the issue of whether Kualapu'u, Kanihōloa, and Kawela should be separate aquifer systems or one. For regulatory purposes, these are three separate aquifers and the Water Plan Analysis is based on that regulatory fact.

The Water Commission has made certain judgments about Molokai water resources. Although there may be disagreements about the wisdom of such judgments, they are accepted as valid until the Water Commission decides otherwise.

357. What does this appendix purport to do then? If no opinions are expressed, and no reliability or resources or estimates of aquifer 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 aquifer yields can you? 357.f. no opinion is expressed in this appendix right? 357.g. you state no opinion is expressed about economic feasibility either correct? 357.h. What do you exactly mean by economic feasibility?

Response: As indicated in the "Introduction and Purpose" section, the Water Plan Analysis (Appendix P of the Draft EIS) is primarily a regulatory analysis. It analyzes whether the Water Plan proposed for the Master Plan is reasonable and realistic from a regulatory standpoint. In other words, it analyzes whether the Water Plan can be implemented given the state's regulatory framework.

The Water Plan Analysis does not include an economic feasibility analysis. In other words, there was no analysis of how much it would cost to implement the Water Plan and whether it would be feasible for a developer to incur such costs for such purposes.

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?

Response: No, the appendix is not simply a copy of prior outdated old reports. The data are complete for the purpose of doing the Water Plan Analysis. The author of the Water Plan Analysis agrees that it is desirable to update studies and acquire new scientific and technical information about water resources. The documents reviewed by the author were sufficient for purposes of conducting a regulatory analysis.

359. Are you aware there is a Molokai Land use plan?

Response: We assume you are referring to the Molokai Community Plan and we acknowledge and refer to this document in Section 5.2.2 of the Draft EIS.

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?

Response: No, the correct name is the Community-Based Master Land Use Plan for Molokai Ranch (Master Plan). These are not two separate documents.

361. Where is Palā'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?

Response: The Industrial Park is located adjacent to Monsanto's Molokai head office on the main Kaunakakai-Maunaloa Highway. The "expansion" of water use comes from a build out in future years of the existing industrial park. Previously allocated water for the industrial park currently is sourced from MPL's mountain system, and this would be the source of future water needs following any expansion.

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 Kukui, Inc. another water system? which is correct in your EIS. Is it two or three?

Response: MPL has three operating water systems; two of which are subject to Public Utilities Commission regulation, see Page 1 of the Water Plan contained as Chapter 6 in the Master Plan.

363. When you speak of the permit for 1,018,000 GPD from well 17, don't you think it is misleading not to mention in the text that this is an appeal to the Hawaii Supreme Court? Instead of footnoting it?

Response: No, we do not think it is misleading as a footnote.

364. What are the answers to my questions on the water table I prepared for my question 324?

Response: Question #324 does not refer to a water table, but on the average size of the residences and residence lots. Your question #338 suggests presenting a table dealing with water issues, but we do not believe that such a table would present the information any clearer than it has been presented in the appendix.

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?

Response: MPL's Water Plan was initially prepared by MPL staff, and following discussion and analysis at various meetings, finalized and adopted by the Land Use Committee. Your other questions concerning the voting on EC Project #47 were previously answered in #68 above.

366. On page three you state current demand is approximately 195,000 PGD. What is that demand for? Be specific.

Response: The demand is for potable water.

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 Kākāhāle 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 La'au lots is it? 367.c. or where will the other non-potable uses obtain water?

Response: All water developed by Molokai Ranch's Mountain Water System is used. Whatever is not required for treatment for potable use on a day-to-day basis is utilized for agricultural irrigation.

MPL proposes to obtain 1 mgd of brackish water from the Kākāhāle Well, which was drilled in 1969 but never put into production. As noted on page 23 of the Water Plan Analysis, a water use permit from the State Commission on Water Resource Management would be required to put the Kākāhāle Well into production. No water is currently pumped from the Kākāhāle Well.

There will be a wastewater treatment facility and treated water use is directly correlative to the effluent produced. The primary source for non-potable water will be the Kākāhāle Well.

Alternative sources include treated wastewater, re-use of water from the Palā'au Shrimp Farm, and desalination of brackish or salt water from the West End.

368. Regarding the EC#47 project, who was the secretary preparing the minutes of any meeting that may have adopted this EC project?

Response: A number of different EC staff members prepared minutes of meetings over the planning process.

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?

Response: MPL is unaware of any decisions by the EC on any matter unrelated to the preparation and completion of the Master Plan.

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 aquifer 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 aquifer on Molokai doesn't it? 370.c. The USGS two dimensional model currently being utilized by Maui county uses one aquifer simulation doesn't it?

Response: See response to #556 above as response to the first two parts of this question.

In response to the remainder of your comments regarding "one aquifer," 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)." The response to this specific comment is incorporated into the attachment. See the section of the attachment titled, "Molokai's Sole Source Aquifer' Designation."

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?

Response: The Hawai'i Stream Assessment was published in 1990 by the Commission on Water Resources Management, which is responsible for report updates. For purposes of conducting a regulatory analysis of the Water Plan, the data contained in the Hawai'i Stream Assessment was sufficient.

372. Your representations on page 6 are misleading 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?

Response: When DHHL applied for a water use permit to increase pumpage from its Kualapu'u wells in 1999, DHHL was a party in a contested case proceeding on Waiola o Moloka'i'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 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 blatant contradiction 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.

That MPL will yield to DHHL's priority reservation is not an empty promise, but a requirement of law.

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)."

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?*

Response: The Hawai'i supreme court remanded the Waiola water use permit case back to the Water Commission for further proceedings. MPL could ask that the proceedings be re-opened to give MPL the opportunity to address the issues the Supreme Court identified as requiring further evidence, namely, the impact on DHHL's reservation in the Kualapu'u aquifer and the impact on traditional and customary Native Hawaiian practices. On MPL's request, the Water Commission has not yet re-opened those proceedings.

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)." See the section of the attachment titled, "Waiola Well Issues Raised."

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?*

Response: The Master Plan was developed subsequent to the proceedings on the Waiola well permit.

375. *Isn't the water you are attempting to take and transport over 40 miles to Lā'au Point development for 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?*

Response: The existing, but unused, Kakalahale Well is approximately 1.5 miles downslope from the proposed Waiola well site. The Kakalahale Well is approximately 2.31 miles away and down- and across-gradient from the existing DHHL and DWS wells in Kualapu'u.

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.*

Response: MPL took ownership of Moloka'i Public Utilities when it purchased the Kaluako'i Resort in 2001.

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.*

Response: In the 1950s, Congress appropriated funds for the planning, design, and construction of the "first phase" of the MIS. No subsequent "phases" have been added. The State Department of Agriculture, which owns and manages the MIS, does not currently have, and has not recently sought, any appropriation for expansion of the MIS.

378. *Molokai has been designated by the water commission (CWRMA) as a special management area hasn't it?*

Response: The entire island of Moloka'i has been designated by the Water Commission as a "ground water management area."

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 CC&Rs 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 Lā'au 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 Lā'au*

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Point development were on January 31, 2007 voted out of office by two anti Lā'au Development candidates by a substantial margin? 379.j. 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 its 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 Lā'au Point Development isn't it? 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 Lā'au Point 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.

Response: To implement the Water Plan, MPL will have to obtain a water use permit for the Kākalahale Well, which is in the Kāmiloa aquifer. The sustainable yield for the Kāmiloa aquifer is 3 mgd. Current allocations total 0.211 mgd. Thus, there is water available to accommodate MPL's request to withdraw 1 mgd from the Kākalahale Well.

The water use permit for Well 17 will have to be modified to reflect different uses and locations of use than currently authorized. The amount of the allocation will not change.

The enforcement of the CC&Rs shall be pursued by the Board of Directors of the Association of Lot Owners of Lā'au Point (the "Association"), affected persons such as the Land Trust who will be a party to the CC&Rs, and in certain situations MPL, as the declarant under the CC&Rs.

The purpose of this EIS is to enable MPL to process land use changes necessary to implement the Master Plan's Lā'au Point project.

Special Legislation will not be required to establish the subsistence fishing zone. This was discussed in #55 above.

The election held on January 31, 2007 was for two board members the Moloka'i Enterprise Community (EC) Governance Board. This was discussed in #172 above.

It is highly unlikely that pumping 1 mgd from the Kākalahale Well will have any measurable impact on the existing DHHL and DWS wells in Kualapu'u for several reasons. 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 Kahuako'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

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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.

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.

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)." See the section of the attachment titled, "Additional Information on the Kākalahale Well."

380. In reference to page 13, what are the guidelines for domestic use for amount of water GPD established by the county?

Response: The Maui County standard for domestic use for single-family residences is 600 gpd.

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?

Response: You correctly state a holding made by the Hawai'i Supreme Court in the Waioala case.

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? 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 Lā'au Point Development? 382.f. Isn't it like drawing from your bank account before you know how much you have?

Response: As addressed in #356 above, your interpretation of the "disclaimer" is not correct. The author of the Water Plan Analysis is aware that there may be disagreements amongst hydrologists and others about water resource data, interpretations of such data, and the reliability of sustainable yield estimates for Moloka'i aquifers. The author is not voicing any opinions about these disagreements.

As indicated in the "Introduction and Purpose" section, the Water Plan Analysis is a regulatory analysis. For regulatory purposes, the author accepts decisions adopted by regulatory agencies. MPL has no dispute with the sustainable yields adopted by the State Commission on Water Resource Management.

MPL has not contracted for a hydrologic model specifically for purposes of implementing the Water Plan. Public data about Moloka'i's water resources, including, but not limited to, modeling studies conducted in the past, and current modeling being conducted by others, provide sufficient information at this stage.

As indicated in the Introduction and Purpose section, the Water Plan Analysis is primarily a regulatory analysis. It analyzes whether the Water Plan proposed for the Master Plan is reasonable and realistic from a regulatory standpoint. In other words, it analyzes whether the Water Plan can be implemented given the state's regulatory framework.

The Water Commission has adopted sustainable yields for each aquifer system in the state. For regulatory purposes, they are accepted as valid until amended by the Water Commission.

383. Aren't you forcing the state Land use commission into a difficult decision? Asking them for a zoning change to develop Lā'au Point before you even know if the project is feasible? Isn't that a waste of everyone's time?

Response: Planning for the Master Plan and the Lā'au Point project has spanned four years now (since 2003). The planning process has allowed input from citizens, community groups, regulatory agencies and other policymakers. It is this input which permits planners to modify projects so that they are indeed feasible. Data on a feasible project is then presented fully in an EIS, which allows regulatory agencies, such as the LUC, to make informed decisions, even difficult ones.

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 cases?
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?

Response: The area being requested for a change in zone is outside of the Special Management Area (see Figure 16 of the Draft EIS).

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.

Response: Yes, you are correct.

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?

Response: You are referring to a statement from the Moloka'i Water Working Group's 1996 Report. Some clarification is warranted. In considering available water supplies on Moloka'i, 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 to ground water sources for these uses. 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 Moloka'i 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)." See the section of the attachment titled, "Water Working Group Task Force 2007."

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 come?*

Response: 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 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.

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?*

Response: It is common law and Contract Law that any party to a legally binding agreement may litigate for specific performance if provisions of that agreement are not followed.

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?*

Response: Lā'au Point aims to attract people demonstrate the value of mālama aina (caring for, protecting, and preserving the land and sea). This is discussed in Section 2.3 of the Draft EIS. In addition, homeowners will have to agree to the strict covenants attached, which include water conservation measures, when they purchase a lot at Lā'au Point.

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 is their percentage of decrease after your rate change?*

Response: A close reading of the document will show that all other users cut back their consumption 45% following the rate increase.

391. *Who wrote Appendix Q? Give name and employment history, all educational background, prior experience with wastewater treatment, years of experience, where?*

Response: Myron Nomura, principal environmental and sanitary engineer of Engineering Concepts, Inc., authored Appendix Q. Mr. Nomura is Principal Environmental and Sanitary Engineer for Engineering Concepts, Inc., a local civil engineering firm in Honolulu. He is in charge of the planning and design of sanitary/environmental engineering projects, including wastewater and sewerage systems; water source development, treatment, storage, and distribution systems; environmental permitting; and hazardous waste management. He previously administered the U.S. Navy's environmental programs for potable water, wastewater,

industrial and solid wastes, and oily wastes. As Utilities Manager, he was responsible for the daily operation, maintenance, and planning for the Pearl Harbor water and wastewater utility systems serving over 50,000 persons. His 34 years work experience envelops utility planning, design, permitting, construction, and operation. He is a certified wastewater and water treatment plant operator in the State of Hawaii.

392. *What water treatment permits are required?*

Response: The wastewater treatment plant design, construction, and operation are subject to the following:

Technical Reviews, Approvals, and Permits by the Hawaii State Department of Health (SDOH):

- 1) Basis of Design Report
- 2) Engineering Report
- 3) Construction Plans
- 4) Approval to Construct Letter
- 5) Plant Operation and Maintenance (O&M) Manual
- 6) Approval to Operate Letter
- 7) O&M compliance inspections
- 8) Wastewater Management General Permit

393. *What is the construction timeline for building the recycled water treatment?*

Response: The treatment facility can be constructed in a 15 to 18 month timeframe. Section 4.9.3 of the Final EIS will be revised to include this information, as shown below:

Construction Phasing – The treatment plant will be constructed with an initial capacity of 60,000 gallons per day (gpd), and consist of dual parallel process trains of 30,000 gpd to afford operating redundancy. At some future time when the wastewater flow is forecast to increase as build-out of the project nears, another increment of up to two 30,000 gpd capacity modules will be added to the existing plant. Concomitant with this expansion will be provisions for additional drying beds and ancillary equipment. The treatment facility can be constructed in a 15 to 18 month timeframe.

394. *What irrigation water will be used for selected areas where? 394.a. erosion control where and how and when? certainly not during the construction periods?*

Response: The Water Plan (included in Appendix P of the Draft EIS) is specific in the water to be used for erosion control during construction, which is 50,000 to 150,000 gallons per day.

395. *Where would this be built?*

Response: The wastewater treatment plant, located in the center of the Lā'au Point community, is labeled as "WWTP" on Figure 1 in the Draft EIS.

396. *What sort of fence would be built to restrict public access?*

Response: A chain link fence of a height to keep out animals and human beings.

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?

Response: As stated in Section 4.9.3 of the Draft EIS, the plant design will conform to the design standards and parameters of Hawai'i Administrative Rules Title 11, Chapter 62, Wastewater Systems, for process reliability and redundancy.

Section 4.9.3 of the Final EIS will also be revised to include:

Pollution prevention (P2) plans will be incorporated in plant facilities design and standard operation and maintenance procedures aimed to minimize pollutant releases in stormwater runoff from plant activities.

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?

Response: MPL is specific in its Water Plan concerning this water. MPL will apply for the necessary permits for use of the Kākahale Well.

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 applies 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 Kaluako'i 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?

Response: We are unable to ascertain where your information is derived from and cannot find a link to the figures you have produced with figures supplied in the Water Plan usage table.

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?

Response: MPL was aware of the Safe Drinking Order when it purchased Kaluako'i and this event was factored into the purchase price. MPL does not have a dedicated line from Well 17 to transmit water from its property.

401. What upgrades were accomplished? by whom? and at what cost? and when (dates)?

Response: MPL installed filtration equipment at its treatment station at Pu'unana in 2005 in order to comply with a Health Department order. Financial details are confidential.

402. How specifically did the ranch 'inherit' drinking water systems from Maunaloa and Kualapuu? 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?

Response: MPL inherited the water systems on its purchase of the property.

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?

Response: MPL is unaware of the water laws applicable in the 1990s. These issues are not relevant for the purposes of this EIS.

404. How much do you pay for the 20,000 GPD purchased from DHHL for water to Kipu/Kalae? Total amount/20,000GPD?

Response: This is a commercial agreement between MPL and DHHL. This is not relevant for the purposes of this EIS.

405. How much do you pay for the 76,000 GPD for the bulk water purchase from well 17 for Kualapuu system?

Response: This is a commercial agreement between MPL and DHHL, and not relevant for the purposes of this EIS.

406. What does MRL stand for? Molokai Ranch Land? Is that another company or subsidiary under the Ranch?

Response: There is no reference to an "MRL." It may have been a typographical error and should have read "MPL."

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 n December 2001. List and how much was paid for them?

Response: MPL purchased the assets of Kaluako'i as well as the Moloka'i Public Utilities company. Other information as to purchase price is commercially sensitive.

408. What were the damages incurred when MPL changed the Detroit diesel engine with a caterpillar four-stroke diesel? How much water and for how long was shut down? From whom? 408.a Did you give any warning to those who lost water during your down time? If so how?

Response: This event is not relevant to this project or EIS.

409. Have you or your analysts done wear and tear studies on reservoirs and their system facilities on 100 million additional gallons of storage a day a year? if so give results, if not, why not when you are asking MIS to carry the weight and wear and tear on the system by 100 additional million gallons in their total system?

Response: We have stated in our Water Plan and the EIS that we will not use the MIS to transmit the Kākalahale Well water.

410. You state you will abandon the Waiola well application. Is this the well application you won from the CWRM but was overturned on appeal by the state Supreme Court? 410.a. you have no rights to that well application as of February 23, 2007? Do you? 410.b. If not, what Waiola well application are you speaking about? A new one? 410. c. what covenants are you speaking about? From ever seeking further water permits? Please fully explain. 410.d. what is the leading state legal precedence supporting that this can be done in Hawaii? 410.e. How do they or will they hold up in court? 410.f. will they run with each and every parcel of land currently owned by MPL it's successors and assignees, subsidiaries affiliates etc. as of February 6, 2007?

Response: MPL is referring to the Waiola application and the referral back to the Water Commission by the Supreme Court, not to an "over-turning by appeal" you refer to.

411. You say on page 118 and 119 you don't need any more drinking water than is currently allocated. This allocated water is listed on page 119 as 1,018,000 GPD from well 17 and 500,000 GPD from the Mountain system for a total of 1,518,000 GPD. Is this 1,018,000 GPD from well 17 the same 1,018,000 GPD from well 17 listed on page 115 section 6.2:411.a. Earlier on page 115 you stated that the Kaluako'i development's water source was well 17 in Kualapu'u under MPUI. Is the Kaluako'i now the holder of the permit on this well? 411.a.i. If so, isn't it the permit that is held up in the supreme court on appeal from the CWRM earlier decision again? 411.b. This is confusing and no one wants to count the same water two times. Perhaps you could explain it better by preparing a table with the heading of: GPD; where from, permit number, allocation amount in GPD etc.; where currently used; status of permit etc. (example: actually in hand, not being used; stored in 'x' reservoir etc.); and where to be used in the future. 411.c. This was stated as a 'then existing use' and the current use of the MPU system with the Kaluako'i Hotel closed is approximately 800,000 GPD. I previously questioned where this 800,000 GPD goes currently. You need to subtract this 800,000 GPD from the 1,018,000 use from well 17 showing you currently have unused drinking water in the amount of 718,000 GPD (218,000 + 500,000) instead of the 1,518,000 (1,018,000 + 500,000) as stated at the top of page 119 don't you?

Response: Yes, the 1,018,000 GPD from Well 17 on 119 is the same as that listed on page 115, Section 6.2.

As stated on page 115, MPL inherited the system from the previous owners of Kaluako'i. The water use permit for 1.018 mgd from Well 17 is on appeal to the Supreme Court. However, a

permit issued by the CWRM is valid, even though appealed, unless and until it is vacated or revoked by the Court or CWRM.

As stated in #348 and #353 above, we do not believe the water resources and uses could have been explained more clearly in a table form.

Page 119 does not state that the 1,018,000 GPD and 500,000 GPD is "unused drinking water."

In reference to other sections of your question, we are unable to link the numbers that you state with any water uses actual or proposed in the "Water Plan."

412. You seek to obtain 1,000,000 GPD of non-potable water from the abandoned Kākalahale brackish water well. Do you respect the Federal government and groundwater models which speak of a single groundwater aquifer under Molokai? 412.a. Do you disagree with these agencies? Which say in essence when one part of the aquifer is pumped, it affects all areas and all wells on the Island in some way? 412.b. Did your representatives not hear the presentation by the Maui County Water staff in the DHHL Conference room in the summer of 2006 on Molokai showing on a power point presentation when one well is pumped on Island, the effects throughout the Island shows on the water table and each well? 412.c. Did you not hear two wells have dramatically increased in their salinity levels on Molokai and this is a critical stage for water on Molokai? 412.d. Have you investigated the effects of rising ocean levels from global warming on Molokai wells?

Response: We responded to your comment regarding the "Sole Source Aquifer program" in #370 above. Proposed projects with Federal financial assistance that have the potential to contaminate sole source aquifers are subject to EPA review by a ground water specialist. Examples of projects that might be subject to review include highways, wastewater treatment facilities, construction projects that involve storm water disposal, public water supply wells and transmission line, agricultural projects that involve the management of animal waste, and projects funded through Community Block Grants. Project reviews can result in:

- EPA requirements for design improvements, ground water monitoring programs, maintenance and educational activities that would not otherwise occur; or
- District technical assistance, by identifying specific activities that may lead to ground water contamination. In addition, technical assistance usually involves site-specific coordination of ground water protection activities among State and local environmental and public health protection agencies.

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)."

413. What do you mean "by gradually moving current non-potable uses such as the golf course, irrigation of the hotel, condos and large lots to non-potable water"? Why are you moving non-potable uses to non-potable water? Is this a misprint? 413.a Then the very next sentence in the same paragraph of non-potable water, you switch (with figure 1,500,000 GPD which should be 718,000 GPD to potable water discussed above in 411.a-c. Please explain more clearly what you are talking about?

Response: As provided in the Water Plan (Chapter 6 of the Master Plan and Appendix P of the Draft EIS), at Kāluako'i, where all irrigation uses such as homeowners irrigation, golf course irrigation, and irrigation for the hotel, which are currently using potable water, will in the future, with permitting of Kākalahale, use non-potable water. This will take place over time. The Kāluako'i system is a dual system, allowing potable water to be separated from non-potable.

414. Then you state "Non-Potable needs can be supplied by a combination of use of MPL's existing mountain system (which you have already used half a page above under the potable water section as one of the two means of acquiring potable water...how many times are you going to count the same water towards your water needs?) and the unused Kākalahale well", what specific amount of the unused well are you speaking about? 414.a. How much and what is the status of the Kākalahale well permit? 414.b. Isn't it part of the total aquifer system? In pumping it won't all the other wells on Island be affected? How many will be affected out of how many?

Response: MPL has not double-counted its current water sources, nor the proposed Kākalahale water source in the preparation of the future uses as outlined in the chart in the Water Plan.

The reference you make is to the current water use which is stated as 1,237,925 gals per day, compared to current source available per day of a total of 1,500,000 gals per day. MPL has not yet applied for Kākalahale Well permit.

Moloka'i is not one aquifer, but many aquifer systems. We addressed this in #370 above.

It is highly unlikely that pumping 1 mgd from the Kākalahale Well will have any measurable impact on the existing DHHL and DWS wells in Kualapu'u for several reasons. 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 Kāluako'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.

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)."

415. What remaining gallons are left on the Kākalahale well? Don't you mean 1,000,000 GPD and not MGD? This well ceased being used. Why and by whom? and what date?

Response: This question is not clear. MPL is seeking 1,000,000 GPD or 1 MGD; these are the same amount.

The Kākalahale Well was never developed for commercial production. It was sunk by MPL's predecessors at Kāluako'i as a fresh water source, but was abandoned when the water was found to be too brackish as a potable source.

416. Doesn't your statement "drawing water from the Kākalahale well will have no impact on the yield of the Kualapu'u aquifer", fly in the face of statements made by Federal and State and county agencies and governments about Molokai having a sole source aquifer, the critical stage of this aquifer at this present time, about the county of Maui needing to drill more wells because two are currently turning salty? Yes or no? and why or why not?

Response: We responded to your comment regarding the "Sole Source Aquifer program" in #370 above.

417. You state previously 3 large land owners Molokai Ranch, Alpha USA and Kukui (Molokai), Inc. all were developing plans in need of massive amounts of water. You purchased Kukui (Molokai), Inc. didn't you? 417.a. As the owner of Kukui Inc. and making only two large land owners on Island now, what are your intentions of developing the lands of this new company? 417.b. what permits (water and other), tracts of land, buildings, etc. did you acquire in this purchase? 417.c. what are your plans for development with or for this company? 417.d. What entity actually owns Kukui Inc.? 417.e. What is the purpose clause in the Articles? Has it been amended since you purchased it? 417.f. who are the Board members, shareholders?

Response: MPL's future plans are documented in the Community-Based Master Land Use Plan for Molokai Ranch, which was provided as Appendix A in the Draft EIS.

418. What are your assurances that only 40% of the owners of your proposed Lā'au Point development will live year round on Molokai? 418.a. what studies do you have to support that figure other than the neighboring subdivision? 418.b. Why is the figure given elsewhere in the EIS 30%? 418.c. Have any studies been done to see the effects of terrorism on the world and where people choose to live? 418.d. What relevance is it that only 40% of the owners will live there full time? If the LLUC approves your zoning request, the land will be subdivided, building will be done, reefs will be damaged, endangered species and fauna habitat will be irreparably altered (if not permanently eradicated), sacred Hawaiian places will be desecrated, won't they? 418.e. what relevance is it that the dwellings lag lot sales? The end result is the same isn't it?

Response: See Appendix 1 of the Draft EIS regarding your comments about how the resident statistics were determined. The EIS does not use a 40% statistic as you state above; it uses 30% (see Section 4.8.1, page 68 of the Draft EIS).

A study to "see the effects of terrorism on the world and where people choose to live" is not a relevant discussion for this EIS.

The relevance of the EIS stating the estimated percentage of full-time owners and estimated lot sales/dwelling construction timetable is because the EIS is a disclosure document. That information is related to the Lā'āu Point project.

Dwellings lag lot sales because design, permitting and construction of dwellings take quite a bit longer than the purchase of raw land lots.

419. *A glaring omission in your water plan is water for fire protection. What are the provisions for that? 419.a. Did you have any studies done on that aspect? 419.b. Will you be placing fire hydrants in the subdivision? and sewers? Elsewhere in the EIS, it states a tank will be maintained for fire water. Which is correct statement? 419.b.i. Where and who will construct and maintain the water tank? 419.b.ii. Will the exclusivity of the development be lost with a big water tank containing water for fires sit on the development? 419.c. Where will this water come from? 419.d. What meetings did you have with Malokai Fire Department? When, Where, with whom? What was discussed? 419.e. What were the Fire Department's recommendations? Why aren't they included in this EIS?*

Response: As stated section 4.10.3 (Fire Protection) of the Draft EIS: "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." MPL will construct this storage tank.

The Fire Department provided comments on the Draft EIS, which will appear in the Final EIS. The following information will be added to Section 4.10.3 in the Final EIS:

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'āu 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'āu 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'āu Point.

Fire and rescue emergency services will be able to access Lā'āu Point and the shoreline from the new paved access road from Kaluako'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 Kaluako'i to access Lā'āu Point.

420. *Where will the water come from for the construction time? 150,000 GPD and the "erosion measures" 100,000 GPD?*

Response: This information is contained in the Water Plan. Water will come from existing systems.

421. *Where are the estimates for water consumption on the proposed parks?*

Response: The Water Plan is specific in its allocation of 1,000 gallons per day for drinking water for the parks and 40,000 gallons per day for irrigation.

422. *The tables are very helpful, however, another few columns would help even more. Why do you not place a column for where the water comes from so that we can see that the water allocations add up to all the water consumptions needed? A table presents the material more clearly don't you think?*

Response: We acknowledge your comment, but adding more columns to the table is not necessary.

423. *Under current water use you list various descriptions. What do you mean by current? certainly the Kaluako'i Hotel is closed according to page 115 of your report.*

Response: The closed hotel still requires water; the grounds are still watered and water is used to replenish the swimming pool that is jointly owned by the condo owners and MPL.

424. *Because I believe tables clarify confusion, I have taken the liberty to compare your two tables of current water use one listed on page 115 and the other on page 121. (Table not reproduced here) 424. You have stated that "you will not exceed the existing permits plus the 1,000,000 GPD of brackish water from the Kākalahale well." what are the total amount of existing permits and allocations of water that you hold in GPD units as of February 6, 2007?*

Response: MPL's current permits are outlined in the Water Plan contained with the Master Plan; 1.018 million gallons per day from Well 17 and the Mountain system where we obtain an average of 500,000 gallons per day.

425. *since this Island is a monitored water supply, (a special Water Management Area-- one of two or three in the state) everyone knows how important every gallon is; therefore, what exactly are the shifting of non-potable sources over time freeing up water for new uses. Please fully describe and illustrate quantitatively. 425.a. Has any modeling been done or any quantitative figures been worked up to demonstrate the accuracy of your statements? If not why not? 425.b. Given the future planning for DHHL lands and other building sites already approved and scarcity of water on this Island, wouldn't accuracy of figures about water be essential in planning any development? 425.c. what assurances are you willing to make about your water plan? Are you willing to indemnify all present and future water users for damages they may sustain on Island due to inadequate water supplies should Lā'āu Point development be approved without sufficient knowledge of the Molokai aquifer and water resources?*

Response: 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 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'āu Point development.

By conducting a pump test before a permanent pump is installed, most of the risk of unacceptable impacts can be avoided.

In the long-term, if pumping has a more adverse impact than anticipated on the aquifer or on other wells, adjustments to pumping, including, if necessary, shutting down the well, may be required.

As provided for under Hawai'i law, and as MPL has consistently reiterated, DHHL's priority rights to water will be recognized.

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)."

426. You noted a drop of 45% on Ranchlands, but you did not state and percentages in dropped...consumption. What are all the other drops in consumption by water users you supply since September 2003?

Response: See our response to #390 above.

427. you state you will only need upon total buildout of La'au Point 2,500,000 GPD. That may or may not be accurate, until you can explain the differences and omissions on the quantities you will need as shown in my table in question 324. A. The water sources may be in question also. The 1,000,000 GPD from well 17 may or may not be available to you as it is on appeal with the Supreme Court; you do have the 500,000 GPD from your Mountain system; however, the 1,000,000 GPD brackish water from the Kākalahale Well may or may not be available for you either due to the scarce water situation on Island. B. All this is complicated by the fact there is incomplete data about water supply and the Island is considered to have one water source (computer modeling of ground water on Island assumes one aquifer) so that pumping at one area will affect all other areas. C. As if we don't have enough difficult issues with our ground water, global warming will enter our ground water system equations and accelerate our difficulty with high salinity levels in our wells. 427.a Given all of the above, and the current critical stage of the Island right now determined by the County of Maui, don't you think you owe all decision makers to be honest and clear on all your water uses and sources?

Response: We disagree with your conclusions. We have been transparent in our water plans and will continue to be.

428. You state you will never ask for more water even for agriculture because you will use brackish water from Prawn Farm at Pala au. All the previous problems brought up in previous questions apply here for drilling additional water from our same aquifer. That leaves your second alternative Desalination. 428.a. What is your desalination proposal? Do you have plans drawn up, a builder-contractor? began the permitting system, where will it be located? 428.b. Don't you think you should wait until the technology improves and costs decline on a desalination plant before you bring your Ranch Plan at this point? 428.c. Exactly how much money will a desalination plant cost to produce 4,000,000GPD? 428.c without adequate water sources to develop, isn't that rather like putting the cart before the horse?

Response: MPL has no current plans to desalinate water. Desalination is listed as an alternative. Obtaining brackish water from the Kākalahale well for non-potable uses is still our preferred option.

429. What is your authority to say there is an estimated 33.5 million gallon sustainable yield of the island's aquifer? 429.a. In your Appendix P Water Plan Analysis, is not there a disclaimer of sustainable yield estimates as it relates to water resource reliability? (page 1). 429.b. So why do you even state a sustainable yield that you have disclaimed the accuracy of on your very first page?

Response: The 33.5 mgd amount is not in reference to any sustainable yield, but to a "developable yield" of "sweet" (potable) water that the Molokai Water Working Group adopted in 1996 for planning purposes. The Molokai Water Working Group, in its April 1996 Report, made the following finding:

"C. While DLNR/DoWaLD Bulletin B16 (1966) estimated that the island's sustainable yield was 83 mgd, the 1993 Working Group agreed to work with a developable yield of 39 mgd for planning purposes (see Exhibit 1). In 1996, the Water Working Group has agreed to use an estimate of 41.5 mgd for planning purposes, which differs from the earlier figure as follows:

1. It includes 4.5 mgd already developed in the Waikolu System of the Northeast Sector;
2. It reduces the original estimate of 7 mgd in the Kualapu'u Aquifer System to 5 mgd. It should be noted that, of the 41.5 mgd, at least 8 mgd is brackish, leaving only 33.5 mgd developable sweet water."

Again, your interpretation of the "disclaimer" is incorrect. The author of the Water Plan Analysis is aware that there may be disagreements amongst hydrologists and others about water resource data, interpretations of such data, and the reliability of sustainable yield estimates for Molokai aquifers. The author is not voicing any opinions about these disagreements.

As indicated in the "Introduction and Purpose" section, the Water Plan Analysis is a regulatory analysis. For regulatory purposes, the author accepts decisions adopted by regulatory agencies. For example, the Water Commission has adopted a sustainable yield of 5 mgd for the Kualapu'u aquifer system. Some may think that number is too high; others may think it is too conservative. The author utilizes 5 mgd as the sustainable yield for the Kualapu'u aquifer in doing the analysis because that is what the Water Commission works with. Another example is the issue of whether Kualapu'u, Kamiloa, and Kawela should be separate aquifer systems or one. For regulatory purposes, these are three separate aquifers and the Water Plan Analysis is based on that regulatory fact.

430. How can DHHL use every reasonable effort to develop its 2,905,000 GPD allocation when DHHL applied for a permit to use 500,000 GPD to lease 85 lots for Hawaiian homesteads, and the Ranch filed an objection to set it into a contested case and DHHL withdrew it's application? 430.a Should DHHL reapply, will the Ranch again object and force a contested case?

Response: When DHHL applied for a water use permit to increase pumpage from its Kualapu'u wells in 1996, DHHL was a party in a contested case proceeding on Waiala o Molokai's application for a new well and water use permit in the Kamiloa aquifer. In the Waiala

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 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 pumpage 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 pumpage, but was not willing to consider a new well site.

MPL has often reiterated its recognition of DHHL's priority rights to water, which is a priority established by law. MPL accepts and supports DHHL's 2.905 million gallon reservation in the Kualapu'u aquifer.

Currently, MPL is working cooperatively with DHHL and Maui County DWS 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.

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)."

431. Please explain what scenario will occur? We have a potential of 600 Homesteader lots available to lease, but it cannot because there is no water available for them.

Response: Predicting scenarios that may or may not occur is beyond the scope of the EIS. We have previously addressed your comment about the lack of water available to homestead lots in #168 above.

432. Don't you think the USGS work should be done first to determine water availability? 432.a. Then your economic feasibility of the project can be determined in your report couldn't it? 432.b. The you would know if you need a desalination plant for sure wouldn't you? 432.c. wouldn't that be the logical order to proceed?

433. Do you believe any decision maker will want to make a decision on water without a clear understanding of the availability and amount of source? A clear understanding of the quantitative amount needed for a development?

Response: State Water Commission is the regulatory body charged with issuing water permits. As addressed in #191 above, USGS recently undertook a two-dimensional modeling exercise of the Kualapu'u and adjacent aquifers for the Army Corps of Engineers. This study included modeling of the impact of the Kakalahale Well on the DHHL wells. The results, which were outlined in a briefing to all interested parties in late June, indicate that the pumping of 1.0 mgd from the Kakalahale Well would have a negligible effect on the DHHL wells and the Kualapu'u aquifer as a whole.

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)."

434. Who wrote this Appendix? Give full name and address. What is that person's profession? 434.a. what are the qualifications of the author who is not a hydrologist, geologist or engineer? List degrees, publications, employment history, what date was this Analysis written? who was/is this author's employer at the time of writing this paper? 434.b. what are all the reading and documents (with dates) used to write this paper? Please list.

Response: See our response to #350 above.

435. The Mountain System has a storage capacity of 39,000,000 gallons to compensate for seasonal flow, what was the amount of water stored in that storage facility in July 2006 and in November 2006 at the two times of your report?

Response: Your question regarding the "amount of water stored in that storage facility in July 2006 and in November 2006" does not relate to the project elements, environmental impacts, or their mitigation measures; therefore, its inclusion is not required in the EIS. MPL has adequate storage in the reservoir.

436. The water use allocation of 1,018,000 GPD from well 17 for Kalaako'i water system is approximately 800,000 GPD with the Hael totally closed, what is the 800,000 GPD currently used for? (for what purposes) Please be explicit in GPD?

Response: See our response to #423 above.

437. The storage capacity at PuaNana reservoir is 7,000,000. What was the stored amount of water in this reservoir in July 2006 and November 2006 at the two times of your report?

Response: As stated in #435 above, your question regarding the "stored amount of water in this reservoir in July 2006 and November 2006" does not relate to the project elements, environmental impacts, or their mitigation measures; therefore, its inclusion is not required in the EIS. MPL has adequate storage in the reservoir.

438. How much water is being used for irrigation in Maunaloa in GPD?

Response: MPL does not have accurate figures for this since domestic users do not indicate to us how much water they use specifically for irrigation. However, during a recent breakdown of

Well 17, when MPL asked users to cutback on irrigation, we were able to save about 100,000 to 150,000 gallons per day.

439. *Where exactly will the project sewer system be located?*

Response: The location of the wastewater treatment plant is indicated on Figure 1 in the Draft EIS.

440. *The draft EIS claims that the planning process for the Lā'au Point development was a successful effort to unite the community behind the Plan. There is much opposition on the island to the Plan and to the Lā'au Point development. a. What is the evidence that the development was "a successful effort to unite the community?"*

Response: It is not unusual on Moloka'i to have opposition to almost every new initiative on the island. The EC process was open to everyone to participate and, other than the establishment of the EC, is unlike any other process ever conducted on the island.

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.

441. *Populations of the water plant Marsilea villosa are present in the proposed Lā'au Point development. Marsilea villosa is an Endangered Species and the US Fish and Wildlife Service cites development as the primary threat to its survival. a. What steps will be taken to prevent siltation and other degradation of Marsilea villosa habitat at Lā'au Point during the years of construction that will occur? b. How do plans for construction at Lā'au Point compare to other developments in its efforts to prevent extinction of the Marsilea villosa populations and other populations of Threatened and Endangered species at the Lā'au Point site? c. The draft EIS does not provide a specific plan for protection of Threatened and Endangered species at the Lā'au Point development site. What are the actual plans to protect the species? d. How will the species be monitored? e. Who will do the monitoring? f. If the species start to decline, what steps will be taken to remedy the situation? g. What methods are used to measure reproductive fitness of the endangered plant Marsilea villosa?*

Response: We responded to comments about Marsilea villosa in #91 and #344 above. We note that Marsilea villosa is the only federally listed endangered or threatened plant known from the Lā'au Point area. This population is currently monitored annually by Bill Garnett as part of his project permit for collecting, propagating, and outplanting endangered plants on Moloka'i.

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 environment. During construction, the contractor will be required to comply with State and County approved Best Management Practices.

Management action would depend on the cause of the Marsilea decline. There are collections from this population growing in three ex situ plant collections dedicated to endangered plant conservation – Waimea Arboretum, Maui Nui Botanical Gardens and the Kalaupapa Rare Plant Nursery. These plantings are "insurance" in case the Lā'au population needs to be restored. Annual surveys include notations of sexual and vegetative reproduction or regeneration.

442. *The Hawaiian Monk Seal is an endangered marine mammal and known to use Lā'au Point. a. How will disturbance of these animals be prevented during construction at the site? b. In what way are steps taken to prevent disturbance of the endangered Hawaiian Monk Seal consistent with the Marine Mammal Protection Act? c. Who will monitor fitness and survival of the monk seals that frequent the Lā'au Point area? d. How will monk seal survival be monitored? e. What is the plan if the monk seals stop visiting the island?*

Response: See our response to #97 above.

443. *The Green Sea Turtle is an Endangered Species and occurs commonly near the Lā'au Point site. a. How will erosion during construction negatively impact Green Sea turtles in the area? b. Who will monitor fitness and survival of the green sea turtles that frequent the Lā'au Point area? c. How will green sea turtle fitness and survival be monitored? d. What is the plan if the green sea turtle population begins to decline?*

Response: Green turtles may be found throughout the Hawaiian Islands but their main nesting beaches are in the Northwestern Hawaiian Islands (NWHI). The Hawai'i stock of green turtles has been increasing for some time, and some people, including the Western Pacific Regional Fishery Management Council, believe that the recovery of this species has progressed to the point that delisting should be considered. Given that most of the nesting of this species occurs in the NWHI, increased activity at Lā'au Point will have a negligible effect on the population course of this species.

444. *The barrier reef of Molokai is the largest barrier reef in the United States and one of the few in the world that continues to be healthy. Reef systems such as the barrier reef of Molokai are essential to fish populations in the surrounding area. Coastal development is well established as the primary cause of the reef degradation that is occurring around the world. a. How will erosion, siltation, and other pollution from the Lā'au Point development that would damage the nearby reef be prevented during the construction phase of the project? b. How will the reef be monitored after construction? What is the baseline data that will be used to assess health of the reef before and during construction?*

Response: The baseline marine biological survey indicates that the area is not particularly unique or sensitive. It is accustomed to episodic inundations of sediment-laden "red water" (see Section 3.8 and Appendix D of the Draft EIS). The proposed project and its mitigation measures will reduce the episodic sediment inundations to the reef. The essential conclusion to be reached is that any improvement of the drainage pattern to reduce runoff and sediment delivered to the ocean will improve long-term water quality.

Potential short-term impacts of construction on marine waters will be mitigated by implementation of State and County approved Best Management Practices to control drainage

and mitigate erosion from grading for the duration of the construction period. Subsequent water monitoring activities will be conducted by the Land Trust, the organization that will have management responsibility and enforcement authority of the La'au Point shoreline and fishing zone.

445. *Of all aspects of the development plan, re-opening the existing hotel on west end of Molokai would have least environmental impact and provide the maximum number of jobs for the Molokai community. The draft EIS claims repeatedly that the La'au Point development must be completed before the hotel is re-opened. a. What makes development of La'au Point so essential to re-opening of the hotel?*

Response: As stated in Section 2.1.7 of the Draft EIS, funding for the Kaluako'i Hotel and Golf Course renovations will come from sales of the La'au Point rural-residential lots.

446. *The draft EIS states that existing regulations regarding runoff and non-point source pollution will be followed at La'au Point. a. What evidence is there that these existing regulations will be adequate to protect the Threatened and Endangered plant species at the site and the adjacent marine environment?*

Response: See our response to #444 above.

447. *Use of water is based on outdated studies. a. What evidence is there that the La'au Point development will not consume ground water needed for future activities on Hawaiian Homelands? b. How will the La'au Point development cease its water usage if it is determined that water rights of the Hawaiian homelands are being infringed in the future?*

Response: As responded in #168 above, 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.

In addition, we note that the Water Commission is the State-mandated authority that issues water permits and is bound by the laws governing water reserves for native Hawaiians and DHHL homesteaders.

448. *All discussion of water in the La'au Point draft EIS are based on a 1996 update of a 1993 water study on Molokai. It is now 2007. Water use on the island has increased since that time. Moreover, climate change is predicted to raise sea levels, salinizing coastal groundwater, and possibly perturbing rainfall patterns. a. How can the La'au Point development be legitimately based on an outdated study of water on the island? b. Why has a new water study not been completed before plans for the La'au Point development were made? c. Who will monitor water use and conditions for use?*

Response: As responded in #168 above, 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. A Moloka'i Water Working Group has also recently been activated.

449. *Solid waste will be generated by the development. a. How much solid waste will be generated annually by the La'au Point development at full build-out? b. How much will it accelerate the filling of the Molokai landfill? c. What is the plan for handling solid waste from the development?*

Response: Section 4.9.4 of the Draft EIS addressed these solid waste comments.

450. *Electric Power use will increase. a. What will the electric power consumption of the La'au Point development be at full build-out? b. How will it impact the power generation and distribution infrastructure on Molokai? c. How much new power generation facilities or electrical substations be necessary to support the La'au point development?*

Response: To address your comment, Section 4.9.5 of the Final EIS will be revised to include the following:

All full build-out, if all 200 lots contain a residence, estimated electrical demand would range from 110,400 to 183,000 kilowatt-hours (kWh) monthly, depending on the residence's air conditioning usage (see Table 8 below). This estimate is based on the use of solar water heaters, as required by the CC&RS.

Table 8. Electrical Demand

	200 Residences	Electric demand per year (kWh)
No a/c	110,400	1,324,200
With room a/c	139,800	1,676,400
With central a/c	183,000	2,194,200

Electrical, telephone, and cable distribution systems will be extended underground from Kaluako'i. Underground utilities will be as close to the road center as possible to avoid multiple impact corridors. At its eastern terminus, this underground distribution system will be connected to the existing overhead system servicing Hale O Lono Harbor to provide an alternative means of serving the project.

In their June 29, 2006 comment letter on the EISPN, Maui Electric Company (MECO) stated that the project's anticipated electrical load demand will have a substantial impact to MECO's system and an electrical line extension and other substantial upgrades may be necessary to accommodate the project. As project design progresses, as recommended by MECO, MPI's electrical consultant will submit electrical drawings and a time schedule to MECO so that electrical service can be provided on a timely basis.

Moloka'i has 12.0 Megawatts (MW) of firm generating capacity. Peak load for 2005 was 6.4 MW. The existing system has capacity to accommodate this project.

451. *The draft EIS claims that tax revenues from the La'au Point development will offset its burden on public infrastructure on Molokai. a. What tax revenues are predicted from the development? b. What fraction of existing tax revenues will they represent?*

Response: Section 4.8.4 and Appendix J of the Draft EIS previously addressed these tax comments. From inception through buildout, the La'au Point project should generate approximately \$40.6 million in tax revenues to Maui County. Public expenditures are estimated at \$10.6 million, leaving approximately \$30 million to be spent elsewhere in the community.

452. *In its proposed mitigation for negative impacts on local fishing, the draft EIS proposes a subsistence fishing (no commercial take) zone in the La'au Point area. This subsistence fishing zone must be cast into law by the Hawaii state legislature. a. How will the developer force the Hawaii state legislature to make these laws that are favorable to the La'au Point development? b. Since it is unlikely that a single developer can have total influence over the legislature, what backup plans does the developer have for protecting the fishing zone?*

Response: See our response to #55 above.

453. *Access to the beach will not be public. a. Will the private roads of the La'au Point development be marked "No Trespassing"?*

Response: There will not be "No Trespassing" signs on the road, but visitors will not be able to park on roads, thus ensuring that everyone accesses the expanded Conservation District areas by the access points at each end of the subdivision.

454. *The draft EIS claims that paved surfaces will be minimized so as to reduce pollution draining from the La'au Point development. a. What is the maximum paved area per lot that will be allowed at the La'au Point development? b. How will this maximum paved area be enforced during design and construction of the luxury homes at La'au Point? c. Who will monitor the construction to make sure the paving is controlled? d. What will be the punishment to the millionaire owners in case they decide to pave more than requested by the developer?*

455. *The draft EIS claims that the La'au Point development will continuously monitor storm and ocean water for a variety of pollutants. a. Who will supervise this monitoring? b. What monitoring equipment will be used and where will sensors be located? c. What steps will be taken if pollution is observed to occur? d. Will fines be imposed when homeowners or builders create pollution? e. What levels of pollution will be considered actionable?*

456. *The draft EIS describes the periodic "red water events" at La'au Point, in which red soil is washed into the ocean by heavy rainfall. a. How will exacerbation of these events be prevented during construction at La'au Point?*

Response: The CC&Rs will prohibit more than 30% of the lot from being developed. The Land Trust, as a party to the CC&Rs will be the ultimate enforcer of these provisions.

457. *The draft EIS claims that impacts of the La'au Point development on the environment, culture, and county services on Molokai will be minimized by strict CC&Rs and that these will be unchangeable. Normally, such CC&Rs and all relevant procedures could be changed by a vote of the La'au Point Homeowner's Association. a. What is to prevent this from occurring? b. Will the CC&Rs be a binding legal agreement with the Molokai Land Trust? c. Who will monitor adherence of homeowners to the CC&Rs for La'au Point? d. What penalties will be imposed for violation of the CC&Rs? e. What entities will have the authority to change the CC&Rs?*

Response: See our response to #6 above.

458. *Homeowners are expected to be interested in maintaining the environment and culture of Molokai. a. How will such homeowners be selected? b. What governing body will interview for these types of homeowners? c. How will these homeowners specifically prove that they are of the right type? Will there be a test? d. What if a homeowner does not want to be environmentally conscious but is willing to pay \$4 million instead of \$2 million for the property?*

Response: As addressed in #389 above, La'au Point aims to attract people demonstrate the value of mālama'aina (caring for, protecting, and preserving the land and sea). This is discussed in Section 2.3 of the Draft EIS. In addition, homeowners will have to agree to the strict covenants attached when they purchase a lot at La'au Point.

459. *As noted by the EIS, the island of Molokai represents a unique setting in which Hawaiian culture is vibrant. a. How can the developer assure that an influx of 200-400 + multi-millionaires on this island of 5,000 people will not disrupt the cultural life and needs of the community? b. If the culture is disrupted what will the developer do about it? c. How will the developer know if the culture has been disrupted?*

Response: First, your estimates of La'au Point and island population are incorrect. The 2000 Census population count for Molokai is 7,257 persons. The project permanent population at build-out is estimated at 174 persons. Second, culture is not static and changes are part of the natural cultural process. Positive and negative cultural changes occur gradually. To ensure that desirable components of a culture are maintained and enhanced, the community needs to set goals and develop strategies that reflect desired outcomes. For example, the ten-year strategic plan prepared by the EC is based on a vision statement that embodies Hawaiian cultural values. Implementation of such a plan would help to ensure that culture is not disrupted.

460. *The developer proposes that requirements for beach access within the La'au Point development be waived in order to protect the beaches. The millionaire residents of La'au Point are the most likely to impact the beaches negatively since they have sole access to the beaches. Lack of the usual required access will simply protect them from enforcement of environmental regulations and provisions of the CC&Rs. a. How is it not better to have the usual beach access required by the county and then empower the proposed Land Trust Steward to enforce environmental regulations and the CC&Rs? b. Who will be enforcing environmental regulations? c. What is the punishment for lack of adherence to regulations? d. What exactly are the regulations? e. What will compel the millionaire owners to follow the regulations or care about them?*

Response: See our response to #205 above.

461. *The draft EIS calculates the negative impacts of the La'au Point Development based on an occupancy rate of 30% in the development. a. How will this low occupancy rate be enforced? b. Who will monitor the occupancy? c. How must the plan be modified to account for the fact that occupancy rates are likely to rise within 10 years?*

Response: The occupancy rates are a projection and it is not intended they be enforceable. There is no evidence that occupancy rates will rise over time.

462. *It is likely the development at La'au Point will raise property values and rents on the island. It will also likely promote other luxury developments elsewhere on the island. This will most certainly be*

harmful to the permanent island inhabitants who will be negatively impacted by increased property and rental rates. a. How will this be avoided this situation? b. If there is no idea for how this will be avoided, then how is it that the developer can claim the development will not impact the livelihood and culture of Molokai?

Response: As stated in #248 above, Appendix L and Section 4.8.2 of the Draft EIS addressed these property tax comments. The Hallstrom Group, Inc., examined potential increases to real property tax on existing properties in the areas of Maunaloa, Kualapu'u, Kaunakakai, and beyond as a result of the Lā'au Point project.

According to the Hallstrom Group (2006), assessments of existing non-adjacent properties that are (and thus not competing in the same market or market area), and/or that have 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. Of particular note has been the historic lack of "cause and effect" between changes in market prices in Kaluako'i and assessed values elsewhere on the island.

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. Secondary impacts, if any, might only be potentially possible among the makai portions of the Kaluako'i lots; however, even this inventory already has an established data set of its own comparable market activity. In addition, the 55,000+ acres of protective lands of the Land Trust and easements will isolate and distinguish Lā'au Point from the rest of Molokai. Changes in assessments are the result of comparable market transactions, fueled by new economic activity or a scarce amenity; Lā'au Point is not comparable to the existing real estate.

Only to the extent there is new worker in-migration to the island to support or sustain the development and its residents, could there be some modest indirect impact on selected real estate activity and prices. Offsetting this is the moratorium on further MPL land development as a result of the Land Trust and easements, which will reinforce the status quo and limit further development.

*463. In a Federal rule published on April 5, 2002, Lā'au Point was designated as potential Critical Habitat for the Hawaiian clover, *Marsilea villosa*...Questions related to this issue of redesignation of Federal Critical Habitat are: a. It has been four years since the omission. When will the investigation be reopened? b. Why was the designation inadvertently left off the review? c. Who was in charge of the original review and who is now in charge of reactivating the review? d. What has the follow-up been, since US Fish and Wildlife stated they planned to reconsider at a later time? e. It is clear that all development will need to stop until the Federal decision is made. How can the developer continue with this process if the designation of critical habitat has not yet been finalized? f. What group is overseeing that federal laws are being followed with respect to the designation of Critical Habitat of *M. villosa*?*

Response: See our response to #91 above regarding *Marsilea villosa*. For more information, you can contact the Hawai'i Rare Plant Recovery Coordinator at the USFWS directly.

464. You did not state there were any runoff catchment plans on the project site. Are there any plans for this now?

Response: See response to #53 above. Additional runoff generated by the project must be kept within the project limits in accordance with Maui County Storm Drainage Standards. The contractor will be required to comply with State and County approved Best Management Practices for the duration of the construction period.

465. How much water in GPD is expected to be acquired from the sewer system for common area landscape? Where will the storage reservoir be and what is the holding capacity for this water?

Response: As much as 100 gallons per day per person served by the treatment plant can be reclaimed for landscape irrigation. This roughly represents 70% of the water used by each resident for everyday activities, which is a substantial saving in reclaiming used water and avoiding the use of tap water for grounds irrigation.

A storage tank of 250,000 gallons will be situated above the plant site at ground elevation 175 feet.

466. What is the GPD of water available from surplus mountain system for fire protection and irrigation? 466.a. fire protection for what? 466.b. what irrigation area will be serviced by this water?

Response: MPL will ensure it makes water available for fire protection.

467. What if the brackish water from Kahalehale well is unobtainable? What is the back-up plan for water? 467.a. what exactly will be irrigated with brackish water?

Response: The Water Plan (Chapter 6 of the Master Plan and Appendix P of the Draft EIS) discusses other water source alternatives.

468. How large will the storage tank or reservoir be that will hold the storage requirements for fire protection?

Response: The size of the storage tank has yet to be determined. It will be adequate for fire protection.

467. When was it decided to place fire hydrants at 450 to 500 feet intervals along the road, will they be standard hydrants? How big will the pipes be in the road?

Response: We note that you have two #467. Standard fire hydrants, approved for use in domestic circumstances, will be provided.

468. What are alignments under considerations to bring non-potable water from Kahalehale well? what size are the pipes expected to be? what alternative source of water is being considered should the Kahalehale well be unavailable? 468.a. At this time, what have been all the 'alignments' considered?

Response: We note that you have two #468. This information is not currently available, but will be disclosed at any future Water Commission application hearing relating to the Kākalahale Well.

469. *At full build out non-potable water demand will be 300,000 GPD. From where will this source come? 469.a. specifically, what is each demand for this 300,000 GPD? Please list in table form.*

Response: Water sources have been fully discussed in the Water Plan (included in Appendix P of the Draft EIS).

470. *At full build out potable water demand will be 96,000 GPD. To what exactly does the build out refer to: the 200 residences? 470.a. This calculation was made on 80% occupancy of the 200 residences, correct? You are assuming 600 GPD per residence is that correct? What is the additional 14000 GPD for? 470.b. This projection appears low doesn't it? Isn't it usually 1000 GPD per residence? 470.c. This projection is made exclusive of irrigation on two acres per residence isn't it? What is your expectation of irrigation per residence?*

Response: Under the Water Plan, MPL will have approximately 1.5 mgd of potable water: 1.018 mgd from Well 17 plus 500,000 gpd from the Mountain water system. Total anticipated long-term potable water needs amounts to 1,089,520 gpd. This includes 96,000 gpd for the Lā'au Point lots, which is based on 600 gpd for 200 lots at 80% occupancy (See Page 9 of Water Plan).

If we were to increase the Lā'au Point allocation to 100%, the amount would be 120,000 gpd, an increase of 24,000 gpd. That will raise the total long-term potable water needs to 1,113,520 gpd, which can still be accommodated with the 1.5 mgd available.

The estimated use of 600 gpd for each Lā'au Point residence relates to potable water use only. This is the Maui County Department of Water Supply Water Demand Standard per residential unit.

Additional non-potable water is anticipated for irrigation uses. The Water Plan is specific on irrigation water for the 200 lots – 1,500 gpd for each lot, which is extremely generous based on projected occupancy.

471. *Regarding potable water, does the new system extended from Kaluakoi to the project have a separate reservoir? If so, how large? 471.a. will the water be a portion of the allotment for Kaluakoi hotel? what is the projected amount? 471.a. If this takes the remainder of the Kaluakoi water, what water will be left to open the Kaluakoi Hotel?*

Response: These comments were adequately addressed in the Water Plan.

472. *Because of your engineering background, you will probably be able, where others have failed, to make a table of all the sources of water demands of water for the Ranch in order to clarify the water situation. What are the sources and demands for water by MPL?*

Response: A table was provided in the Water Plan which adequately indicates all the sources and uses of water under the Master Plan and particularly for the Lā'au project.
473. *In your revised report, was the project average occupancy of 30% added from the July 2006 report? 473.a. If not, what did you change for the November 2006 report from the July 2006 report? 473.b. what and why did you change/update your report? 473.c. Were you given new information? If so what?*

Response: The report states an average occupancy of 30% (see page 5 of Appendix N).

474. *If the anticipated occupancy rate for the project is 30%, will the amount of wastewater generated from that amount of people be sufficient to recapture and use as waste water? Is that the intention of the Ranch?*

Response: Any amount of wastewater treated at the facility can be reclaimed and beneficially applied in water conservation, regardless of the occupancy rate of the residents. As mentioned above, as much as 100 gallons per person (no matter the occupancy rate) can be recycled for non-potable uses.

475. *4.3 appears to be a newer section with more information to catch runoff. Is it newer plans for runoff? 475.a. the development, if allowed to move forward, will create 123 cfs additional runoff from pre development grounds correct? 475.b. How much additional underground space will be needed to accommodate subsurface storage and filtration systems required by Maui county's Storm Drainage standards? 475.c. How many cubic yards of earth will be needed to be excavated by the additional storage and filtration systems' installation? 475.d. How many cubic yards of earth will be needed to be excavated in order to accommodate the culverts and drainage systems for the roads? 475.e. Are you aware your appendix on drainage does not speak of catchment, but only speaks of fire hydrants and underground pipes? why, why not?*

Response: In response to your comments regarding runoff and drainage, our project engineer has conducted preliminary studies and in the Final EIS. To reflect your comments in the Final EIS, as well as to address other questions and concerns regarding runoff, Section 4.9.1 (Drainage) of the Final EIS has been revised as shown on the attachment titled, "Revised Section 4.9.1 (Drainage)."

476. *Maui County General Plan endorses the following themes: Protect the county's Agriculture identity, Protect the county's shoreline and even has a general underlying policy of not developing shorelines at all doesn't it?*

Response: We acknowledge this is your interpretation of the Maui County General Plan. Section 5.2.1 of the Draft EIS included discussion of the project's relationship with the General Plan.

477. *Maui County supports efforts by the Molokai community to evaluate the feasibility of Molokai becoming its own county, doesn't it? Do you have any idea why? 477.a. This is a unique island is it not? Not like any other Hawaiian island let alone any other island.*

Response: This would be County regulatory issue and not relevant to this project or EIS.

478. You listed me as a participant in your public meeting. I did not speak except to ask you two questions, because this was my first meeting on the plan. You would have, therefore, assumed you did not know my opinion, correct? 478.a. Who was told that they could submit written statements? Who informed participants of that option? 478.b. You should know by now shouldn't you that the community is solidly against the Plan which includes Lā'au Point development and no amount of propagandizing the Plan will change their minds when almost 70% of the island voted for two EC board positions that ran on the platform against Lā'au Point development touting the two pro Lā'au Point development proponents? 478.c. You spoke of "those who are not strongly aligned with either side, and it is likely a large part of the community, the prominent issue is the Lā'au Point Project". Wouldn't you say that having nearly 1200 people turn out to vote for EC candidates that were against Lā'au Point Project when roughly one half the island is illiterate and in all likelihood did not vote, that is a strong statement that most people are clearly aligned against Lā'au Point? 478.d. What do you attribute your misunderstanding of the breadth and depth of the feelings and beliefs of the Molokai community against the Lā'au Point development? could it be that you did not interview a broad enough cross section of the community? and were only given hand picked individuals to interview? 478.e. You state that "it is to their advantage to know about the Plan and the Project so that they understand the full implication of both", yet, given the vote, wouldn't you say that you underestimated the importance the mana of Lā'au Point to the native Hawaiians over anything else? 478.f. CEO", Peter Nicholas, gave the community the question it could take the Plan and live with it's down side. I guess the community gave him his answer January 31, 2007 by saying it couldn't live with it's down side didn't it?

Response: You were listed as a participant if you signed the participant sign-in sheet. Comment sheets for written statements were available next to the sign-in sheets; this was announced at the meeting.

The Social Impact Assessment (SIA) found that the community's reaction is not a simple "for" vs. "against" statistic. 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. Input ranged from full support of Lā'au Point and the Master Plan; to conditional acceptance of Lā'au while supporting the Master Plan; to opposition to Lā'au Point while supporting the Master Plan; and to opposition to both Lā'au Point and the Master Plan. Regarding the EC election, it was an election of individuals to serve on the Enterprise community. The EC continues to be a diverse group of individuals interested in serving the Molokai community.

As addressed in #172 above, we do not assume that the EC election was solely about Lā'au Point. It was an election of individuals to serve on the EC Board.

Your characterization of our "misunderstanding of the breadth and depth of the feelings...against the Lā'au Point development" is incorrect. The SIA made every effort to present the diverse opinions and view of a wide cross section of Molokai residents. There were 62 people interviewed for the SIA who represent a very broad profile of Molokai residents, and their views were equally diverse. Earthplan was not "given hand-picked individuals to interview," as you assert, although many of those interviewed were referred to the interviewer by other Molokai residents.

We stand by the statement: "it is to their advantage to know about the Plan and the Project so that they understand the full implication of both." We believe that people need to make an informed decision, and not just be swayed by vocal project advocates or proponents.

479. The opponents of this Plan and Lā'au Point development were the very same individuals who fought and won the cruise ship battle and Taro battle...not proponents, as you state, isn't that correct? if you do not believe this is correct list each and every person to which you are referring i.e. who fought the cruise ships and taro issue and are proponents for Lā'au Point development? Be sure to include in you answer the GMO/corn meetings those individuals attended.

Response: The cruise ship and taro battles are not specifically relevant to this project. The purpose of our statement was to illustrate that activism in not new to Hawai'i, and that Molokai residents are experienced in taking a stand and opposing efforts they disapprove. We stand by our statement that some of the proponents of the Lā'au Point project and the Master Plan opposed the cruise ship proposal.

480. You refer to direct and indirect impacts as being population and public services and CDC, Land Trust and reopening Kaluakoi Hotel; however, you do not take into account the social importance of Lā'au Point...it's spiritual mana, do you, and what impact developing Lā'au Point would have on native Hawaiians in this respect? 480.a. After January 31, 2007, you understand its importance now, don't you?

Response: The SIA analyzed impacts to the social environment that collectively comprise many groups. Social impacts specifically related to Native Hawaiians are covered in the Cultural Impact Assessment (Appendix F of the Draft EIS).

481. Name any Hawaiian study that did not show that the new outside values clash with traditional ones, thereby upsetting the social fabric as drastic demographic and ecological shifts have been shown to affect other Hawaiian communities.

Response: There are many social impact studies submitted by developers which have overlooked these social impacts and were criticized by Native Hawaiian organizations for doing so. Such inadequate studies for example, were conducted for the Riviera development in the Ka'u district of Hawai'i; for the developments on Lāna'i, for the launching of missiles at Nohii on Kauai, and for the deep draft harbor in West O'ahu.

Nevertheless, concerns about such impacts have been acknowledged in this Draft EIS. It should also be pointed out that the proposed Lā'au rural residential development 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. At that time there was a full-service gas station, a large grocery store, a couple of restaurants, and a fully enrolled elementary school. The 2000 census reported the population of Maunaloa as 230. The gas station is only open for a few hours a day, the grocery store has a limited number of items and the only restaurant is part of the Molokai Ranch Lodge Hotel and the elementary school is sparsely enrolled. Even with the development of the Kaluako'i Resort and subdivision in the 1970s and 80s, the overall population of West Molokai only increased by 53 from 2,515 in 1970

to 2,568 in 2000. Rather than increasing traffic and the demand for limited parking spaces in Kaunakakai or lengthening lines in the Kaunakakai grocery stores, the proposed development could breathe the new economic life to revive Maunaloa town and relieve the pressure on Kaunakakai.

The "no action" alternative 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 fulltime staff, tourist expenditures would be lost, and local businesses at Maunaloa Town 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'au 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'au but on all Ranch lands and increase the demand for water. Under the existing community plan and zoning, MPL lands can be sold to potentially eight times the number of new landowners proposed in the Master Plan. If sold to an investment corporation, land can be developed over and 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. "No Action" would ultimately evolve into the worst case scenario for Moloka'i.

482. How is Molokai like west Maui? 482.a. Don't you have economic disparity and racial tension, exacerbated feelings of helplessness and social stress and increased crime when you extract from the Hawaiian culture the means of sustaining their life without money and take away their spiritual life?

Response: For the SIA, West Maui was cited by those interviewed as an example of what people did not want to see in Moloka'i. West Maui has experienced significant population growth over a thirty-year period. It is included in this analysis because of the population increase due to immigration and the shift in settlement patterns. The SIA found that the replication of West Maui's social environment and undesirable changes in Moloka'i due to the Lā'au Point project is highly unlikely.

483. Your use of "expand the conservation District along the shoreline" doesn't tell the whole truth does it? while the actual volume of land in acres may be larger, the places of the volume of acres changes so that the shoreline is no longer the Conservation District as designated in both the Maui county and state Land Use Plans let alone Molokai the island on which the development is proposed is it?

Response: Your interpretation is incorrect. The shoreline will remain in Conservation District. The expansion will add acreage adjacently mauka of the existing Conservation District boundary (see Figure 1 of the Draft EIS).

484. The criteria for decision making as set forth in HRS Section 205-17, the reclassification must conform to the applicable goals, objectives and policies of the Hawaii state plan and the adopted functional plans. You're reclassification, however, is contrary to: the Hawaii state plan i.e. shoreline is completely conservation, Maui co. zoned agriculture with policy against developing on shoreline property, and Molokai Land use Plan which zones the area conservation along the shoreline and agriculture throughout the remainder of the proposed development isn't it? 484.a. How can you possibly say Lā'au Point application for reclassification conforms to goals, objectives and policies of the Hawaii State Plan and functional plans? Explain concisely without repeating rhetoric but detailing with specificity how Lā'au Point conforms.

Response: See our response to #483 above.

485. How does the reclassification preserve and maintain the important natural systems of habitats for the Critical Habitat of the *Marsilea villosa* and the endangered Monk Seals in a colony of 17 (8 of which were born on Molokai)? 485.a. It can't possibly preserve those areas of habitat for those two very important species when you place people continually within their environment can it?

Response: See our responses to #91 and #102 above.

486. How can the development of Lā'au Point maintain valued cultural, historical, or natural resources when one of the centers of native Hawaiian spirituality and mana is on Molokai...at Lā'au Point. 486.a. After all, Molokai is the last Hawaiian island isn't it? 486.b. The southeast corner of the island was designated a subsistence Zone i.e. a natural resource wasn't it?

Response: See our response to #138 above.

487. How can the development of Lā'au Point maintain valued cultural and historical resources when as you admit on page 157 "with respect to archeological sites, the area has had only limited analysis done to date, and where surveys have been conducted, sites have always been found. Based on the limited surveys, it is likely that extensive archaeological survey work would identify culturally-sensitive areas."? 487.a. How Can excavating this area for roads, sewers, water, utility pipes, fire hydrants, water meters etc. maintain any cultural and historical resources you admit are there?

Response: We have addressed this comment in #116 and #118 above. Kahu or cultural monitors for the cultural and natural resources of the area during clearing, grading and construction of the proposed rural residential development for the west and south shores of Moloka'i adjacent to Ka Lae O Ka Lā'au will be hired. Such kahu will be persons who have an ancestral relationship to these sites and resources. Moreover, they will be lineal descendants who are knowledgeable of the location of the cultural resources and the customs, practices and protocols related to these resources. The Moloka'i Land Trust will work with the applicant to identify and engage such kahu. Such qualified individuals were involved in the development of the Master Plan and have indicated their willingness to serve as kahu for the cultural resources.

The applicant is also mindful of the guiding wisdom of the late John Kaimekua shared with those working on the Master Plan, "A single, most important and vital principle of our kupuna and their relationship to their land comes from the word 'Mālama 'Āina' or 'Care for the land.' To 'mālama' not only means to care for the land physically, it also means to care for the land

spiritually. It also means to regulate the use of land and ocean resources to ensure the continuance of those resources for future generations." (John Kaimikaua, March 30, 2004)

488. *Since when is this reclassification reasonably necessary for urban growth? 488.a. There is no growth in that near vicinity is there? 488.b. You have lots of lots still available for sale don't you?*

Response: The reclassification is necessary for the Lā'āu Point project, which is necessary for the economic viability of the Master Plan.

489. *The State encourages an increase in economic activities...consistent with community needs and desires. This community neither needs for desires the development does it? The employment rate on island is good...under the national average by 1.4% unemployment. The opening of Kaulakoi would be nice, however, the Ranch closed this hotel in the first place didn't it? And the January 31, 2007 election results speak for themselves don't they?*

Response: Comment noted. MPL did not close the Kaluako'i Hotel.

490. *On page 140 you said the "SMA Permit is granted by the Molokai Planning Commission". When did this happen at what planning commission meeting? and who voted for it?*

Response: You misinterpret the statement. The Molokai Planning Commission is responsible for granting approval for a SMA Permit. The project has not come before the Commission for its SMA Permit application yet.

491. *An objective and policy for the Economy of the State is to have "the agriculture industry that continues to constitute a dynamic and essential component of Hawaii's strategic, economic and social well being." How can taking land out of agriculture into rural for luxury homes ever help maintain and continue the agriculture industry the State wants?*

Response: Section 3.4 of the Draft EIS provided discussion on the project's agricultural impact.

492. *Why are the following pages intentionally left blank from the Ranch Plan? 141, 126, 108, 106, 96, 84, 90, 88, 82, 80, 76, 60, 36, 12, 10, 492.a. why are these pages intentionally left blank from the main text: viii, 14, 36, 48, 142, 176.*

Response: For printing double-sided, it is common practice in printing reports to have figures/maps printed single-sided, and new chapters to begin on odd-numbered pages. Therefore, the other side of the figure/map will "intentionally be left blank," as well as the last page of chapters that end on odd-numbered pages.

493. *RE: Appendix 2: cultural sites of Kaulakoi Map and Lā'āu Point cultural resource protection zone map--the USGS map cannot be read. What is the significance of this map and can you produce a better larger one that can be read?*

Response: The cultural maps, located in Appendix 2 of the Master Plan, identify the archaeological sites within the MPL property located on the west end. The sites have been incorporated into Figure 10 of the Draft EIS.

We understand that some pages of the document contain two pages per sheet which results in small print; however, this format is used so that the hard copy of the document would not be too unwieldy to handle. If every page were printed full-size, the hard copy document would have yielded over a 1,000 pages. For this reason, we also offer the EIS on CD to view on a computer; this provides the reader the option to enlarge pages for easier reading and viewing. A full-size copy of the Master Plan (Appendix A in the Draft EIS) is also available at MPL's office in Maunaloa.

494. *RE: Appendix 3: what is the Aquatic/coral Reef Protection? who designated it as such? who protects it as such? Why is it designated as such? Who made the map? for what purpose was it made? why is the reef designation smaller on this map than on say the maps for appendix 6 & 8? where is there marked on the natural resource map The federal critical habitat lands? why were they omitted? Did you place them on another map somewhere in the EIS?*

Response: As addressed on page 35 of Appendix A, the "Natural Resources - Aquatic" map illustrates the substantial coral reef protection area that runs along the south shore of the Ranch property. It begins at Hale O Lono and extends east along much of the southern shore of the island. The protected area includes numerous fishponds. The inshore areas along this area are also important hatching/breeding grounds for many key subsistence marine fish species. This is confirmed by the many ko'a locations.

The Conservation Fund produced the maps. The reef designation on the map in Appendix 3 is not smaller than the maps for Appendices 6 and 8. The critical habitats are on the maps. Please note that as documented in other preceding questions, critical habitat designation is not in place for the Lā'āu Point population of *Marsilea villosa* at this time.

495. *RE: Appendix 5: The dark line is proposed for the Land Trust isn't it? But the xxx portion of the black line enclosure is in need of further study isn't it? Where is the designation for the original 15 acres of expansion for the Maui Community College as stated in the Molokai Land Use Plan?*

Response: Some of the land where the Molokai Community Plan's 15-acre designation for the Maui Community College expansion is located will be donated to the Molokai Land Trust as agreed upon in the Master Plan; however, the larger portion of that land will remain in MPL ownership. MPL is prepared to work with the community college on its remaining portion of land should the case be proven to community college administrators that the college can fund a future purchase.

496. *Who is the Conservation Fund which made these maps? Where are they located? Who funds them?*

Response: The Conservation Fund ("TCF") is a renowned non-profit Washington DC-based land planning organization.

497. *Why has not your Timetable been edited and made current? Don't you think that would have been appropriate for this EIS? Was this EIS put together piecemeal in haste with no one reviewing it in its total content?*

Response: Appendix A was completed in November 2005. Timetables are estimates and will often change due to circumstances that arise during the process. The timetable in the EIS has been updated to our best estimate to date.

498. *You have yet to approach the Maui County and Molokai Planning Commissions for zoning changes reflecting the Land Trust zonings is that correct? 498.a. How can you assure "zoning is for all time"? 498.b. Particularly when you want a zoning change for this Special Management area of Lā'au Point for your development? 498.c. what specifically is the zoning you need for the Land Trust lands for special needs? 498.d. Give all your reasons why the LUC should overturn the SMA designation for your development? Weigh your reasons against protecting the county's coastline and resources as of utmost importance not only to the island of Molokai and the county of Maui, but, I dare say to the state of Hawaii at this point, given the diminished amount of undeveloped shorelines.*

Response: See our response to #490 above.

499. *When and where does the Land Trust directors meet? Can the public attend? Why, why not?*

Response: The Molokai Land Trust is a private organization that meets according to the provisions of its by-laws. It meets approximately once a month. The Land Trust will hold public meetings when it believes it has information to seek from the community or information to pass on to the community.

500. *Chapter 5 has a Ranch proposed development map which includes a very large expansion of the Kaluako'i Hotel. Do you have an enlarged area of the Kaluako'i Hotel expansion? If so, include it with the answer. I am asking for information in exact detail of all the development to occur in this expansion of the Resort. 500.a. What are the details of this expansion of the Kaluako'i resort? Be very specific with details of buildings, hotels, restaurants, all facilities, new golf course etc.*

Response: Description of the proposed Kaluako'i Hotel development is provided on Page 91 of the Master Plan (Appendix A in the Draft EIS). Further details of the Kaluako'i Hotel renovation will be addressed in its own separate assessment.

501. *The Natural Resource Protection map in chapter 5 once again omits the federal critical habitat of the endangered species Marsilea villosa why?*

Response: As addressed in #494 above, the federal critical habitat of the endangered species Marsilea villosa was not omitted from the map. Critical habitat designation is not in place for the Lā'au Point population of Marsilea villosa at this time.

502. *Since, elsewhere in the EIS, you have stated joint control of the Land Trust easements, would you explicitly state for each of the 65,000 acres the ownership, management and control and how the specific entities (Trust, MPL, homeowners, and CDC) interact? And who owns fee simple title of each segment of the lands?*

Response: The EIS does not refer to joint control of easements, other than the easement on the expanded Conservation District areas at Lā'au Point, where the land under easement to the Land Trust will be managed jointly by the homeowners and the Land Trust through a council.

In reference to the Agricultural and Rural Reserve easements, these lands will be owned by MPL (as stated in the Master Plan) under easement restrictions.

503. *You state the relative importance of the management area. As time spent in subsistence fishing cultivates intimacy and harmony with nature that is the foundation of Hawaiian spirituality and religion. How high on a level of 1-10 with 10 being the highest priority would you rank the management area's importance to Hawaiian spirituality and religion?*

Response: Your question does not relate to the project elements, environmental impacts, or their mitigation measures. Therefore, it is not required for inclusion in the EIS.

504. *I quote further from the EIS, "To Hawaiians, the land and natural elements are the foundation of subsistence, cultural and religious beliefs, customs, and practices. The land and the natural environment are alive, respected, treasured, praised, and even worshiped. The land has provided for generations of Hawaiians, and will provide for those yet to come. 504.a. How is it that you can print in your Plan the essence of Hawaiian culture and not understand it? 504.b. Don't you believe that the Hawaiian culture, spirituality and connection with the land is priceless? 504.c. You state that land is not a commodity to Hawaiians so how can you ever expect the Molokai community (the most Hawaiian island) to ever accept the development of Lā'au Point? 504.c. It is priceless, isn't it, to the Hawaiians?"*

Response: Comment noted.

505. *What is the title of the Molokai map on page 37? It has no legend no title other than it is the Island of Molokai?*

Response: It is not a "map," it is an aerial photograph of Molokai, and it is titled as that.

506. *Has the Land Trust developed it's management Plan? to obtain it's 501c3 status? why? why not? 506.a. If the Trust has been formed, this is to happen immediately isn't that so? 506.b. where was the public input? who are on the committees? or is this like the operation of the EC....pre-selected people on the committees, unresponsive to the community? The two boards (EC and Trust) are very similar in the composition of the people aren't they? 506.c. Who are on the two Boards now? List. 506.d. Who was on the EC board each year of its existence?*

Response: The Molokai Land Trust is a private, non-profit corporation organized under Hawaii State Statute HRS-414D and has gained its determination from the Internal Revenue Service as a public charity under code 509(a)3. The MLT chose to apply to the IRS for a determination as a tax-exempt public charity under section 509(a)3 of the IRS code 501(c)3 after lengthy consultation with some of the nation's legal authorities on the governance of land trust organizations. 509(a)3 tax-exempt public charity status enables the MLT to receive monetary, land and easement donations without tax liabilities.

The Land Trust Board of Directors includes: Colette Machado, Richard Cooke III, Cheryl Corbiell, William Akutagawa, Stacy Crivello, Clarence Halona Kaopoiki, Edwin Misaki, Davianna McGregor, and David Lunney.

Directors are bound by law to work to forward the charitable purpose of the organization and as such, work for the "benefit of the future generations of all Moloka'i." Land Trust directors are a purely volunteers, prohibited by the organization's Articles of Incorporation and Bylaws from receiving compensation. They are bound by law to work to forward the charitable purpose of their organization. Furthermore, a majority of Land Trust board members are required by Land Trust Bylaws to be residents of Moloka'i. The Land Trust allows a minority of directors to be non-residents of Moloka'i in order to be open to having off-island people with special skills and talents serve on the board.

The Moloka'i community was directly involved in the formation of the Moloka'i Land Trust, in that the Land Trust was formed by a steering committee whose members were recommended by the Land Use Committee during the formation of the *Community-Based Master Land Use Plan for Molokai Ranch*. The Land Trust steering committee was composed almost exclusively of members of the Moloka'i Community. Two members were part-time Moloka'i residents, while the remaining members were full-time Moloka'i residents.

Currently, the EC's six elected members are Shannon Crivello, Russell Kallstrom, Sybil Lopez, Bridget Ann Mowat, Joshua Pastrana, and Leila Stone. Its five appointed members are Rikki Cooke, Cheryl Corbiell, Stacy Crivello, Colette Machado, and John Pete. Four of the EC board members also hold a seat on the Land Trust Board.

507. *What exactly is EC project #47? When was it voted upon at what meeting, by whom? 507.a. In your schematic of process you show committees and public input to develop the Ranch Master Land Use Plan, which by now, everyone knows was not developed with public input surrounding the two fundamental issues of La'au point and water; how would this board for the Trust be run any differently to obtain and use public input? 507.b. Aren't the boards very similar? what assurances are in place to prevent the dictatorial stance of the EC Board members on the trust Board? 507.c. Who, what, and where is the Conservation Fund? 507.d. Why is the Conservation Fund, EC and MPL all inputting into the Ranch Master Land use Plan? 507.e. why do those three entities have dashed lines about them instead of solid lines? 507.f. What is the significance of the dashed lines? 508. Should we expect the same amount of public input in the Trust as we received on the Ranch Master Plan? 508.a. Does the Trust have all the minutes from the EC Committee meetings? or are the Board members similar enough to the EC to remember the committee input of which they were a part?*

Response: The foundations of EC Project #47 are adequately provided in the Master Plan.

The Land Trust affairs are run by members of the Moloka'i community with the aim of protecting the subsistence activities that take place on that land, protect and enhancing cultural and archeological sites, and preserving environmentally and ecologically sensitive areas and sites.

The Land Trust is a tax-exempt charitable organization, unlike MPL which is a for-profit corporation. MPL is confident the Land Trust will be a good steward of the lands that are being donated to this organization.

The Conservation Fund is a Washington-based land protection 501c3 organization that assisted the community and MPL in its Master Plan preparation and acted as honest broker between the community members and MPL.

As stated in #506 above, only four of the nine current members of the Moloka'i Land Trust are or have been EC directors. MPL is unaware of whether the Land Trust has the minutes of EC-sponsored Project #47 minutes.

509. *Why has the Trust Board met in secret and been hidden from the public and news? What is it hiding?*

Response: This question, which has not relevance to the EIS, should be directed to the Land Trust, not MPL.

510. *The list of names on the EC committees has changed from the original EC Land use publication sent out to all the committee members to thank them for their work and the EISP sent to the Land Commission. what names did you delete? add and why?*

Response: You list two different documents. The EISP lists current members at the time that document was published. MPL did not produce the EC publication.

511. *Why did William Akutagawa, Richard Cooke, Cheryl Corbiell, David Lunney, Colette Machado, Edwin Misaki, and Stacy Helm Crivello receive copies of the EIS along with all the state, federal and county agencies and commissions?*

Response: The EIS is a public document available to anyone who requests it.

512. *Why did Daniel Inosye and the Land Trust steering committee receive a copy? 512.a. who is on the Land Trust steering Committee?*

Response: As stated in response #511, the EIS is a public document available to anyone.

The Land Trust Board of Directors includes, as of June 1, 2007: Colette Machado, Richard Cooke III, Cheryl Corbiell, William Akutagawa, Stacy Crivello, Clarence Halona Kaopoiki, Edwin Misaki, Davianna McGregor, and David Lunney.

513. *You have 25 references for your EIS and 19 or approximately 80% of them are papers written for MPL for the EIS isn't that correct? 513.a. why did you basically have your own supporting documents written by your own employee—contractors? wouldn't it have lent more credibility to your EIS to have more impartial third party references?*

Response: The individual reports contracted for the EIS also contain their own reference lists within their reports.

514. What is the partnership between EC and MPL? Explain every facet of it.

Response: The details of the beginnings of Project #47 and the partnership that resulted in the Master Plan document have been adequately outlined Section 2.1.6 of the Draft EIS and Master Plan.

515. What is the difference between Brierly Investments previously not consulting with the community on its development plans and what MPL has done with this development plan in not consulting the community about Lā'au Point and water? 515.a. Both have met with strong community opposition haven't they? However, this time, Molokai economy is not suffering. It has a good unemployment rate at 3.2% well under the national average doesn't it?

Response: The Master Plan and the EIS (Sections 2.1.6 and 2.4) adequately discussed the current consultation methods of this process that led to the Master Plan and EIS and application to the Land Use Commission.

Your opinion about the health of the Molokai economy is noted.

516. Does MPL think that water is the only unresolved issue? I will not go through all my water questions again, even though you simply repeat the same paragraphs over and over again in your EIS. Why? Do you believe that if someone reads or hears it enough, they will believe it? 516.a. Do you think withdrawal of an additional 1,000,000 GPD of brackish water from the Kākalāhale well will take away water that DHHL will need to support future expansion of agriculture and residential lots on their Molokai lands? If not, fully explain why not?

Response: As your comments regarding water have been previously addressed elsewhere in this letter, our responses to those questions have also been previously addressed.

517. Do you admit that water resource issues have yet to be identified? 517.a. if so, why are you bringing this to LUC? Before you have your water resource determined?

Response: MPL believes Molokai's water resources have been well identified.

518. Who is Clark Stevens and his company New West Land Company? Qualifications, background etc? 518.a. where are they from? What are they in the business of doing? 518.b. who recommended the EC use them? Did the EC pay for the services? How much? what were they contracted to do? 518.c. what was the meeting date and those in attendance from the Board who decided to use Clark Stevens? 518.d. what prior associations had Clark Stevens and/or New West Land Company had with any Board members? BIL, MPL, BPR Hawaii, subsidiaries affiliates etc.? 518.e. Did the EC receive a written report from Clark Stevens? If so where is it? Attach it for the answer in any final EIS as alternatives to the Ranch Plan please.

Response: As stated in Section 6.5 of the Draft EIS, the EC funded the Alternative to Lā'au Development Committee (ALDC) and the hiring of Clark Stevens (New West Land Company), a conservation planning consultant. Because MPL did not hire Mr. Stevens, we cannot respond to your specific questions regarding his services.

519. The EC rejected a motion to delay the vote on the Plan until alternatives could be investigated? 519.a. The EC rejected an alternative because there was no financial evaluation provided? Why didn't the EC use Clark Stevens to financially evaluate it? or someone else? why was the EC Board determined to push the vote?

Response: We were not a party to the EC vote and cannot respond on its behalf.

520. Why did the EC reject Stevens' proposed purchase of Lā'au Point and land of the trust? because they would have that land which was already planned for fee donation to them under the Ranch Plan? 520.a. Now the EIS is not giving the Trust in fee as much land as they originally thought is it? 520.b. The trust is merely going to manage the lands, but the ownership even with the CDC will be still with MPL isn't that true? if not, what is the total amount of acres the Trust will hold in fee simple?

Response: The EC did not reject Stevens' recommendation for a third party to purchase Lā'au Point from MPL. The land proposed by Mr. Stevens for purchasing was never planned to be donated to the Land Trust.

There has been no change in the land proposed for donation to the Land Trust since the publication of the Master Plan. As previously stated, the 26,200 acres of land being donated to the Community Development Corporation and the Land Trust is being donated in fee simple.

521. Did MPL ever come up with a purchase price of Lā'au Point? what was it? is it? I'm sure they would consider their cost per lot is \$360,000/lot to develop Lā'au Point if they sold it out right wouldn't they? 521.a. Apparently there was no response from MPL on a price and willingness to keep the alternative open was there? 521.b. MPL's response was they would take an equivalent return on the development, but who ever bought it would have to protect the areas for subsistence as proposed? Why was that a stipulation? Maybe the new purchaser would never place parks etc. on the shoreline, or even subdivide the property at all? 521.c. why was there the stipulation that an endowment income must be provided to the Land Trust and CDC to keep them functioning presumably? or was it to allow MPL to continue it's intent to be a housing authority in leasing the lands through the CDC for a continuing cash flow?

Response: Regarding your comment about the purchase price, please refer to the statement you reference in your next question. Your questions regarding the CDC were previously addressed in Section 2.1.9 of the Draft EIS and #2 above.

522. What does this sentence mean? "MPL will seriously consider offers but after an extensive two-year community process does not desire to indicate a price for the parcel because of the many variables involved?" What variables are involved?

Response: The "many variables involved" are the same issues you have outlined in your statements and questions in #521 above. For example, under what circumstances would a purchaser wish to acquire the parcel? Would it still keep it open for subsistence gathering? How would the CDC be funded if not from lot sales? Would the purchaser be any more acceptable to some opponents than the current owner? Etc.

Victoria Kapuni
SUBJECT: LA'AU POINT DRAFT ENVIRONMENTAL IMPACT STATEMENT
November 1, 2007
Page 148 of 148

523. Has a serious buyer emerged? If so, did MPL enter into negotiations?

Response: MPL disclosed information on this matter in Section 6.0 of the Draft EIS and advises it has no more to disclose on this matter at this time because that information is proprietary.

524. Since MPL is cash poor and the "shareholders will not permit this to continue without a solution," has MPL taken any initiative to find itself a buyer? If not, why not, if the shareholders want a solution?

Response: MPL believes its solution is contained within the Master Plan.

Thank you for reviewing the Draft EIS. Your letter will be included in the Final EIS.

Sincerely,



Peter Nicholas
President and CEO
Molokai Properties Limited

Attachments:

- Revised Section 2.1.9 (Molokai Community Development Corporation (CDC))
- Revised Section 4.3 (Trails and Access)
- Revised Section 2.3.6 (Covenants)
- Revised Section 4.9.2 (Water)
- Revised Section 2.4 (Community Meetings and Involvement)
- Revised Section 3.6 (Flora)
- Revised Section 3.7 (Fauna)
- Revised Section 4.9.1 (Drainage)

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



1-9-2007

James S. Withen
President PER Hawaii
1001 Bishop Street
4th Floor, Suite 450
Hon. HI 96813

Lined area for handwritten notes and signatures.

I would like to request a 60 day extension of the Lā'au Point draft EIS public comment period.

The size of the EIS was and is immense. The EIS was released during Xmas and New Years Holiday, cutting into quality time to comment.

We would like to participate, but need more time.

Mahele nui loa

Walter Rite

Walter Rite SR

January 16, 2007

Walter Rite, Jr.
P O Box 486
Kaanakakai, HI 96748

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

Dear Mr. *Walter Rite*

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



Molokai Properties Limited

January 16, 2007

Yvonne Everhart
P.O. Box 378
Kaunakakai, Hawaii 96748

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

Dear Ms. Everhart:

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 Chung, State Land Use Commission
Genevieve Salmonson, Office of Environmental Quality Control

Jan 9, 2007

*Thomas J. Witten, Pres
PBR Hawaii
1001 Bishop St, #1650
Honolulu, Hawaii*

Dear Mr. Witten,

I am requesting a 60 day extension of the Lā'au Point EIS public comment period.

More time is required to get an adequate response to this huge document.

Thanks you for your kind consideration of this matter.

Sincerely,

*Yvonne Everhart
P.O. Box 378
Kaunakakai, HI
96748*