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2	LAND USE COMMISSION				
3	STATE OF HAWAI'I				
4	ACTION ) DR08-36 KO OLINA DEVELOPMENT LLC )				
5	DRUO-30 KO OLINA DEVELOPMENT LLC )				
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8	TRANSCRIPT OF PROCEEDINGS				
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10	The above-entitled matter came on for a Public Hearing				
11	at Honolulu Airport Conference Center, 400 Rodgers				
12	Blvd., Suite 700, Room #3, Honolulu, Hawai'i,				
13	commencing at 9:10 a.m. on January 24, 2013, pursuant				
14	to Notice.				
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19	REPORTED BY: HOLLY M. HACKETT, CSR #130, RPR Certified Shorthand Reporter				
20	Certified Shorthand Reporter				
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2	COMMISSIONERS:	
3	RONALD HELLER, VICE CHAIR CHAD McDONALD, VICE CHAIR	
4	SHELDON R. BIGA THOMAS CONTRADES	
5	LANCE M. INOUYE ERNEST MATSUMURA	
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8	EXECUTIVE OFFICER: DAN ORODENKER CHIEF CLERK: RILEY HAKODA STAFF PLANNER: BERT SARUWATARI	
10	DEPUTY ATTORNEY GENERAL: SARAH HIRAKAMI, ESQ.	
11	AUDIO TECHNICIAN: WALTER MENCHING	
12		
13	Docket No. DR08-36 Ko Olina Development, LLC	
14	For the Petitioner: WYETH MATSUBARA, ESQ.	
15	BENJAMIN MATSUBARA, ESQ. KEN WILLIAMS, Ko Olina	
16		
17	For the State: BRYAN YEE, ESQ.	
18	Deputy Attorney General RODNEY FUNAKOSHI, OP	
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			3
1		INDEX	
2	PUBLIC TESTIMONY	PAGE	
3	Warren Von Arnswaldt	7	
4	Creighton Chang	14	
5	Ed Watamura	17	
6	Roy Morioka	18	
7	Richard Yamasaki	21	
8			
9			
10			
11			
12			
13			
14			
15			
16			
17			
18			
19			
20			
21			
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1 VICE CHAIR HELLER: Let's call the meeting 2 to order. The first order of business is adoption of 3 minutes from the meeting of January 10, 2013. Does 4 anyone have a motion? 5 COMMISSIONER CONTRADES: So moved. 6 COMMISSIONER INOUYE: Second. 7 VICE CHAIR HELLER: It's been moved and 8 seconded. Any comments? If not, call for a vote. 9 All in favor say aye. 10 COMMISSIONERS: "Aye". 11 VICE CHAIR HELLER: Any opposed? 12. response) Minutes are adopted, Mr. Orodenker, would 13 you please brief us on the meeting schedule. 14 MR. ORODENKER: Thank you, Mr. Chair. 15 February 7th, Thursday we're scheduled to be on Maui 16 for the Ka'ono'ulu Ranch oral argument and 17 decision-making Order to Show Cause. 18 On February 8th we're scheduled to be on 19 Kaua'i for Important Agricultural Lands Petition and site visit at 10:00 a.m. Hearing to follow. 2.0 That 21 will be in Lihue at the state building. 2.2 On February 21st to the 22nd we'll be on 23 Maui again, Waiko Industrial Investment, LLC commence 24 the hearings on that; and West Maui Land Motion for

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Reconsideration.

March 7th and 8th we will continue with the 1 2 Waiko Industrial Investment, LLC hearings on Maui and 3 Ka'ono'ulu Ranch Adoption of Order. VICE CHAIR HELLER: 4 Thank you. Next item 5 of business is an action meeting on Docket No. DR08-36 6 Ko Olina Development Company to receive a continued 7 status report from Petitioner and take appropriate 8 action, if any. 9 Will the parties please identify themselves 10 for the record. 11 Good morning, Chair MR. WYETH MATSUBARA: 12. Heller and Commissioners. Wyeth Matsubara along with 13 Ben Matsubara on behalf of Ko Olina Development. Sitting to my right is Ken Williams of Ko Olina. 14 15 VICE CHAIR HELLER: Thank you. 16 (Mr. Yee approaching counsel table) 17 VICE CHAIR HELLER: We were just having the 18 parties identify themselves for the record. 19 (Laughter) 20 MR. YEE: Deputy Attorney General Bryan Yee 21 on behalf of the Office of Planning. And I'm alone 22 apparently. And Rodney Funakoshi is behind me. 23 VICE CHAIR HELLER: Let me update the 24 On August 28, 2009 the Commission met and

received Petitioner's written and oral status report.

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From December 2009 'til December 14, 2012 the Commission received 13 quarterly status reports from Petitioner.

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On January 18, 2013 the Commission received Petitioner's Boat Launch Supplement to its Thirteen Status Report filed on December 14, 2012.

Let me briefly describe our procedure for today on this docket. First, I will call for those individuals desiring to provide public testimony to identify themselves. Also such individuals will be called in turn to our witness box where they will provide their testimony.

After completion of the public testimony the Commission will ask the Petitioner to provide any comments relevant to past quarterly reports and supplemental status report filed on January 17, 2013.

After Petitioner's presentation we will receive any comments from the State Office of Planning. Is there anyone in the audience who desires to provide public testimony at this time? Do we have signups?

MR. ORODENKER: Yes, we do, Mr. Chair. Warren Von Arnswaldt followed by Clayton Chang.

VICE CHAIR HELLER: Before we swear you in I should probably put this on the record. I've noted

- 1 in previous meetings but not sure I've done it on the
- 2 record of this docket, that I'm representing the
- 3 | Association of Apartment Owners of Beach Villas at Ko
- 4 Olina in an action against Ko Olina Community
- 5 Association. If anyone has any issues or problems
- 6 with me presiding over this meeting you should raise
- 7 those now.
- 8 MR. YEE: No concerns.
- 9 VICE CHAIR HELLER: In that case I'll ask
- 10 | you to swear or affirm the testimony you're about to
- 11 give will be the truth.
- 12 WARREN VON ARNSWALDT
- 13 | Being first duly sworn to tell the truth, was examined
- 14 and testified as follows:
- 15 THE WITNESS: I do.
- 16 VICE CHAIR HELLER: Please state your name
- 17 and address for the record.
- 18 THE WITNESS: Warren Von Arnswaldt. I live
- 19 at 92-755 Palailai Street in Makakilo.
- 20 VICE CHAIR HELLER: Thank you. Please
- 21 proceed.
- 22 THE WITNESS: I gave the Commissioners a
- 23 copy of what most of what I'm concerned about. To
- 24 | start off: We come before you to better inform you as
- 25 to the so-called program, progress of the Ko Olina

boat ramp. The ramp was supposed to have been completed by April of this year. That's according to the schedule put out by Ko Olina. As for their attachment A that they sent out, if you don't have this statement you can't even read the dates they put on.

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It's also on the December quarterly report with a revised schedule. The revised schedule is dated. This one is not dated. So we're presuming this thing was made out in July of 2009 and would be following this — this schedule would be following from them. Apparently it's not starting until September of '09 with their revised schedule.

Okay. Granted, they gave timelines for permitting and everything. Now the DOAP with the Corps of Engineers in permitting has gone far beyond what was expected. It was expected to be one year. Now it's 2 years plus already. There's no permitting for the development of the boat ramps.

There's other things that were not done that coincide with the Corps of Engineers permitting. There was a water quality certificate, your CZM, your Coastal Zone Management. All those things have to be taken care of before we even look at an Army Corps of Engineers.

also needed a 2-lane approval from the Coast Guard or from the military. That was submitted in August of 2011. That's almost one year after the DOAP was submitted. That wasn't approved until April of 2011. That was all right. It only took a short while. Approved on 8/22 submitted in four, that's only 4 months. We get to the additional Coastal Zone Management, that was submitted and completed in March of 2020 — ah, 2012. That's way after the permit was even applied for.

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And water quality control took another 20 months for them to approve that from September of 2010 until May of 2012. All these things had something to do with the Corps of Engineers. I blame the Corps of Engineers on this, which you folks have no jurisdiction over.

So it all has to do with their project manager. I approached him on September 19 soon after the lawyers had put out the last, September quarterly report. They were concerned about the DOAP not being approved yet. I contacted Corps of Engineers. I was lied to by the project manager. All the things he said was going on weren't going on at all. He was making no consultations with NOAA or anything. And he

specifically said that NOAA was holding up the whole process that had to do with endangered species and the pile driving. That had nothing to even do with it.

But he never even talked to NOAA about it. I got in contact — I couldn't get ahold of him for two months.

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Finally in November I talked to his supervisor. I found out that they weren't aware of all this. They had an emergency meeting. What I told them and from what Mr. Morioka, another boating friend, he contacted Representative Colleen Hanabusa's office. She sent a legal representative over there to find out what was going on with the permitting.

It didn't take one day when this review from the Corps of Engineers came out in the December quarterly report that Mr. Matsubara provided you. That's all, all of those enclosures got to do with permitting.

If you look into those permitting things there's some section in there that I can't, I have no explanation for. And the explanation given by DOD doesn't agree with me. When they submit their permitting to Corps of Engineers, all that's represented in their enclosures I think is under enclosure 3 if you got your December thing. There's stipulations as far as what Ko Olina is supposed to

do, what the designs are for that area. The designs were submitted. It was finished in August of 2010 just before their filing in September of 2010.

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Now, in their scheduling enclosure 2 they say that they have four piles to be driven. It asked for a date when those piles were going to be driven. The date given them was February of 2013.

Now, previously they said March or April, I don't know which date, was supposed to be the opening date of the marina.

Now, if you put down "pile driving February of 2013" there's no way you're gonna have a boat ramp the following month. That's the beginning of your construction there. NOAA so far, I'm presuming, has not gotten any consultation yet from the Department of — Corps of Engineers. I talked to Watanabe again. He says the permitting will be done in 2 weeks at the least. He doesn't know how much longer after that.

Someone else calls him he finds out they said, "Oh, no he was misrepresented." He said the consultations will not be out until two weeks. Now, NOAA has been waiting for this consultation since September when I contacted it. They tried to contact him about it.

So there's another -- I don't know why all

this delays are in there, but I don't know if Ko Olina has anything to do with this or not.

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But if they put in a starting date of February '13 it seemed like they not concerned about the permitting until that time.

When we started this hearing, fact-finding and everything, Conclusion of Law and everything was completed in different November of '08. At that time we stipulated that we wanted the old ramp open while they were building the new one. They specifically said, "No. That area is for future development."

The Board didn't go along with us at that time. I think they should have closed down any other permitting for that area until the ramp was put in. They could have opened up that boat ramp and used it.

They just went in there and dug the asphalt at the beginning of the ramp up and then turned everybody else away. They opened up the ramp in 2000. They closed it in 2005. That was one month after they had the okay from Phoenician and Marisco for the use of their dry dock facility for a replacement boat ramp which they were found illegally not to do. It was supposed — the ramp was supposed to be, stayed in the marine where it was previously expected.

Now, when you look back into your other

files you find that Ko Olina was already in communications with Marisco for the use of their ramp there in 2000, the same year that they opened up the ramp at Ko Olina.

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They would not even have opened the ramp in Ko Olina in June of 2000 if it wasn't for the fact that the Department of Planning required them to open up the ramp before they would get any further permitting to build their clubhouse.

But it shows, it shows a trend that Ko Olina is not very keen about public access to their property out there. They didn't want us in there in the first place. They got us out of there as soon as they could. They're saying this Project has been going on longer than it should have. You have a big conglomerate, big Aulani Resort out there, which wasn't even started to be building when this thing was decided upon in November of 2000.

Now you have a big resort over there that's finished, operational, making plenty of money for them over there, but the small little boat ramp is still on the table. That's all I have to say.

VICE CHAIR HELLER: Thank you. Parties, any questions for this witness?

MR. WYETH MATSUBARA: No questions.

1 MR. YEE: No questions. 2 VICE CHAIR HELLER: Commissioners, any 3 questions? Thank you. Who do we have next? 4 MR. ORODENKER: Creighton Chang. 5 CREIGHTON CHANG 6 Being first duly sworn to tell the truth, was examined and testified as follows: 8 THE WITNESS: Yes. 9 VICE CHAIR HELLER: Please state your name and address for the record. 10 11 THE WITNESS: My name is Creighton Chang. 12. My address is 94-307 Loa'a Street in Waipahu. 13 VICE CHAIR HELLER: Go ahead, please. THE WITNESS: Chairman Heller, Members of 14 15 the Commission, I'm here to brief the Commission on 16 the fishermen's perspective regarding the current 17 timeline that's occurring. 18 The boat ramp issue started in February of 19 2005. At that time Ko Olina Resort closed the 2.0 existing boat ramp and advised the permittees to use 21 the replacement ramp at Phoenicians. After looking at 2.2 the ramp at Phoenicians it was obvious this ramp did 23 not meet the requirements of the Findings of Fact in 24 addition to other construction and safety issues. 25 From that time we've met on various

occasions at these hearings to give the Commission the fishermen's perspective regarding what the problem was with all its supporting documents. In the October 2008 meeting the Commission ruled in the fishermen's favor and ordered Ko Olina to build a new boat ramp open to the public inside the marina.

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This ruling was accomplished in 3 years and 8 months which was a victory for the fishermen. A timeframe was given 6 months to come up with designs and schedule for the completion of the ramp. Ko Olina requested and was granted timeframe of 43 months to complete the boat ramp.

Like Warren said April is the day that this ramp supposed to be open. This was allowed as a very conservative timeframe understanding the difficulty getting the permits and that the ramp would be constructed by the end of the 43rd month.

As I currently understand the situation the permit is still with the Department of Army. It has been there for the last 2 years. Who is following through with this? It is clear that no one is because Ko Olina wants this Project delayed. As I said before in these hearings, I hope this Project gets on track and built before I'm dead and buried.

To put this in perspective, Aulani, which

is over a hundred million dollars, has been designed, bid, built and occupied faster than this boat ramp. This is a situation where we the fishermen have won a major battle and end up losing the war.

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We fishermen do not see any progress to the order to build a new boat ramp inside the marina. I implore, you Commissioners to enforce a reasonable timeframe to get this ramp completed. As I stated before, the old ramp is there. Fixing it and reopening should be done immediately.

Opening the old ramp is the simplest, less costly, safest solution and should be done in the interim until a new facility is constructed. This would give Ko Olina incentive to complete the new ramp in an expeditious manner rather than take 4 years to complete a new one.

Please keep in mind that the public has been denied their access rights to use the facility. This has been brought up time and time before and yet the fishermen are still being denied. What gives Ko Olina the right to deny the public access to a facility when they're in clear violation of the finding of fact?

How long more will it take? It's coming up on 8 years since the public has been denied these

1 access rights. Continued procrastination by Ko Olina will continue since there are no consequences for 3 their non-compliance. Commissioners, please help the 4 fishermen gain back what has been clearly taken away 5 from them, their public access rights. Thank you. 6 VICE CHAIR HELLER: Parties, any questions? 7 Commissioners, any questions? Thank you. Is there 8 anyone else present who wants to provide public 9 testimony? Please come forward. 10 ED WATAMURA 11 being first duly sworn to tell the truth, was examined 12. and testified as follows: 13 THE WITNESS: I do. 14 VICE CHAIR HELLER: Please state your name 15 and address for the record. 16 THE WITNESS: My name is Ed Watamura. 17 Address 2015 Leiloki Drive, Honolulu, Hawai'i. 18 VICE CHAIR HELLER: Go ahead. 19 THE WITNESS: I'm representing the Waialua 20 Boat Club, president. We've been involved in this, I 21 quess, I want to call it a fiasco at this point 2.2 because we've been denied public access, as Craig 23 explained. I'm not going to through the timelines and 24 that's all. That's just going to be repeating. 25 But, however, I want to talk about a

1 statement that was made to us in 2009 by this 2 Commission that they would "hold Ko Olina's feet to 3 the fire" on this. And we entrusted this Commission 4 to do such, "hold their feet to the fire" to get this 5 Project done. And it is apparent that this is not 6 happening. So I just urge you to do what we entrusted That is to "hold their feet to the fire". you to do. 8 Thank you. 9 VICE CHAIR HELLER: Okay. Parties, any 10 questions? 11 MR. WYETH MATSUBARA: No questions. 12. VICE CHAIR HELLER: Commissioners, any 13 questions? Is there anyone else present who wants to provide public testimony. Please step forward. 14 15 ROY MORIOKA 16 being first duly sworn to tell the truth, was examined 17 and testified as follows: 18 THE WITNESS: I do. 19 VICE CHAIR HELLER: Please state your name, 2.0 and address for the record. 21 THE WITNESS: My name is Roy Morioka. 2.2 Residence is 1190-A Iki Place, I-k-i Place, Honolulu, Hawai'i. 23 24 VICE CHAIR HELLER: Go ahead.

THE WITNESS: Gentlemen and lady, I'm for

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the concerns and testimony provided by the previous testifiers. I respectfully seek your support to better oversee this DRO8-36 Ko Olina Development, LLC and its progress. The U.S. Army Corps of Engineers has commented that they're busy. A recent communication from them indicates that the State Office of Historic Preservation has still not been contacted with regard to the parking associated with this launching ramp.

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We've had 2 years to have all of these things progress. And yet it hasn't. It's a domino kind of thing. Step by step rather than in parallel. It befuddles me as to how our Administration can function in this fashion. This concern rises to my personal opinion that Ko Olina is simply going through a minimalist approach in this whole matter.

If it were the Aulani Project I'd guarantee they'd be on the doorstop of the U.S. Army Corps of Engineers. They would be on the doorstep of SHPD to ensure that all of the i's were dotted and the t's were crossed to ensure that the deadlines assured us would have been met.

As the president had indicated, the Commission, perhaps not this body, but the Commission offered the community, the public boaters, their

support. And I seek your, this new Commission, your support in holding Ko Olina accountable and following through. If you look at the chronology of events that have occurred, every quarter you get a report from Ko Olina, 13 of 'em, on track, on track, on track, but no inquiries. No one on the Land Use Commission queries as to what "on track" means.

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We've taken extraordinary efforts to find out what's happening. We've been lied to. And most recently just a couple of days ago we were lied to by Mr. Watanabe at the U.S. Army Corps of Engineers, which prompted me to send an e-mail to NOAA which quickly respond — or was responded to by the U.S. Army Corps saying, "Oh, we haven't sent you any materials yet," which was promised us to be sent December 7, 2012. Today is January 2013.

And we still have not had that paperwork promised to be delivered on December 7th to be in the hands of NOAA Fisheries.

And yet the SHPD issue has not even been addressed. We are very concerned. And we look to you Commissioners to truly hold Ko Olina Development Corporation, LLC accountable and perform the due diligence that we the public seek from you. Thank you very much.

1 VICE CHAIR HELLER: Parties, any questions? 2 Commissioners, any questions? Thank you. 3 THE WITNESS: Thank you. 4 VICE CHAIR HELLER: Is there anyone else 5 present wishing to provide public testimony? Come 6 forward. 7 RICHARD YAMASAKI 8 being first duly sworn to tell the truth, was examined 9 and testified as follows: 10 THE WITNESS: Yes. 11 VICE CHAIR HELLER: Please state your name 12. and address for the record. 13 THE WITNESS: My name is Richard Yamasaki. 14 I live at 98-738 Na Ali'i Street in Aiea. I represent 15 the Reel Fishing Club who although we -- I cannot 16 bring that many members because most of the members 17 are working this morning. I'm now retired so I can 18 participate. 19 Last time I testified in regards to this Ko 2.0 Olina problem was approximately 2 years ago. And at 21 that hearing I testified that I was somewhat involved 2.2 with Mr. Horita when Ko Olina was still bushes out 23 there, and Herbert Horita was trying to get the 24 permits for Ko Olina to be constructed.

And there were numerous hearings out in the

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Wai'anae area. And I remember one hearing in particular was at the old Nanaikapono School where there were many Hawaiian activists from the Waianae area stating that they would like to see various things being constructed.

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And one of them was access to the Ko Olina Harbor which the Ko Olina Development at that time was proposing that they would extend the deep draft harbor to include a marina.

Some of the folks out there asked for public access so they could fish outside of the Ko Olina area. Now, I cannot remember all the details, but I do remember that several things were granted. One of them was the public harbor, not public harbor but public access to the Ko Olina Marina.

Then there was a walkway that I remember they had to construct. And also to allow the people to have access to the beach area in one of the coves.

Now, it's been about, what, 7 years ago now that the public was denied access to the boat ramp which I used to partake of. I had a boat. And I used to be able to launch there. I remember filling out all the necessary forms, insurance papers and everything.

Then one day it was closed to us. And we

were told that this was temporary and that it was — another boat ramp would be constructed or have, allow the boaters access to the Ko Olina Marina. I don't have all my dates, but I believe it was at least 7 years ago. The last time I testified I asked the Ko Olina people, "Well, why don't you allow the fishermen to use the boat ramp?"

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Now, they broke up the boat ramp so there's no access. We were told, "Wait. Another ramp is going to be forthcoming."

Well, we waited and waited and waited, but nothing. Okay. Now, this was — this public boat ramp was put in. It was a mandate that that was part of the process that Horita had to comply with. Now Horita is out of the picture. But I believe that the new owner that Ko Olina Development at present are still supposed to comply with giving access to the fishermen for the boat ramp, but that's been denied to us for over seven years now.

Now, I don't know all the reasons why, delay on this, delay on that, but I stated that if it's gonna to take seven years, if we had known that, at least make that ramp accessible.

Now, I don't know how come Ko Olina had the permission to just stop the public from using it, to

demolish the existing boat ramp. And nothing was given to the public. I don't know of any other situation that that's possible to, especially to comply with the original, the original permits.

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'Cause Ko Olina, the permits that were granted for the regional Ko Olina was predicated on all these various factors: The walkway, the access to the beach, and the public access to boaters.

I don't know if the access to the people and the cove for swimming is still active or not. I don't know that. But I do know that the public boat ramp was demolished approximately seven years ago.

And although they say that you can use the Phoenician area, the Phoenician area had nothing to do with the original Ko Olina permit. If that was the case then Horita probably didn't have to put in the boat ramp. They could say, "Well you can use the Phoenician area."

But being as it is I would like to have the Commission press to have Ko Olina comply with the original permit or what you call — the permit requirements that a public boat ramp be accessible to the fishermen.

And that's what we want to see. But like I said we've been patiently waiting but I think seven

- 1 years is more than enough time. And I think the public has been denied access to the boat ramp which 3 we should not have been denied all this time. 4 you. 5 VICE CHAIR HELLER: Parties, any questions? 6 Commissioners, any questions?
- 7 COMMISSIONER McDONALD: I have a quick 8 question. Mr. Yamasaki, what's the reason -- I got to 9 apologize. I'm not real familiar with this 10 Phoenician's boat ramp. What's the reason why the 11 local boaters, the local fishermen can't utilize the
- 13 THE WITNESS: What? I'm sorry. I don't 14 understand that.
  - COMMISSIONER McDONALD: You as well as the previous testifiers identified this Phoenician's boat ramp.
- 18 THE WITNESS: Yes.

Phoenician's boat ramp?

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- 19 COMMISSIONER McDONALD: And you folks are 20 saying it's inadequate or in sufficient.
- 21 THE WITNESS: In my opinion, yes. I have 2.2 personally gone down to the Phoenician boat ramp. In 23 fact it was on the news many years ago. The 24 Phoenician boat ramp is very, very difficult to launch 25 a trailered boat off. The Phoenician boat ramp is

really a -- it's what's called a pullout for big vessels. You bring a crane in, they drive in, they hoist the boat out and take it to a dry dock. But there's no safe way that boaters can get in and out.

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Now, a public boat ramp should have safety features. You should have a way to tie your boat up to and get out of the boat. Phoenician boat ramp doesn't have any of that. You're going to have to have someone drive your boat in and drive your boat out.

No one can get in, even someone has no handicaps, you cannot climb up the ramps, the steep walls. There's no, whachu call walkway areas where you can bring your boat up and tie down and exit, get up. There's no way you can do that.

So certain types of vessels may be able to exit that area and launch, but it's not safe at all. There's also a big surge there. The surge will pitch all the way up so it's very, very difficult.

So that's why the Phoenician boat ramp is not sufficient. It was on the news. There were a lot of fishermen that tried to bring their boats in to televise it to see how difficult it is to get a vessel in and out of there.

COMMISSIONER McDONALD: Thank you.

VICE CHAIR HELLER: Any other questions, Commissioners?

AUDIENCE MEMBER: Chair, can I say something?

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VICE CHAIR HELLER: Public testimony is one time. Is there anyone else who has not testified previously and wants to provide public testimony?

Okay. Thank you. Will Ko Olina Development please go ahead and make whatever presentation you wish.

MR. WYETH MATSUBARA: Chair, Commissioners, appreciate the time. I'll be brief. The main objective of this report today is to make it absolutely clear that KOD, Ko Olina Development, is firmly committed to constructing and completing the boat launch ramp in the marina as soon as possible.

Recently we filed some status reports with the Commission. We filed on October 19, 2012. The LUC sent us a letter regarding concerns, public concerns regarding the status and progress of the boat ramp. We replied with a letter. We also attached a letter in response to those public concerns and addressing those public concerns as to the diligent efforts and the amount of effort that went into addressing and continuing our work towards completing the boat ramp.

December 14 we filed our 13th status report which provided a further status update of our progress. Recently on January 17th we provided a supplement to our 13th status report regarding the status of the boat ramp and Ko Olina Development's efforts in that regard.

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One of the main things we want to assure you is that any assumption that Ko Olina has not worked diligently or has not kept in contact with the permitting authorities is absolutely incorrect. We attached in our supplemental to our 13th as Exhibit 4, 39 e-mails that we have done from our consultant with the Army Corps of Engineers and other permitting authorities.

Over 39 e-mails and following up: What's the status? What can we do? What needs to be done? Any time anything was asked of us, for instance, through NOAA, through the Army Corps of Engineers asked for an acoustic test. Our engineer provided that, a response to that within five working days. Our response time is absolutely quick.

Our consultant is top of the line. He's had 43 years of engineering experience in marine work. And in the last seven years alone he's completed 15 Department of Army permits including two currently

that's going on this.

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I mean this is the guy. Ko Olina did not hold back in hiring consultants to ensure as best as possible, as best as reasonably possible that we get this boat ramp in that marina as quickly as possible.

We filed all the permits that were able to file on time. It has to be understood that while we can have control of when we file and what we file, we have no control over how long in takes the permitting authorities to review and process our permits.

You heard testimony today that it seems like after we provide information that some of the frustrations are more towards the permitting authority. I can assure you all of this that the frustrations of the boaters have towards permitting authorities is the same on our side.

I cannot begin to express the amount of frustration that I've felt for my clients and consultants during this process. But it is a process. It is what is required. It is what we're obligated to do and what we continue to do. We will continue to work with them.

Obviously the current timeframes that we propose based on our best estimates have not been met. We never once promised that we'd be able to complete

the boat ramp at this specific time. And I know the Commission in their wisdom never requires any due date, specific due date especially when there's permitting involved that is beyond the control of the Applicant.

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Currently the status is as some of the public boaters have mentioned, that on November 30th Department of Army submitted a Coordination Notice and Review. This review was sent to 14 federal, state and county agencies requesting that any comments be returned by December 7th.

On December 7th last month, we received two comments according to the Department of Army Corps. So as we know now there are two further followups that need to be done. One was from NOAA, the National Oceanic and Atmospheric Administration. The other one was from the State Historic Preservation Division, SHPD.

The Department of Army then issued to us these comment — the full comment letters from these two entities to us on December 12. But before even waiting to receive the full comments on December 12, Ko Olina went ahead and retained two well-qualified consultants to address any and all concerns from NOAA and from SHPD.

In terms of SHPD we hired Cultural Surveys analyst Hal Hammatt who's done countless cultural surveys in front of this Land Use Commission.

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And to address any of the NOAA issues, we've hired AECOS who's done countless numbers of representations and permitting with NOAA as well as with the Department of Army Corps.

So Ko Olina without even waiting to get the final Notices of Conditions and Requirements already retained two consultants who have been working already to address these concerns in an effort to help push this, push this forward.

So based on some comments we received yesterday as well from the Army Corps they're looking to issue the Department of Army permit within the next two to four weeks. There will be at least two special conditions of which we know one. NOAA would like us to do an essential fish habitat review.

And SHPD wants us to do a cultural survey review for our land side parking lot assessment. As I've said already, both consultants are working on already providing what documentation we need, what answers NOAA and SHPD need and present it to them.

So at this time that's all the information

I have on the current status of this permit. But this

- 1 DOA permit obviously went beyond what we expected.
- 2 Just to look at the e-mails you see our consultant
- 3 | following up with these guys. I think it's impossible
- 4 for them to put it under the table. I mean there's no
- 5 | way they could have.
- 6 Our guys, they documented written e-mails
- 7 | that we've printed out and provided to show a pretty
- 8 diligent effort on our side to follow up. Constantly
- 9 seeking updates, constantly seeking requests if
- 10 | there's anything we need to do, let's do it. And if
- 11 there were requests for us to follow up, I mean he
- 12 responded in a quick, quick manner.
- I think that our consultant has gone above
- 14 | and beyond what's expected in this process. It's just
- 15 unfortunate and frustrating on both sides as to what's
- 16 going on. We're open to questions if there's any from
- 17 | the Commission.
- 18 VICE CHAIR HELLER: Commissioners, any
- 19 questions? Commissioner McDonald.
- 20 COMMISSIONER McDONALD: Thank you,
- 21 Mr. Matsubara. You mentioned anticipating pulling the
- 22 | Corp. permit in two to four weeks. That directly came
- 23 | from FARLEY?
- MR. WYETH MATSUBARA: This came from my
- 25 | consultant. My consultant contacted FARLEY, that's

correct.

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with these processes and understand the frustration that your client as well as these boaters have with regards to the Corps permit process. I've been personally involved with the permit process. And I do understand it can get frustrating.

I also understand there's a bunch of federal agencies that are involved with the review of the permit. So your statement of a 2 to 4-week approval date, I'm wondering if you have any idea as far as what remaining federal agencies you folks are awaiting comments from.

MR. WYETH MATSUBARA: Anticipating, correct. I appreciate that. Thank you for understanding. Every time I try to be open and explain things to whoever it may be, we always get it as a commitment or statement. And it's unfortunate because I just don't have that ability to do that. I'm trying to provide information.

From what I understand that November 30th expedited review letter that was sent out, that made a requirement to those other 14 agencies to say something now or forget it.

My understanding is that that process has

been vetted. I can't guarantee this but we only expect that the current NOAA comments and SHPD comments are the two agencies, remaining agencies that will need follow up.

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So when I represented that FARLEY expects or the Department of Army expects to issue us a permit in two to four weeks, the permit will be issued with special conditions. So the permit will say: This permit's in favor of Ko Olina with these two special conditions.

And the special conditions I'm assuming are going to require follow up before you can actually start construction. But like I said we're starting to address those issues now so that we can probably shorten the wait time.

I did mention our 13th and 12th annual reports. We've already filed our building permits with the county. Okay. So that's ahead of schedule. Normally you'd wait to find out what, if any, requirements that the Department of Army has in case it needs to adjust or change your application with DPP. But we consulted DPP, told them our situation. Said, "We're just going to file this already. If we need to make changes can we amend it." They agreed to allows us to expedite amendments if necessary.

We filed our building permit application already.

COMMISSIONER McDONALD: Any comments received from U.S. Fish and Wildlife?

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MR. WYETH MATSUBARA: Well, the process would go from them to the Department of Army and then to us. And at this time we have not received any notice from the Department of Fish and Wildlife Services. There were some issues through NOAA regarding some kind of acoustic concerns regarding pile driving.

Again, this is just my understanding. My understanding is that based upon our consultant's workup about what he was going to do in mitigation, and in consultation with the Department of Army, they've told NOAA there's no need to address any acoustical Endangered Species Act issues. My understanding is that NOAA is agreeing to that as well.

So that's my understanding. I can't commit to that but that is my hope and that is what we expect.

COMMISSIONER McDONALD: No, I understand the process as far as your consultant going through the Army Corps for the necessary purview from the

1 various agencies. I do have a concern with U.S. Fish 2 and Wildlife in particular based, again, upon my past 3 experience. Has there been any type of outreach to 4 that agency beyond the Corps permit process? 5 MR. WYETH MATSUBARA: No. Our consultant 6 is pretty keen on keeping it, his direct line of 7 communication through FARLEY. I think, yeah as far as 8 him specifically outreaching other agencies he does 9 not normally do that. 10 COMMISSIONER McDONALD: So as far as construction, okay, the permit -- or we're hoping 11 12. that -- you folks are hoping that the permit gets 13 issued within the next two to four weeks. 14 MR. WYETH MATSUBARA: Correct. 15 COMMISSIONER McDONALD: Are there any 16 mitigation measures that would need to be implemented 17 prior to the actual start of construction? 18 MR. WYETH MATSUBARA: Yes. SHPD is going 19 to require us to do a cultural survey analysis first. 20 COMMISSIONER McDONALD: Has that been 21 initiated? 22 MR. WYETH MATSUBARA: Well, we've retained 23 Hal Hammatt, Cultural Surveys. And they have --

given the notice to proceed. My understanding is that

they've already been given him -- we retained him,

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1 we've already given him our prior EIS's. There's 2 multiple EIS's for this entire Project when it was first approved. So that's a good place to start. 3 So he's reviewing that now. He's going 4 5 through that process now. Our hope is that there's been enough disturbance in that area already that 6 7 there will not be an issue but I cannot guarantee 8 that. So they're starting that process. 9 We're hoping that there will be nothing to 10 document and there will be a quick survey. But that's 11 something we can't quarantee until he actually gets on 12. the ground. But, yes, he has started that process. 13 We're not waiting for the permit to tell us we gotta 14 do these conditions. We're going ahead doing it. 15 COMMISSIONER McDONALD: Any issue with 16 coral mitigation? 17 MR. WYETH MATSUBARA: That's a great point. 18 Because I've been in discussions with people at DOBAR 19 and whatnot. Thank goodness that there are no coral 2.0 issues in the marina. That's another thing that could 21 hold up a project. 22 COMMISSIONER McDONALD: Thank you,

23 Mr. Matsubara.

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MR. WYETH MATSUBARA: Thank you very much.

VICE CHAIR HELLER: Other questions?

Commissioner Biga.

COMMISSIONER BIGA: Good morning. Thank you for coming and testifying. Listening to everything, listening to the testifiers, I'm new to this board. But it concerns me when we stop the public from using access that they have a right to.

What would be Ko Olina's best guess, because it's obviously not going to meet the deadline, that this ramp would be actually done? It's a guess.

10 I'm not holding you to it. What do you think?

11 MR. WYETH MATSUBARA: It's very difficult.

I mean honestly, if you look for the e-mails, and I pointed out in my last supplemental, that there was

14 indication from the Department of Army Corps that our

15 permit would be issued September 1st, 2011.

We have written representations from the Department of Army that we'd get our permit by that date because our consultant was saying, "Hey, look. We've gotta file, we've gotta schedule, we gotta file our DPP permits by September 1st, 2011. What's the status?"

This was in early 2011. The Department of Army said, "Oh, it should be done by September 2011." That obviously did not occur.

So I mean it seems that we have some

indication that in four weeks we'll get it. But I don't know the extent of what the cultural survey is going to be. I don't know the extent of the essential fish habitat. I'm hopeful that the essential fish habitat will be minimal and that our consultants will draft a response that's good enough that it will expedite the matters.

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But the whole start is going to be this, for the Department of Army, will be based on what the result is, further assessments by these other consultants are gonna do. Honestly I knew the question was gonna come up. I honestly tried to get some best estimate. But at this date in January it's too difficult for me to tell right now since things are just in flux and in motion.

The other matters: We've already filed our building permit, which I said. And it seems to be processing fine. And right now it's within the NPDES permit stage. So how long the NPDES permit stage goes I don't know. But those are going to be the two permitting processes that will determine when we can start construction.

I can definitely put our best guess estimates in our future status reports to give everyone a better idea once I can kind of get my

handle on something.

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COMMISSIONER BIGA: And you can understand the frustration of the fishermen waiting over seven years.

MR. WYETH MATSUBARA: Absolutely.

COMMISSIONER BIGA: I think my next question would be: What would it take to open up the old existing boat ramp?

MR. WYATT MATSUBARA: That's unacceptable to us. This issue was raised in our Declaratory Order hearing. We provided evidence and documents. We had expert testimony provided, the reasons why we could not open that up anymore: For liability reasons, for permitting reasons and issues.

Any type of interim or other type of provision was vetted and discussed in that hearing. And the Declaratory Order and the Decision and Order and the conditions that followed were the result of those discussions and whatnot.

I understand it was the request for interim solution to open up the original boat ramp was always there, was always out there. We stated our reasons during that hearing as to why we could not.

COMMISSIONER BIGA: You knew I had to ask that question.

1 MR. WYETH MATSUBARA: I completely 2 understand, Commissioner. 3 COMMISSIONER BIGA: Thank you. 4 VICE CHAIR HELLER: Commissioners, anything 5 further? 6 COMMISSIONER McDONALD: One last follow up. 7 VICE CHAIR HELLER: Sure. 8 COMMISSIONER McDONALD: Knowing that you 9 folks have to do these additional studies, is it the 10 Corps' intent to issue a conditional permit pending 11 the outcome of these additional studies? 12. MR. WYETH MATSUBARA: Let me just say in 13 the moment and I can get corrected by my consultant, 14 my understanding is that the permit will be issued 15 with special conditions. My assumptions these special 16 conditions will require these things be followed up with these other, with SHPD and NOAA prior to actual 17 18 construction can begin. 19 So that there will be a permit issued to us 20 with special conditions. And the special conditions 21 will have certain pre-requirements I quess, conditions 2.2 prior to us before we can proceed. 23 COMMISSIONER McDONALD: Proceed with 24 construction? 25 MR. WYETH MATSUBARA: Correct.

VICE CHAIR HELLER: OP?

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MR. YEE: I'm not sure to what extent the Commission has been oriented on the prior proceedings in this case. So feel free to stop me if I — I think it's helpful, especially for those who have not been involved in this case to understand.

Historically or what happened previously in this case there was a district boundary amendment. There was a condition to put in a boat ramp in the marina. There was a dispute — they did originally put in a boat ramp — there was a dispute apparently between some of the nearby residents who complained about the noise when the fishermen were coming back I guess fairly late.

And there was a discussion between the City, Ko Olina, and I think some of the boaters about that when Ko Olina restricted the hours I think to sunrise to sunset. And the boaters weren't happy about that restriction.

So eventually the City facilitated an agreement whereby Ko Olina moved the boat ramp to this basically industrial area, the Phoenician boat ramp that's been referred to. Phoenician boat ramp is a pull in/pull out boat ramp. It's really not intended for recreational boaters.

And the reason that's important is because the wave action is significantly higher there. So it's much more difficult to get in and out. The angle or the slope that goes into the water I think is different than you would normally find for other recreational boat ramps.

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So the boaters listed actual dangers from the Phoenician boat ramp that — and frankly it was nowhere near as nice as you might imagine as Ko Olina Harbor marina. Eventually — and the LUC and the Office of Planning was never involved in those discussions.

So eventually it came to the attention of the Land Use Commission which then held a hearing and we basically agreed to resolve this through a declaratory action. As you might imagine an Order to Show Cause for reversion of an already developed area was problematic. So we did a declaratory action in that case. The LUC made a finding that yes the Order required a boat ramp in the marina, in their actual marina.

It was made clear at the time it was going to take a long time to get that boat ramp built. I mean the Petitioners were very clear about that. They put out a projected schedule of 43 months for

construction.

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And the Office of Planning at the time did say: We understand it's going to take some time.

So the fact that it's taking a long time was partially known at the time this was done. That it would be this long we didn't fully appreciate perhaps, but we've heard the reasons why.

To answer a couple of the questions about the future, as you look at the 2009 schedule they allow 18 months from the time the -- well, let's backtrack.

There are five permitting requirements that are listed in their schedule, their 2009 schedule. Of those five the Department of the Army's permit and the building permit are the two outstanding permits required. And the building permit doesn't, according to this schedule, doesn't begin until after the Department of Army permit.

So starting from the building permit to the completion of the construction is 18 months, so if you wanted to have some general idea how long it's going to take.

After the Department of Army issues their building permit, the schedule provides for 18 months of which six months is taken up by the building

permit. And the remaining year is taken up in actual construction. There may be more things that are complicating this but that's just what's in the schedule.

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As we move forward from today what will be helpful to make clear, if not today then at least n their annual — not annual, the quarterly reports would be, perhaps, a clear understanding what they mean by "follow up".

So, for example, they said, "We need to follow up with SHPD. We need to follow up with NOAA."

And it would be helpful to know does this followup mean we're discussing with SHPD whether they are correct in requiring an inventory survey? Or are we following up with SHPD by doing an inventory survey and submitting it to them?

And the same with NOAA. NOAA's talking about essential fish habitat. They noted in their latest quarterly report they were surprised by this because the Department of Army had said, "This is not an essential fish habitat."

So as you move forward with this in the follow up you do perhaps with NOAA is the followup going to be: "We're doing essential fish habitat survey?" Or is the followup, "We're in discussions

with NOAA trying to convince them you do not need an essential fish habitat survey"?

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So we're just asking for further clarification. It does appear, however, that if the Department of Army is able to issue its permit then presumably they can at least proceed with the building permit stage. So at least there might be some time gained in their 18-month schedule for that.

With that the Office of Planning does understand the frustration. I think the frustration is legitimate and sincere. We also understand the problems that occur with permitting.

Apparently the biggest problem had been the Department of Army not issuing the Notice. That was at a very, frankly, a very long period sort of out of the ordinary. But that's not something that can be fixed at this point because the Army has issued its Notice. So they did proceed from simply holding onto the review of the permit application.

So at this point it doesn't appear to be anything that can be done. Well, there's nothing I can point to to specifically speed up the process other than obviously continue with the quarterly reports. That's all. Thank you.

VICE CHAIR HELLER: Commissioners, any

questions? Commissioners, what is your pleasure in this matter?

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COMMISSIONER TEVES: Mr. Chairman, I would like to see another status report. We have open dates in April and May. If it can happen in April I'd like to have another status report to see where we are in the permits.

8 VICE CHAIR HELLER: What's the date of our 9 April meeting?

MR. ORODENKER: We have April 4th and 5th and April 18th-19th. The April 18th-19th meeting is currently open.

VICE CHAIR HELLER: Would it be feasible to file a supplemental status report for the April 18th-19th meeting?

MR. WYETH MATSUBARA: Oh, yes, of course. So this would just be a follow up status report explaining where we are in progress.

VICE CHAIR HELLER: Right. Not replacing the regular quarterly reports but just a supplement for that meeting.

COMMISSIONER TEVES: I want them physically here, not just filing the report so he can answer questions from us.

VICE CHAIR HELLER: Is that making that in

1	the form of a motion?
2	COMMISSIONER TEVES: Yes.
3	VICE CHAIR HELLER: Is there a second?
4	COMMISSIONER BIGA: Second.
5	VICE CHAIR HELLER: Any discussion? Let's
6	call for the vote. The motion is to schedule a
7	follow-up session for the April 18th or 19th meeting
8	with a supplemental report to be provided and the
9	Petitioner to appear at that meeting to answer
10	questions.
11	MR. ORODENKER: Thank you, Mr. Chair. For
12	clarification the Movant was Commissioner Teves and
13	the second was Commissioner Biga. Thank you.
14	Commissioner Teves?
15	COMMISSIONER TEVES: Yes.
16	MR. ORODENKER: Commissioner Biga?
17	COMMISSIONER BIGA: Yes.
18	MR. ORODENKER: Commissioner Matsumura?
19	COMMISSIONER MATSUMURA: Yes.
20	MR. ORODENKER: Commissioner Inouye?
21	COMMISSIONER INOUYE: Aye.
22	MR. ORODENKER: Commissioner McDonald?
23	COMMISSIONER McDONALD: Yes.
24	MR. ORODENKER: Commissioner Contrades?
25	COMMISSIONER CONTRADES: Yes.

1	MR. ORODENKER: Chair Heller?
2	VICE CHAIR HELLER: Yes.
3	MR. ORODENKER: Mr. Chair, the motion
4	passes unanimously.
5	VICE CHAIR HELLER: Thank you.
6	Commissioners, anything further? I believe we are
7	ready to adjourn. Okay. Meeting is adjourned.
8	MR. WYETH MATSUBARA: Thank you very much.
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10	(The proceedings were adjourned at 10:15 a.m.)
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## 1 CERTIFICATE 2 3 I, HOLLY HACKETT, CSR, RPR, in and for the State 4 5 of Hawai'i, do hereby certify; 6 That I was acting as court reporter in the 7 foregoing LUC matter on the 24th day of January 2013; 8 That the proceedings were taken down in 9 computerized machine shorthand by me and were 10 thereafter reduced to print by me; 11 That the foregoing represents, to the best 12. of my ability, a true and correct transcript of the 13 proceedings had in the foregoing matter. 14 15 This\_\_\_\_\_ day of\_\_\_\_\_\_2013 DATED: 16 17 18 19 20 HOLLY M. HACKETT, HI CSR #130, RPR Certified Shorthand Reporter 21 22 23 24 25