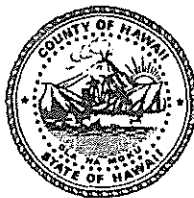


Debbie

Harry Kim
Mayor



Christopher J. Yuen
Director

Brad Kurokawa, ASLA
LEED® AP
Deputy Director

County of Hawaii
PLANNING DEPARTMENT

101 Pauahi Street, Suite 3 • Hilo, Hawaii 96720-3043
(808) 961-8288 • FAX (808) 961-8742

July 13, 2006

Mr. Greg Fukumitsu
Tom Nance Water Resource Engineering
680 Ala Moana Boulevard, Suite 406
Honolulu, Hawaii 96813-5411

Dear Mr. Fukumitsu:

**Special Management Area Use Permit Assessment Application No. 06-000176
(SAA 06-176)**

Special Management Area Minor Permit No. 06-000035 (SMM 06-35)

Applicant: Mauna Lani Service, Inc.

Land Owners: Tokyu Corporation and Mauna Lani Service, Inc.

Project: Installation of a new 20-inch potable waterline

TMK: (3) 6-8-001:052 & 053 Waikoloa, South Kohala, Hawaii

By this letter we acknowledge receipt of the subject Special Management Area Use Permit Assessment application (SAA 06-176).

After careful review of the application and accompanying submittals we have determined that a Special Management Area Minor (SMM) Permit is required for the proposed project. The approved SMM Permit No. 06-35 is enclosed.

Should you have questions, please feel welcome to call Larry Brown or Esther Imamura of my staff at 961-8288.

Sincerely,

A handwritten signature in cursive script, appearing to read "Ch Yuen", is written over the name Christopher J. Yuen.

CHRISTOPHER J. YUEN
Planning Director

LMB:cd

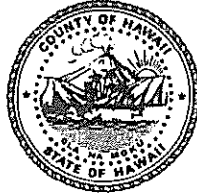
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Mr. Greg Fukumitsu
Tom Nance Water Resource Engineering
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Encl: SMM 06-35

xc w/encl: Long Range Planning - Ms. Deborah Chang
Planning Commission
Mauna Lani Service, Inc.

Harry Kim
Mayor



Christopher J. Yuen
Director

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Special Management Area Minor Permit No. 06-000035

Project: Installation of a new 20-inch potable waterline
Applicant: Mauna Lani Service, Inc.
Land Owners: Tokyu Corporation and Mauna Lani Service, Inc.
Location: Waikoloa, South Kohala, Hawaii
TMK: (3) 6-8-001:052 and 053

Applicant's Request

1. Project Description:

The applicant proposes to install a new 20-inch waterline across the two subject parcels as part of a water system expansion being built for the Mauna Lani Resort. The new 20-inch waterline will be connected to an existing 24-inch main. Upon completion the water system will be dedicated to the County of Hawaii Department of Water Supply.

2. Purpose of Project:

The purpose of the project is to improve the capacity of the existing water supply system in order to service anticipated expansion in Mauna Lani Resort.

3. Project Valuation: \$15,000.00

4. Determination:

According to Chapter 205A-22, HRS, and Planning Commission Rule No. 9-4(10)(A)(i), relating to the Special Management Area, "development" includes the placement of any solid material or any gaseous, liquid, solid, or thermal waste.

Therefore, the proposed project requires a SMA Minor Permit.

State and County Plans

- 1. State Land Use District:** The subject property is designated Agricultural by the State Land Use (SLU) Commission.
- 2. General Plan:** The Hawaii County General Plan Land Use Pattern Allocation Guide (LUPAG) Map designates the subject property for open uses.

3. **County Zoning:** The subject property is zoned Agricultural (A-5a) by the County of Hawaii.
4. **Special Management Area:** The subject property is located in the SMA.

Compliance with Objectives and Policies of Chapter 205A, Hawaii Revised Statutes (HRS), Regarding the Special Management Area
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Check all objectives and policies found to be consistent with proposed development. Issuance of SMA Minor Permit requires that activity be consistent with all objectives & policies.

The proposed development is consistent with the following objectives and policies:

- ☒ Development will not have any significant adverse environmental or ecological effect, except as such adverse effect is minimized to the extent practicable and clearly outweighed by public health, safety, or compelling public interest. Such adverse effect shall include, but not be limited to, the potential cumulative impact of individual developments, each one of which taken in itself might not have a substantial adverse effect and the elimination of planning options.
- ☒ The proposed development is consistent with the Hawaii County General Plan and the Zoning Code.
- ☒ The proposed development does not conflict with the following objectives of Chapter 205A, HRS, to:
 - ☒ Provide coastal recreational opportunities accessible to the public.
 - ☒ Protect, preserve, and where desirable, restore those natural and man-made historic and pre-historic resources in the coastal zone management area that are significant in Hawaiian and American history and culture.
 - ☒ Protect, preserve, and where desirable, restore or improve the quality of coastal scenic and open space resources.
 - ☒ Protect valuable coastal ecosystems from disruption and minimize adverse impacts on all coastal ecosystems.
 - ☒ Provide public or private facilities and improvements important to the State's economy in suitable locations.
 - ☒ Reduce hazard to life and property from tsunamis, storm waves, stream flooding, erosion, subsidence and pollution.
 - ☒ Improve the development review process, communication, and public participation in the management of coastal resources and hazards.
 - ☒ Stimulate public awareness, education, and participation in coastal management.
 - ☒ Protect beaches for public use and recreation.

- ☒ Promote the protection, use, and development of marine and coastal resources to assure their sustainability.
- ☒ The proposed development is consistent with the following policies of Chapter 205A, HRS, relating to:
 - ☒ Recreational Resources
 - ☒ Historic Resources
 - ☒ Scenic and Open Space Resources
 - ☒ Coastal Ecosystems
 - ☒ Economic Uses
 - ☒ Coastal Hazards
 - ☒ Managing Development
 - ☒ Public Participation
 - ☒ Beach Protection
 - ☒ Marine Resources
- ☒ The proposed development conforms to the requirements of Chapter 343, HRS, regarding Environmental Impact Statements.

Findings

As discussed above, the proposed development will not have any significant adverse environmental or ecological effect, except as such adverse effect is minimized to the extent practicable and clearly outweighed by public health, safety, or compelling public interest.

The proposed development is consistent with the objectives, policies, and SMA guidelines of Chapter 205A, HRS.

The estimated total expenditures for both phases of the proposed project are \$15,000.00.

The Department of Public Works – Engineering Division has reviewed the proposed project for compliance with Chapter 27, Flood Control, of the Hawaii County Code and has submitted the following comments, dated July 5, 2006, regarding the subject SMAA.

"We have reviewed the subject application and our comments are as follows:

The subject parcel is located in Zone "X" on the Flood Insurance Rate Map (FIRM), dated September 18, 1988. Although not a Special Flood Hazard Area, designation "X" does not mean the parcel is not subject to flooding. If there are watercourses on the property, they shall not be altered without first obtaining approval from DPW and a grading permit. A flood study may be required under Chapter 27 of the Hawaii County Code for watercourse alterations.

Should there be any questions concerning this matter, please feel free to contact Kiran Emler of our Kona Engineering Division at ext. 327-3530."

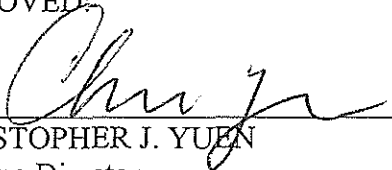
Pursuant to Planning Commission Rule Section 9-10(E), **Special Management Area Minor Permit No. 06-000035** is hereby approved to allow for the construction of approximately 62 feet of a 20-inch waterline across the subject parcels..

Conditions of Approval

The Planning Director has approved **SMA Minor Permit No. 06-000035** subject to the following conditions:

1. The applicant, its successors or assigns shall be responsible for complying with all stated conditions of approval.
2. The applicant shall comply with all applicable requirements of all State and County of Hawaii and Federal departments and agencies.
3. Should any of the conditions not be met the Planning Director shall initiate procedures to revoke the permit.

APPROVED:



CHRISTOPHER J. YUEN
Planning Director

JUL 14 2006

Date