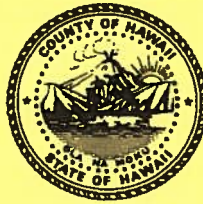


William P. Kenoi  
Mayor



BJ Leithead Todd  
Director

Margaret K. Masunaga  
Deputy

West Hawai'i Office  
74-5044 Ane Keohokalole Hwy  
Kailua-Kona, Hawai'i 96740  
Phone (808) 323-4770  
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**County of Hawai'i**  
**PLANNING DEPARTMENT**

East Hawai'i Office  
101 Pauahi Street, Suite 3  
Hilo, Hawai'i 96720  
Phone (808) 961-8288  
Fax (808) 961-8742

February 6, 2013

Ms. Tracy Fukuda  
Project Director  
Wilson Okamoto Corporation  
1907 S. Beretania Street, Suite 400  
Honolulu, HI 96826

Dear Ms. Fukuda:

**SUBJECT: Special Management Area Use Permit Assessment Application  
(SAA 13-000924)**

**Special Management Area Minor Permit No. 13-000259**

**Request: Ke'ei Waterline Improvements Project**

**Applicant: Kamehameha Schools Bishop Estates (KSBE)**

**Land Owner: Kamehameha Schools Bishop Estates (KSBE)**

**Tax Map Key: 8-3-5:Por. of 1, South Kona, Hawai'i**

**Tax Map Key: 8-3-4:Por. of 1, South Kona, Hawai'i**

This is in response to the January 9, 2013 re-submittal of the application for the Ke'ei Waterline Improvements Project on portions of the subject parcels. No changes were made to the original plans.

By email dated February 4, 2013, the Department of Public Works, Engineering Division affirmed that their comments on the first submittal did not have to be updated.

TMK: 8-3-4:1, consisting of 410.23 acres, and TMK: 8-3-5:1, consisting of 24.55 acres, are both designated Conservation by the State Land Use Commission. Because of this Conservation designation, there is no County Zoning, per se. The General Plan designation for these two parcels is Open.

Although both parcels are in the Special Management Area, the project area is over 120 feet from the coastline. Therefore, it is not located in a "shoreline area" as defined by Section 205A-41, Hawai'i Revised Statutes (HRS) and a current certified shoreline survey was not required.

According to Chapter 205A-22, Hawai'i Revised Statutes (HRS), and Planning Commission Rule No. 9-4(e)(1)(B) and (E) relating to Special Management Area, the proposed project includes "*Grading, removing, dredging, mining, or extraction of any materials*" and

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Ms. Tracy Fukuda  
Project Director  
Wilson Okamoto Corporation  
February 6, 2013  
Page 2

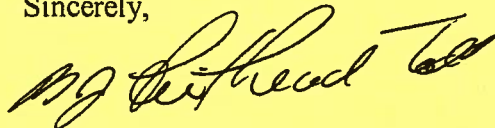
*"Construction, reconstruction, demolition or alteration of the size of any structure",* respectively, and defined as "development". Therefore, a Special Management Area Minor Permit is required.

For this reason and pursuant to Planning Commission Rule Section 9-10(E), Special Management Area Minor Permit No. 13-000259 is hereby issued for the Ke'ei Waterline Improvements Project, subject to the applicant's compliance with the conditions of approval as required by the permit.

Finally, all other applicable Zoning and Building Code requirements must also be satisfied.

Should you have questions, please feel free to contact Esther Imamura at (808) 961-8139.

Sincerely,



BJ LEITHEAD TODD  
Planning Director

ETI:cs

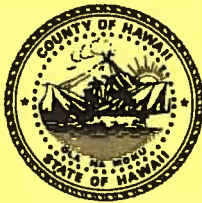
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Enclosures - SMM No. 13-000259  
Department of Public Works April 17, 2012 Memo  
Department of Public Works February 4, 2013 email

cc w/Encls: Long Range Planning  
Planning  
Planning Department – Kona  
Mr. Michael Vitousek, DLNR-SHPD  
Ms. Theresa Dunham, DLNR-SHPD  
Mr. Allen Salavea, Kamehameha Schools

cc: Ltr. only: Mr. Jesse K. Souki, Director, Office of Planning  
State of Hawaii Department of Business, Economic  
Development & Tourism  
P.O. Box 2359  
Honolulu, HI 96804-2359

William P. Kenoi  
Mayor



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### Special Management Area Minor Permit No. 13-000259

**Project:** Ke'ei Waterline Improvements Project  
**Applicant:** Kamehameha Schools Bishop Estates (KSBE)  
**Land Owner:** Kamehameha Schools Bishop Estates (KSBE)  
**Location:** South Kona, Hawai'i  
**TMK:** 8-3-4:Por. of 1                      Land Area: 410.23 acres  
              8-3-5:Por. of 1                      Land Area: 24.55 acres

#### Applicant's Request

##### 1. Project Description:

The applicant proposes to replace the existing potable water lines on portions of the subject parcels. The water lines are provided to KSBE properties by the County of Hawai'i, Department of Water Supply through eight 1-inch above ground polyethylene ("Drisco") pipes.

The existing lines start at the intersection of Pu'u honua and Kahauloa Road for approximately 1,600 feet, then head west (mauka) following an old utility road just mauka of Ke'ei Village. The waterline alignment would be placed within a 4-foot wide corridor, approximately 4,800 feet in length. Upon reaching the utility road, the new waterline would be located along the makai side of the utility road. In addition, fire hydrants would be located along the 8-inch waterline to meet fire protection requirements. Lateral lines would be constructed from the 8-inch line to serve KSBE properties.

##### 2. Purpose of Project:

The "Drisco" lines are exposed to the elements (sun, heat, etc.) leading to breakage and leaking. To improve potable water service and meet fire flow requirements, KSBE proposes to replace the "Drisco" lines with an 8-inch water line that would be partially buried with base course or similar materials. This would improve the public health and safety of Ke'ei community.

Project Valuation: \$300,000

##### 3. Determination:

Chapter 205A-22, HRS, and Planning Commission Rule No. 9-4(e)1)(B) and(E) relating to the Special Management Area, states that "Development" includes "Grading, removing, dredging, mining, or extraction of any materials" and "Construction, reconstruction,



demolition, or alteration of the size of any structure", respectively. Therefore, the proposed project requires a SMA Minor Permit.

#### State and County Plans

1. **National Park Service (Ala Kahakai National Historic Trail):** Trails nearby and within the project area of the Ke'ei section of South Kona will not be impacted by the project.
2. **State Land Use District:** Both parcels are designated Conservation.
3. **Department of Land and Natural Resources, State Historic Preservation Division (SHPD):** By letter dated December 17, 2012, SHPD required a revised Archaeological Inventory Survey to include an archaeological monitor onsite as part of the archaeological monitoring plan.
4. **General Plan:** Both parcels are designated Open.
5. **Kona Community Development Plan (KCDP):** Guiding Principle No. 6 states the following: *"Provide infrastructure and essential facilities concurrent with growth. Future growth should occur where infrastructure (roads and utilities) and essential facilities (i.e. police, fire, and schools) are already in place. These facilities should be maintained at a level that will enhance the quality of life for Kona residents."*
6. **County Zoning:** Because the State Land Use designation is Conservation, there is no County Zoning per se.
7. **Special Management Area (SMA):** The subject properties are located in the SMA and have frontage along the shoreline. However, the project area is over 120 feet from the coastline. Therefore, it is not located in a "shoreline area" as defined by Section 205A-41, Hawai'i Revised Statutes (HRS).
8. **Flood Zone:** Flood Zone "AE and X".

#### Compliance with Objectives and Policies of Chapter 205A, Hawaii Revised Statutes (HRS), Regarding the Special Management Area

The subject properties have frontage along the ocean. However, the project area is over 120 feet from the coastline. Therefore, the proposed improvements will not affect public access to the shoreline or negatively affect shoreline recreational resources available to the public.

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, 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 Hawaii County General Plan and Zoning Code.

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

The estimated project cost of approximately \$300,000 is not in excess of \$500,000.

The enclosed Department of Public Works (DPW), Engineering Division memorandum dated April 17, 2012 states the following:

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

*We have determined that the subject project is located within Flood Zone "AE and X" according to the Flood Insurance Rate Map (FIRM) by the Federal Emergency Management Agency (FEMA). This above information is based on the most recent FIRM for the County of Hawai'i.*

*The portion of the proposed waterline installation within Zone AE shall be subject to the requirements of Chapter 27, Flood Plain Management of Hawai'i County Code including flood resistant construction.*

*Zone "X" is not a designated Special Flood Hazard Area. A Zone "X" designation does not imply that the referenced property will be free from flooding or flood damage. A property not in a Special Flood Hazard Area may be damaged by a greater flood than that predicted on the FIRM or from a local drainage problem not shown on the map.*

*Should a watercourse be affected by the project, it shall not be altered without first obtaining approval from DPW and a grading permit. A flood study may be required under Chapter 27 of Hawai'i County Code for watercourse alterations.*

- 1. All earthwork and grading shall conform to Chapter 10, Erosion and Sediment Control, of the Hawaii County Code.*
- 2. The applicant shall comply with Chapter 11-55, Water Pollution Control, Hawai'i Administrative Rules, Department of Health, which requires an NPDES permit for certain construction activity.*
- 3. Any work proposed within the County right-of-way shall comply with Chapter 22 of Hawai'i County Code. Separate permits are required for waterline installation and for a private waterline within the County right-of-way. The applicant shall remove the waterlines from within the County right-of-way which are being service replaced by the proposed project.*
- 4. Private waterlines to be installed in the subject parcels shall comply with Chapter 17 of Hawai'i County Code – Plumbing."*

By email dated February 4, 2013, the Department of Public Works, Engineering Division affirmed that their April 17, 2012 comments did not have to be updated.

Pursuant to Planning Commission Rule Section 9-10(E), **Special Management Area Minor Permit No. 13-000259** is hereby approved to allow for the Ke'ei Waterline Improvements Project, subject to the applicant's compliance with the conditions of approval as specified below.

<b>Conditions of Approval</b>
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The Planning Director has approved **SMA Minor Permit No. 13-000259**, 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 other affected agencies.
3. A Conservation District Use Permit from the Board of Land and Natural Resources or other written approval from the Department of Land and Natural Resources, Office of Conservation and Coastal Lands must be obtained for the project within one (1) year from the date of approval of this permit.
4. The applicant shall secure a "plumbing only" Plumbing Permit within one (1) year from the date of approval of this permit.
5. The applicant shall submit a copy of SHPD's approval of the revised Archaeological Inventory Survey prior to commencement of any land alteration or construction activities.
6. All construction activities shall be completed within two (2) years from the date of this letter.
7. Should any unidentified sites or remains such as artifacts, shell, bone, or charcoal deposits, human burials, rock or coral alignments, pavings or wall be encountered, work in the immediate area shall cease and the Planning Director shall be immediately notified. Work may proceed with an archaeological clearance from the Planning Director. The archaeological clearance requires a finding that sufficient mitigative measures are taken for the discovery; with written guidance from the State Historic Preservation Division of the Department of Land and Natural Resources.
8. An extension of time for the performance of the conditions contained herein may be granted by the Planning Director upon the following circumstances:
  - a) The non-performance is the result of conditions that could not have been foreseen or are beyond the control of the applicant, successors or assigns, and that are not the result of their fault or negligence;
  - b) Granting of the time extension would not be contrary to the original reasons for the granting of the permit; and