

PLANNING COMMISSION
COUNTY OF HAWAI'I

HEARING TRANSCRIPT
MARCH 20, 2009

A regularly advertised hearing on the application of **KAHUA RANCH LIMITED (SPP 09-75)** was called to order at 2:48 p.m. in the Waikoloa Beach Marriott Hotel, Ali'i III Room, 69-275 Waikoloa Drive, Waikoloa, Hawai'i, with Vice Chair Rell Woodward presiding.

PRESENT: Rell Woodward
Lani Bowman
Takashi Domingo
Frederic Housel
Shelly Ogata
Rodney Watanabe

ABSENT & EXCUSED: Andrew Iwashita

Brandon Gonzalez, Deputy Corporation Counsel
BJ Leithead Todd, Planning Director
Norman Hayashi, Planning Program Manager
Jeff Darrow, Staff Planner
Maija Cottle, Staff Planner

And six people from the public in attendance

APPLICANT: KAHUA RANCH LIMITED (SPP 09-75)

Special Permit to establish the retail sales, service and training of All Terrain Vehicles (ATV's), Utility Vehicles (UTV's), and other agriculturally useful vehicles on 1.269 acres of land in the State Land Use Agricultural District. The project site is within the existing Kahua Ranch operational headquarters area, approximately ½ mile east from the Kohala Mountain Road (Highway 250) between the 11.5 and 12 mile markers, Kahuanui, North Kohala, Hawai'i, TMK: 5-9-002:Portions of 2 & 3.

WOODWARD: Next is Agenda Item No. 5, Kahua Ranch Limited, Special Permit to establish retail sales, service and training of All Terrain Vehicles, Utility Vehicles, and other agriculturally useful vehicles on 1.3, basically, acres of land in the State Land Use Agricultural District. Okay, Jeff, take it off.

DARROW: Thank you, Mr. Chairman. Good afternoon, Members of the Planning Commission. If I can direct your attention to the PowerPoint presentation on the board. Again, as stated by the Chairman, this is a Special Permit application for Kahua Ranch Limited. Just for references – sorry about the board, it is a little difficult, but – this particular line in the middle of the map is the Kohala Mountain Road. This application is in the North Kohala District. The actual portion of the permit site is located, identified by a blue outline. It actually encompasses a small portion of a 50-acre lot as well as a portion of a larger 1,500-acre lot. This right here would be the actual location of the permit site; it's on 1.2 acres of land. So you are looking at a very large piece of property with only a small project site.

This is a little difficult to see, but from Kohala Mountain Road you have an access road to the property, or the project site; it's about ½ mile in from Kohala Mountain Road, and the project site is right in this location. There are three structures that will be utilized for this Special Permit; there is an existing shop building and two existing storage buildings.

The applicant is requesting the permit to allow retail sales, service and training of All Terrain Vehicles (ATV's), Utility Vehicles (UTV's) and other similar types of agriculturally useful vehicles on 1.2 acres of land. The retail sales will include approximately 20 to 30 vehicles, which will be stored on site, and they anticipate to sell approximately 60 to 70 vehicles per year. They will not be selling any types of trucks or automobiles. The service will include maintenance and repair of those vehicles that they sell as well as other vehicles that are not necessarily sold by the applicant. And lastly, the applicant will be the only dealer in the State that would be capable of offering nationally recognized safety training on site for these vehicles.

This is the project site. Again, this is the corner of the 50-acre property. As you'll notice, you have the property line between Parcel 3 and Parcel 2; some of the structures actually are going over the property line. One of our conditions in the permit will address this issue, asking them to reconsolidate these two properties and bring these buildings into conformance with today's code.

The Planning Department is recommending that the Special Permit be approved with conditions. Are there any questions?

WOODWARD: Commissioner Housel.

HOUSEL: Yes. Going back to the plan there, where is the access road?

DARROW: The access road would be coming in right about this area.

HOUSEL: Right there? And that's from the highway, right?

DARROW: Correct.

HOSUEL: Okay. And so the access would be to the highway. Are there any signs or anything on the highway for this operation?

DARROW: I'm not sure about this operation, but I know there is a large sign that says Kahua Ranch.

HOUSEL: Okay. Okay, thank you.

WOODWARD: Any other questions of the Planning staff? Seeing none, we get to call up the applicant and/or their representatives. Welcome, gentlemen. If I can swear you in first. If you raise your right hand. Do you swear or affirm to tell the truth today before the County of Hawai'i Planning Commission?

APPLICANTS: I do.

WOODWARD: All right, thank you. We'll begin with you since you have the mike in your hand. If you give us your name and address, and then you may begin with your presentation.

J. RICHARDS: John Richards, Kahua Ranch, Box 837, Kamuela, Hawai'i. Operations Manager for Kahua Ranch Limited.

M. RICHARDS: My name is Monty Richards, Chairman of the Board.

J. RICHARDS: Basically, there're two elements to this. One, of course, I'm here to answer any questions; most of it, of course, is covered. And then when it comes to the conditions, there is one that we'd like to amend, if possible. Are there any questions?

WOODWARD: Which condition, and how would you like to amend it?

J. RICHARDS: It has to do with the reconsolidation. One of the things about Kahua, we have a little bit of a unique circumstance in the fact that we are not looking to move, sell, change. We've been in the operation on this location for 80 years now. Those buildings, especially the one that the property line passes directly through the center of has been on the location for a long time. That was actually surplus from Camp Tarawa in '46, so it's been there for 63 years now. Is that right? Yeah, 63 years. And we, you know, personally, I'd like to avoid reconsolidation, as those are historical boundary lines. And anything that we have to do where we would be changing the ownership or modifying the land in any way would require reapportionment at that time. This is all Land Court; we want to avoid any Land Court issues being brought in.

WOODWARD: So this building listed as storage building is an existing building?

J. RICHARDS: Correct. All these buildings have been in place for a minimum of 25 years roughly and then as long as 63 years.

WOODWARD: Okay, very good. Any questions from other Commissioners?
Commissioner Bowman.

BOWMAN: Just for the record, I want to say that the applicant is a friend of mine, but it will in no way affect my voting. I just have a question. The Department of Health in their memo said they are "unable to make comments to the proposed project at this time. Before we can offer any comments, the applicant needs to address the amount of wastewater to be generated by the project, the quality of the wastewater to be generated by the project, the location of all existing wastewater systems, and the treatment and disposal of wastewater from the project." And I guess my concern is also oil, too. And I know that some of the requirements is a Solid Waste Management program. But can you at all address the wastewater, if there is -?

J. RICHARDS: Well, the wastewater, there is not much that's actually generated; I mean, it's washing of vehicles and it's basically washing dirt off of, you know, on dirt where the vehicles are. Just to clear any concerns, though, the way we manage all of our waste products that are produced of all of these vehicles, we actually have recycling plans for the appropriate,

you know, whatever it may be. Oils are picked up by a company called Unitek Solvent Services; we have a contained vessel there, so all lubricants, all that would be going into that vessel. Solid waste, we have a trailer that is – I have the permits and all – that will go into the solid waste plant, but it's taken to the Pu'uanahulu landfill where everything is accepted. Tires are picked up by Unitek as well. The batteries are actually recycled; we have an agreement with Daleco in Kona, and we will drop off any of the batteries we produce. So, recycling is big part of Kahua, you know, we've, like I said, we've been there for 80 years, and big part of it has to do with protecting the lands and, you know, the people that live and work there. So we're not going to put anything into the ground that we wouldn't want to have, cause we eat stuff off of there. So we're not going to put anything into the ground that we don't want to put back into us.

BOWMAN: Thank you. I figured that much. I just have one more question and maybe a comment. As you know, I live in Kohala, and a lot of young people have ATV's. And in reading your application, I really am impressed with your desire for safety. I hope that in some way, and I'm not sure with your sales, if there are going to be, like if you buy an ATV, do you have to take a safety class?

J. RICHARDS: It's not mandatory. But you see, one of the things a lot of folks are not aware of, almost all of the major companies that sell ATV's in the United States are part of the ATV Safety Institute, and the ATV Safety Institute, part of their agreement is that they, every time a machine is sold, there is free training that comes with that machine. And it's also retroactive. You see, if someone comes to me with a, you know, we are, Kawasaki is who we work with, but Honda, Yamaha, whatever, as long as I have the VIN off that machine, that machine hasn't had training off of it before, I file the paperwork with ASI and they will pay, the company will pay for the training to take place on the Ranch. And so it's, it's all there. The problem is no one in Hawai'i has ever done it before. And we finally, it took awhile to get the instructor status and get all the land use and the tax structure sorted out, but we have it now, so that there is a good, clean layout. And the other thing with families, the ASI, the ATV Safety Institute is very flexible and trying to get as many young people through the course as possible, because frankly that's what's going to save the industry is keeping people safe and letting them know how to ride these things safely and, you know, basically keeping people from getting hurt.

BOWMAN: Thank you. And I hope our young people can use it. I have some names for you.

J. RICHARDS: Well, I also would say the, all kidding aside, too, is the young people are important, but you will be surprised how many people of older status don't have never actually had somebody teach them to ride it, and you'll be amazed how much you can eliminate a lot of issues by having everybody that you can find go through it.

BOWMAN: Thank you.

WOODWARD: Any other questions? Commissioner Ogata.

OGATA: I have a question. I know that, well, it sounds like there's a lot of emphasis placed on the physical safety of the riders. How about the safety of the environment? Is there any training for that part?

J. RICHARDS: There is, absolutely. We've actually done some training for the DLNR. You see, one of the things we've done, tours and all on the Ranch for quite a while, big part of ATV's is the, well, land management, and that's -. It's real important to remember the focus of these tools, is what they are, is for land management purposes. The recreational aspect is really secondly. It's a great way to get out and see things, but you do have to, of course, manage the environment. We do a great deal of management on the Ranch, ensuring that we don't tear up any ground, overexpose soils. So the short answer is yes. And there're different levels that we can do, but teaching people to respect the ground -. And it's also part of the ASI course; it's a portion of what's called Tread Lightly and it has to do with avoiding damage.

WOODWARD: Thank you. Yes, Commissioner Housel.

HOUSEL: Thank you. On a typical business day -. Is this business open seven days a week?

J. RICHARDS: We are on site seven days a week because a lot of the structures around are actually houses; that's our employee housing. It's not open seven days a week. Normally speaking, our business hours are 6:30 to 3:00, Monday through Friday, and then on Saturdays by appointment. One of the big parts of Kahua, too, is also taking care of the families on the Ranch, which has to do with limiting the hours; we are not here to see if we can run a, you know, 24-hour a day Wal-Mart. This is to make it available for people, but that needs to conform to our schedule as well a little bit.

HOUSEL: How much, typically, how much vehicle traffic does this business generate daily?

J. RICHARDS: This portion of the business would be one or two vehicles; I mean, it's, we are not, you don't have a through-foot, it's not a lot of parking, it's not what's built around. A lot of it, frankly, we do over the phone and we wind up delivering the machine. And they, some of, I have, by 20 percent of the customers we service never even come to the Ranch. We take the machine to them, then we teach them how to, you know, safely ride it, show them the basics on it and then also what they need to do to maintain it.

HOUSEL: Thank you very much.

J. RICHARDS: If I may, too, one of the important aspects of this, when you deliver a machine, one of the -. When it comes to safety, there're two elements: One is the safety of the operator; the second one, though, is the safety of the machine. Teaching people what to look for, how to identify problems that are coming up with the machine - it's a big deal. It takes us at minimum 30 to 45 minutes to deliver a machine, because I show them all the checkpoints, what to watch out for, critical adjustment, and also those things where you really need to bring it back to the dealer, and let us help you out because if the machine does become unpredictable, frankly your skill-set, it diminishes your ability to stay safe.

WOODWARD: Very good. Sir, did you want to add anything or not?

M. RICHARDS: No, I'm just here to back him up in case there were some questions that he was having some problems with. I've been on the Ranch a few more years than he has; he was born there.

J. RICHARDS: So were you.

M. RICHARDS: And I was born there.

WOODWARD: It doesn't sound like he's had problems with the questions so far. Are there any other questions? All right, seeing none, you gentlemen may be seated. We have, for the record, nobody signed up to testify. So if somebody would like to make a motion, I will entertain a motion.

BOWMAN: I move that we approve Special Permit, SPP 09-000075.

WATANABE: I second.

WOODWARD: Any discussion? What about the -.

WATANABE: I, right, Mr. Chair, I just wanted to ask a question of staff. The applicant did request removal of the requirement to re-subdivide the property, and I'm wondering if -.

WOODWARD: Condition 2, basically.

WATANABE: Yeah, I'm wondering if that's possible. Or if it's not possible, I'm sure the applicant can live with it anyway.

HAYASHI: Well, since the building has been in existence for over 60 years, it is not a problem with us. However, if they were to re-construct that building at the same location, then they would have to consolidate the properties. So we are not, well, it's okay with us if that condition is deleted.

WOODWARD: All right. Who made the motion originally?

WATANABE: Ms. Bowman.

WOODWARD: Lani, is that all right with you to eliminate Condition 2?

BOWMAN: Yeah, approved with elimination then of Condition 2.

WOODWARD: And Commissioner Watanabe?

WATANABE: Yeah, I would second that revised motion.

WOODWARD: All right. Any other comments? All right, Jeff, let's get a vote.

DARROW: Thank you, Mr. Chairman. The motion before us is to approve as well as to delete Condition No. 2. We'll go ahead and re-number all Conditions after. With that, I'll take the roll. Commissioner Bowman?

BOWMAN: Aye.

DARROW: Commissioner Watanabe?

WATANABE: Aye.

DARROW: Commissioner Domingo?

DOMINGO: Aye.

DARROW: Commissioner Housel?

HOUSEL: Aye.

DARROW: Commissioner Ogata?

OGATA: Aye.

DARROW: And Mr. Chairman?

WOODWARD: Aye.

DARROW: The motion passes, six to zero.

WOODWARD: Thank you, gentlemen. You'll be notified in writing by the Planning Department. Congratulations.

The discussion ended at 3:03 p.m.

Respectfully submitted,

Noriko Sauer, West Hawai'i Secretary