1	HAWAII COMMUNITY DEVELOPMENT AUTHORITY
2	STATE OF HAWAII
3	
4	In re:
5	The Application of )
6	ALOHA SOLAR ENERGY )
7	FUND II, LLC, )
8	Applicant, )
9	To request a development ) permit to develop a )
10	5-megawatt renewable ) energy solar photovoltaic )
11	(PV) system with three ) variances pursuant to ) HAR §15-215-81 of the )
12	Kalaeloa Community ) Development District )
13	Rules.
14	<i></i>
15	TRANSCRIPT OF PROCEEDINGS
16	
17	Thursday, January 18, 2018
18	Commencing at 10:03 a.m.
19	commencing at 10.03 a.m.
20	Taken at Department of Hawaiian Home Lands
21	Hale Pono'i Conference Room
22	91-5420 Kapolei Parkway
23	Kapolei, Hawaii 96707
24	
25	Reported by: LAURA SAVO, CSR No. 347

1	<u>APPEARANCES</u>
2	John Whalen, Chairperson
3	Mary Pat Waterhouse, Vice Chairperson
4	Garett Kamemoto, Interim Executive Director
5	Deepak Neupane, Director of Planning and Development
6	Lori Sunakoda, Deputy Attorney General
7	
8	BOARD MEMBERS:
9	Mark Anderson
10	Wei Fang
11	Michael Golojuch
12	Shirley Swinney
13	Maeda Timson
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Thursday, January 18, 2018, 10:03 a.m. 1 2 -000-CHAIR WHALEN: Aloha kakahiaka. 3 Ιf people will take their seats, please. Good morning, 4 5 everyone. If you could take your seats. I'd like to 6 call to order the January 18th, 2018, public hearing 7 of the Hawaii Community Development Authority. 8 time is now 10:03 a.m. Thank you for your interest 9 in Kalaeloa and your attendance today. My name is 10 John Whalen, chair of the Authority. Let the record reflect that the following 11 12 Kalaeloa members are present: John Whalen, 13 Mary Pat Waterhouse, Shirley Swinney, Maeda Timson, 14 Wei Fang, Mark Anderson and Mike Golojuch. 15 Would the representatives of the 16 applicant make their appearances at this time? 17 MR. FRYER: Me? 18 CHAIR WHALEN: Yes. I quess it would be 19 you. 20 MR. FRYER: My name is Rich Fryer, and I 21 represent the applicant. 22 CHAIR WHALEN: Today's hearing on 23 development permit No. KAL 17-017 is being held in 24 accordance with Hawaii Revised Statutes, Section

206E-5.6, and Hawaii Administrative Rules, Chapter

25

15-219, and Hawaii Administrative Rules, Chapter 15-215.

The nature of today's public hearing is to allow the applicant to present the proposed project and to provide the general public with the opportunity to present oral and/or written testimony. The applicant is Aloha Solar Energy Fund II, LLC.

Tax map key for the affected property is 9-1-013, parcel 70, and approximately 1.7 miles long, 12 -- and approximate 1.78-mile-long, 12-kV interim electrical distribution line located on a 30-foot-wide portion of right-of-way along the eastern edge portion of Coral Sea Road that borders tax map keys 9-1-013, parcels 39, 40, 43, 44, 72, 99 and 100.

The request is for a development permit to develop a 5-megawatt renewable energy solar photovoltaic system with an approximately 1.78-mile-long, 12-kilovolt interim electrical distribution line that will connect to the main Hawaiian Electric Company grid. The project will utilize 22 acres of the 44.28-acre site with the remainder of the parcel to remain as open space with a designated portion to become a permanent archaeological preserve.

There's some variances requested. The applicant is requesting the following three variances pursuant to Hawaii Administrative Rules 15-215-81 of the Kalaeloa Community Development District Rules:

First, under HAR 15-215-43, Architectural Standards, Part C: Increase the height of the fence from 3 feet to 6 feet along the perimeter.

Also HAR 15-215, Development Standards
Summary, figure 1.3: Place the fence on the property
line without the required setback.

HAR 15-215-44, Landscape: Eliminate the requirement for landscaping and an automatic irrigation system within the front yard area.

The application date was

November 27th, 2017. A public hearing notice for the project was published in the Honolulu

Star-Advertiser, The Garden Island, West Hawaii

Today, Hawaii Tribune-Herald and Maui News on

December 13th, 2017.

So let me briefly explain our procedures today for today's public hearing. The HCDA staff will first present its report summarizing the development permit application. Following that presentation, we will receive the presentation of the applicant and then testimony from the public. Only

members of the Authority and the interim executive director, Garett Kamemoto, will be permitted to ask questions of the staff, applicant or individuals providing testimony.

Are there any questions on these procedures?

Okay. We'll begin our proceedings. First, I'll ask the Interim Director, Garett Kamemoto, to present the staff's present.

 $\hbox{ INTERIM EXECUTIVE DIRECTOR: So Deepak } \\ \hbox{Neupane will present the staff report on my behalf.}$ 

CHAIR WHALEN: Okay. Deepak Neupane.

MR. NEUPANE: Thank you, Garett, and thank you, Chair and board members. The staff report is in your packet and folder and it summarizes the application. I'm not going to go into the -- read through the summary and all of the application itself. I think the applicant is going to do a much better job and go into lots more detail in the application itself.

I would just like to point out for the Authority members Section 9, compliance with chapter -- HAR Chapter 215, where we have provided a summary of the compliance with the rules. This is not a vertical development project. So it probably

1 doesn't -- a lot of the rules are not actually 2 applicable to the project because of the nature of the project. And, also, in Section 10, the variance 3 request, the Chair already mentioned that the project 4 5 is seeking three variances from three separate provisions of the rules. 6 7 With that, you know, I conclude my staff 8 report. 9 CHAIR WHALEN: Okay. Thank you, Deepak. 10 So we're ready to hear from the 11 applicant. Well, first of all, does staff -- are there any questions for Deepak on his --12 13 MEMBER TIMSON: I need a quick clarification --14 15 THE REPORTER: Can you speak into the 16 microphone? 17 MEMBER TIMSON: Okay. I need a quick 18 clarification if you don't mind. I'm looking at our 19 handout, which says -- it's the smaller handout, the 20 smaller folder. At the second -- the 21 third-to-the-last page where we talk about "Character 22 of the transect," and the last sentence says "The 23 purpose of the perimeter, " and it appears that it 24 ends there. Are we missing a page or is it -- yeah, 25 but why did we put this page in here and it sort of

1 ends? If you look at that "Character of the 2 transect." This is the staff summary. 3 MR. NEUPANE: It appears that --MEMBER TIMSON: Are we missing something 4 5 so that tomorrow when we look at this, do we have all of our pages? I just want to make sure we have all 6 7 of the proper pages. 8 MR. NEUPANE: I believe it looks like a 9 page is missing. 10 MEMBER TIMSON: If we can have that before tomorrow. 11 12 MR. NEUPANE: We will provide it. 13 MEMBER TIMSON: Okay. Thanks. 14 CHAIR WHALEN: Any other questions, board 15 members? Okay. So the introduction of the 16 17 applicant. He made his appearance. And if you'd 18 like to introduce the rest of the testifiers on 19 behalf of the application. 20 MR. FRYER: Thank you, Mr. Chairman and 21 members of the board. Actually, I'll pop down to the 22 third chart quickly, which has got a list of our --23 the experts that we've invited here to join us to be 24 able to answer any questions you might have. 25 First of all, I'm the guy -- I'm

Rich Fryer, the development manager for the project, 1 2 and I've been working this for many years since the 3 beginning. Ryan McCauley is our local PM and 4 5 renewable energy expert. 6 We have got Kawika McKeague. I'm sure he 7 doesn't want to be here. He is here under duress 8 (inaudible). He's not feeling well. 9 Mr. Michael Bungcayao, he is our civil 10 expert. 11 We've got Morgan Davis, archaeologist, 12 for any archaeological questions. Eric Guinther --13 14 Am I pronouncing your name right, Eric? 15 MR. GUINTHER: Guinther. 16 MR. FRYER: Guinther. Thank you. 17 -- for any flora or fauna questions that 18 you might have. 19 We've got Ms. Lani Ma'a Lapilio as a 20 descendant for any questions you might have about the 21 coordination we've done with them. 22 And, finally, we have Ms. Cathleen Dagher 23 to answer questions about the impact process --24 cultural impact process. 25 That's our team to answer any questions

1	that you might have today.
2	CHAIR WHALEN: Okay. Could you briefly
3	describe the exhibits that you wish to have admitted
4	to the record?
5	MR. FRYER: So the exhibits you're
6	talking about the entire book?
7	CHAIR WHALEN: Yeah, I think they've been
8	distributed to the board, I would imagine. You're
9	introducing that.
10	MR. FRYER: Do you want me to kind of go
11	through what they all are and the purpose we've
12	submitted them, or do you just want me to rehash
13	sorry just read this for the record?
14	CHAIR WHALEN: Yes. Will you please read
15	the entire binder?
16	(Audience laughing.)
17	CHAIR WHALEN: Okay. You could just sort
18	of describe it as your list. You have them tabbed in
19	the binder as Exhibits A through I have a question
20	as to how far it goes. It goes to II, Exhibit II, I
21	believe.
22	MR. FRYER: JJ, actually, yes.
23	CHAIR WHALEN: Or JK (sic).
24	MR. FRYER: So we have the actual permit
25	itself, permit application with all the backup

1 documentation. We've got all the documentation like, 2 for instance, of the prior notifications that we're supposed to do. We've got resumes of our experts 3 here. We have got the EA exhibits. Your board 4 5 meeting minutes are also an exhibit for the EA approval, the FONSI approval. 6 7 Okay. Cite the exhibit numbers. So 8 Exhibit A is our permit application. 9 CHAIR WHALEN: Right. And also this CD, compact disc, with the environmental assessment. 10 Yes, sir. Yeah, because that 11 MR. FRYER: 12 one you have much more paperwork than this. We'd 13 have to kill many more trees if we printed that out. 14 I think that's like 900 pages. So this is only --15 what are we at? 300? 300. 16 So Exhibit A is the application itself. 17 Exhibit B is our request for variance. 18 Exhibit C is the notifications that we 19 made. 20 D is the project completeness review. E through M, obviously, is our resumes. 21 22 N is the environmental assessment. And, 23 obviously, we didn't print it out. As you pointed 24 out, we haven't printed it all out. We just printed 25 out some portions of it, and the disc contains the

rest of it. 1 2 Minutes is Exhibit O for the FONSI -- for the FONSI approval. 3 Exhibit P is the FONSI. That's the FONSI 4 5 itself. Exhibit P is the FONSI itself. 6 Q is an old report that was done in 2012 7 that investigated the incident, the unauthorized 8 entry incident. 9 R is the remediation agreement. 10 S is a series of meeting minutes related 11 to the remediation measures. 12 T is the plan itself. 13 And U is SHPD's concurrence with the 14 remediation plan. 15 V is meeting minutes of the -- okay. 16 Presentation of the archaeological inventory survey 17 that was done back in 2014 that captured just about 18 every one of the sites that are out there. 19 W is essentially a letter from HCDA to 20 SHPD acknowledging that the mitigation plan measures 21 that had been agreed to in 2012 were complete. 22 X is SHPD's acceptance of that letter. 23 Y is the Archaeological Monitoring Plan 24 that we'll have to use through the construction 25 period.

1 Z is SHPD's acceptance of the 2 Archaeological Monitoring Plan. 3 AA is the Burial Treatment Plan. BB is SHPD's acceptance of the Burial 4 5 Treatment Plan. Item CC is the final -- interim 6 7 preservation plan, the Interim Archaeological Preservation Plan, and then DD is SHPD's acceptance 8 9 of the same. 10 EE is the agenda and minutes of a 11 neighborhood board meeting that you requested that we 12 make some presentations at, which we did in 2017. 13 FF is the National Pollution Discharge 14 Elimination permit form that we've submitted for the 15 project which has been approved by the state. 16 Development permit presentation, what I'm 17 about to give you, is item GG. 18 HH is meeting notes from an advisory 19 board meeting. I think this is the one that you 20 outlined. Ryan did. 21 II is an additional resume, and then --22 and so JJ is what they call an environmental site 23 assessment. It's kind of an environmental, 24 condition-of-property report that we had done by an

25

independent firm.

And that should be the summary of
exhibits here.
CHAIR WHALEN: Okay. Thank you.
Members, do you have about objections to
the admission of any of these items to the record?
Staff, do you have any objections to
admission of these exhibits to the record?
MR. NEUPANE: No objection.
CHAIR WHALEN: Okay. Hearing no
objection, the applicant, Aloha Solar Energy Fund II,
LLC, Exhibits A through
MR. FRYER: JJ.
CHAIR WHALEN: HH (sic).
MR. NEUPANE: JJ.
CHAIR WHALEN: HJ (sic) will be admitted
to the record.
(Exhibits A through JJ are offered and
admitted to the record.)
CHAIR WHALEN: Will you be establishing
any of your witnesses as experts in a subject area to
testify?
MR. FRYER: Yes, sir. All those
individuals that I read off in that chart.
CHAIR WHALEN: Okay. Thank you. If so,
I guess you can proceed with your presentation.

MR. FRYER: Thank you.

CHAIR WHALEN: Do you have any objections -- first of all, do any board members have objections to the qualification of expert witnesses offered by the applicant? The resumes are in the binder. I think probably many of them are familiar, board members.

Okay. So hearing no objection, the list of experts offered by the applicant is hereby accepted and qualified in their various subject areas.

With the receipt of the exhibits and list of experts being entered into the record, let us proceed with our hearing. Thank you.

So you can go ahead and call your first witness or it may be you.

MR. FRYER: It's me, sir. I'm going to read through this. I'll take it through the entirety unless board members have questions. Please stop me anywhere in the presentation. If you've got a specific question I can't answer, I'll turn to the experts to provide that answer.

CHAIR WHALEN: So if you'd raise your right hand and swear or affirm that the testimony you provide is the truth.

1 MR. FRYER: I do.

CHAIR WHALEN: Thank you. So you can proceed.

## RICHARD FRYER,

having been first duly sworn to tell the truth, the whole truth and nothing but the truth, testified as follows:

MR. FRYER: Thank you, Mr. Chairman, members of the board, and thank you again for this opportunity to present our rationale and our background for the development permit for this parcel of property.

You've seen some of these charts before.

I'm not going to read everything on them. I'm going to hit some highlights on these charts, but please, again, stop me if there's something on here that you'd like to ask a question about.

This is our team organization. It hasn't changed since the last time. I am with the top block, the development entity, which is ECC Energy Solutions, and we've been working this project since 2012. And the other members of the team, some of whom are represented here in the audience, that provided key support. It's been a team effort to get

us this far.

I've already introduced you to these folks. I'm going to move on.

A little bit about us is that we do know Hawaii. We've been here for a long time. We have done renewable energy developments, significant projects here in Hawaii. Two major ones are the pictures that you see here, one on Joint Base Pearl Harbor-Hickam and the other one out in Waianae.

So this project is the last Tier III FIT project -- last HECO Tier III FIT project. Because it provides a lot of value for the state, it's under a FIT agreement that's been approved by the PUC and vetted. The project, as you saw earlier, 5-megawatt AC array with a number of inverters and a distribution line.

Just for orientation, this is the project location. I know many of you know it, but just for orientation. And then it's hard to see in this chart. We have another one where it shows you the distribution line goes underground.

This is the land use chart, and I think you all are well aware that this is a compatible land use. I guess this is actually the ownership chart, the parcel ownership. This is an HCDA parcel in the

brown, and then the land use. And this is a Zone

T II, and the use of this land for a solar farm is

compatible under the development district rules. And

here's just a nice aerial so you've got a better idea

where the property is.

We have progressed our design along. You know, we -- we needed to do that so that we could take into account all the archaeological sites and how we're going to work around them. So this is actually the current site plan for our utilization of the site. You'll notice a number of the kind of little round circles in the midst of the array. The array's obviously the blue portion, and that's our -- the site's in the array. They're outside the inner archaeological preserve and the buffers that are around.

Just a kind of couple things. This is not a tracking system. It's what's called a fixed-tilt system. So the solar modules are placed 10 degrees facing south. It's 5-megawatt AC, which is a requirement -- a match requirement under FIT. The foundations have not been finalized, but the assumption is there will be some form of pier. We're going to use modules here on inverters. The modules that I have noted on the chart were something

(inaudible). These will be the inverters that cannot change.

This, hopefully, is a little easier for you to see. The green portion is the portion where we will go underground. And I would note that the distribution line is actually going to be constructed by HECO except for the portion that goes underground, and we have to construct that. We have to construct the duct bank, and HECO will pull the lines that go through the duct bank.

I know you all are familiar with the lease. You approved it last month. You approved execution of the lease last month. I just have a couple major points on the lease. It can only be used for a power plant. We can't use it for anything else. And we will and have agreed to accommodate entities access to the archaeological sites.

This is just in case anybody has any questions about what the HECO Tier III FIT project or program is. It's a PUC bust (phonetic) program.

It's got some interesting contract terms in it. We are going to actually execute it on the 31st of January, this month. So I have a meeting with HECO this afternoon to finalize the last two terms.

We have been -- and I think others of us

understood there's a number of values that the project provides the community. It provides revenue. It provides power. It meets the state -- it helps the state meet its renewable energy goals. It provides infrastructure. And, obviously, of great value is the lands are usable when we're done with it and turn it back over to HCDA for other purposes.

This is just a chart that talks about the process that we went through to get your approval of the EA and the Finding of No Significant Impact. I think you're all well aware of this.

And I think you're well aware that we have done all the FAA approvals that we need to do for this project, both on the glare study and the obstruction analysis, and we have the FAA approval documents.

We have done a great deal of archaeological and cultural investigation of the property. All of the features -- I think when we originally started --

Can I get you for a second?

I think there were only a few features that were known when we actually did this detail?

MR. MCKEAGUE: Two sites.

MR. FRYER: I'm turning to Kawika. I

think there were two sites -- so before we did this detailed investigation, there were only two known sites on the property, and the detail investigation identified 23 sites with 46 features.

I think the key takeaway in our chart is we have done all the SHPD -- got all the SHPD approvals, the monitoring plan and the burial treatment plan and the preservation plan.

I recognize this is a little bit of an eye chart, but these are the 14 conditions essentially that we will implement during construction that SHPD wants us to follow to help preserve the sites.

An extensive biological survey has taken place on the site, and no endangered flora or fauna has been found.

And then for your consideration, as you consider the development permit, we would like to point out it's consistent with the master plan, with the community development district rules, and that it's consistent as well with the neighbors, both the Coast Guard, the big airport and the other neighbors.

As Deepak -- Deepak mentioned earlier, a lot of the checked boxes that you normally apply to a development permit really don't apply to us because

we're not building facilities. We're not having building facilities. It's a solar array.

So I think you're well aware that, essentially, the height of the system, height of the fence, anyway, will be 6 feet. That's what we're requesting a variance for. And the -- we're requesting a variance for the second-to-the-bottom item of actually placing the fence on the property border.

The first one relates to that variance request as well for landscaping, and the project provides a significant amount of open space, preserves open space. And we have obtained all the SHPD approvals, as I mentioned, and SHPD concurs with our plans.

I'm just going to give you a couple photos, I mean, a couple drawings. This is essentially a side shot of what the array will look like. It's fixed tilt, what we call two modules in portrait. So you got two solar modules in portrait and run them in a line. The leading -- sorry -- the lower edge, we're looking to keep it about 4-foot-10 off the ground just so that weeds don't get in the way.

This is a standard fence detail that

we're proposing. It's actually a State and County of Honolulu fence detail. So this is a county detail, and we will utilize this in our project with your approval.

And if anybody's kind of wondering what the roads will look like, it's very minimal impact.

We're going just to bring in some material, lay it on top of the ground, and there's not a lot of road to the side of this project.

This is essentially the same diagram I showed you earlier. This is one, though, that shows you the existing major trees. So all these trees -- Kawika, please correct me if I'm wrong -- are largely invasive; correct?

MR. MCKEAGUE: Kiawe are invasive.

MR. FRYER: Kiawe are invasive. So we're removing -- where you see the dark circles, those are the trees we'll remove. A lot of the area that we're using right now are what we call grasslands. And then where you see the green buffer line, that's where we're not going to enter. That's the archaeological preserve. We'll stay out of it.

And this is just the open space analysis.

And I think the key takeaway here is the buffer of the archaeological preserve. Yes. This is

basically showing our buffers. And so you'll see the buffers that we have around the sites within the array.

And we have already, I think, talked about these three variances that we're requesting.

Okay. I'm sorry. This chart, basically, talks to the first variance request. It's putting the fence on the property line. It kind of shows you where it will be.

MR. MCKEAGUE: Front yard.

MR. FRYER: Kawika reminded me this is the front yard variance. And this is the fence variance. And we're requesting this -- it's kind of two major points of view. Kind of both security and safety. It is a solar farm. It is an electrical system. So we definitely don't want to encourage folks or provide easy access to the site.

And this is a graphic depiction of the variance, 3 foot -- with the extra 3 feet that we're requesting. Same thing, 3 foot for personnel gate.

And this shows the 3-foot variance on the swing gate.

We would point out to you that neighboring -- for your consideration, the neighboring properties do indeed have fences of this height or larger.

And this last is just kind of my project schedule. We have a lot of activity planned for the next couple months, execution of FIT at end of the month. We're hoping to sign the lease about the same time frame. We're looking for your development permit so that we can get the SMA permit, and with the SMA permit and development permit, we can actually start work.

And, again, if you want to look at any of these charts, they are in your binder, and thank you very much. Mahalo for letting me make this presentation.

CHAIR WHALEN: Thank you, Mr. Fryer. I know you turned to Kawika a couple times just for confirmation of a couple things you said. So -- and that's fine. I just -- if board members or staff have any questions of other of your expert witnesses, I'll have to ask you to swear or affirm that you'll be telling the truth. I mean, that's just the process we have to follow, but it's fine that --

MR. FRYER: Yes, sir.

MR. MCKEAGUE: I apologize.

CHAIR WHALEN: So I'd like to ask if, first of all, staff have any questions of the applicant in the presentation?

MR. NEUPANE: No, I don't.

2 CHAIR WHALEN: Thank you.

Board members, are there any questions you have of the applicant or, in particular --

MEMBER TIMSON: Well, I'll ask my questions, and they can figure out who should answer them.

CHAIR WHALEN: Okay.

MEMBER TIMSON: Thanks very much. I do want to address some of the issues here, and I thank you for this -- for your extensive presentation and your experts, which we certainly don't -- you know, don't question any of your efforts.

I have a couple things that I want clarified. For one, whenever you're dealing with variances and this is -- I know we're going to go into detail tomorrow, but it's part of the project today, and it concerns me because that's why we have rules. We have rules not so that you can throw in some variance. So the concern I have is, number 1, I'm asking you if you did not put up a 6-foot fence, could you still operate?

Okay. Secondly, you are asking to get rid of this setback. The concern I have about this is that the whole future of Kalaeloa is a community

of openness and diversity and welcoming. When we start putting up fences and gates and such, it gives a different appeal. And with you not abiding by the setback rules, because you're coming right up to the road, if at any time down the road --

You're going to be here 20 years. You're going to be in our community 20 years. We have to see it and be it and part of it every day. So what's going to happen is -- my concern is if we're going to allow this, there'll be no setback. We're going to be driving down the road, and next thing you know, we have just fences, gates, you know. It's not very welcoming, to tell you the truth. And so now -- okay. Now you don't have to do any irrigation because you're going to come right up to the road. I don't care. You can do an irrigation. I want -- I do not want us to look like this gated or exclusive community for just what you are within your property line. I would like you to consider that.

And if you're concerned that someone's going to come in, well, I'll tell you, if I'm a chronic or one of the crazies that do all these electrical things, whether the wall is 3 feet or 6 feet or whether you have a setback or not, if I want to get in, I'm going to get in. I mean, I don't

think that that's going to deter anyone who is thinking about doing that. So that is another thing, you know, I want you to consider. Because I don't think it's going to prevent you from doing business if you leave the -- leave our setback. And so we have a nice, aesthetic-looking, you know, community and not just one of gates and fences. And I don't think your comparison to the airport is a good comparison because you're comparing apples and oranges. You're comparing an airport, you know, compared to a solar farm. So I don't think that's a good comparison.

So I don't believe that we would prevent you from doing business if you thought a little bit more about what your business will look like to the community. And you're going to be here 20 years.

CHAIR WHALEN: So, board members,

Timson's question basically is could you operate or

what would be the justification for the variances if

you could operate without those variances,

essentially? So if you'd like to respond.

MR. FRYER: A 6-foot (sic) fence would be very problematic for the insurance, and I think that all of us would be nervous. I mean, you're right, ma'am. If somebody wants to get in, they're going to

get in even if it's 20 foot. And same with the airport fences you pointed out.

Yeah, I mean, I can -- I can turn -- I would have to -- want to turn to our insurance agent to see what they would think of that, but I mean, I would be very nervous about anything much less than 6 foot.

Now, whether it really needs to be on the property line, I understand your point there. There are portions, though, that -- to actually provide that setback, I want to --

 $\label{eq:controller} \mbox{ If I could turn to one of the charts that } \\ \mbox{shows you the $--$}$ 

There's a portion along Coral Sea Road, the front yard, where it's either in or it will enter the preserve if we don't have that setback, or if we do a setback. So there's a portion up -- I don't know if you can see it, but the orange and kind of purple area where we have some concerns.

Okay. Oh, thank you. In this area right in here. I mean, we -- to set back, we could be impinging on some of the areas we committed to preserve. Let's just leave it at that. I don't have a more detailed answer for you on that one. But there's a portion there where we would really be very

reluctant. You would -- or I think SHPD would want 1 2 to have a real close look at the enforcement of the 3 setback. CHAIR WHALEN: We will have the hearing 4 5 tomorrow on the variances. So I think maybe to continue that, you might want to think about how you 6 7 might additionally respond, if necessary, because 8 that's actually the item that we'll be hearing is the 9 variances. 10 Yes, I mean, I know that. MEMBER TIMSON: 11 But what I'm saying is the project is part of that. 12 So when we're discussing the project, I want to have 13 those answers, and I don't want to wait till 14 tomorrow, you know, and know that. I just want you 15 to keep the community in mind of what we're looking at and what we're dealing with on a daily basis. 16 17 MR. FRYER: Yes, ma'am. 18 CHAIR WHALEN: Thank you. 19 Are there any other questions, board 20 members, to the applicant? 21 Yes, Mary Pat. 22 VICE CHAIR WATERHOUSE: I have a question, and I'm looking at the -- the initial EA 23 from October 2017 because I could at least see it. 24 25 And I'm looking at the section about the fauna, and

this is regarding the birds, and it is on page 3-6 and 3-7. And they did -- G70 does say that of the 21 avian species reported, the kolea is an indigenous migratory species. 20 species detected are alien to the Hawaiian Islands.

So there is also the manu o Ku was recorded as an incidental observation flight over the southwestern corner of the site while searching between point counts, and this also — this bird, the manu o Ku, is an indigenous, breeding seabird species. So — and it is listed as a species — on page 3—7, it is listed as a species that is threatened under the State of Hawaii endangered species statute. So even though it's not listed as a federal endangered species, it is a State of Hawaii endangered species statute, and I'm just concerned about that. I'd like your response to that.

CHAIR WHALEN: Group 70 or G70, rather, a representative -- or your biological consultant.

MR. FRYER: May I turn to my expert?

MR. FRYER: Could I turn to my biological consultant?

CHAIR WHALEN: Okay. Thank you.

If you could just state your name and affirm or swear what you say is the truth.

MR. GUINTHER: Aloha kakou. So my name is Eric Guinther. I'm an ecologist with AECOS, and we were responsible for the environmental -- the natural environment studies that were done for the project, and I do swear to tell the truth.

CHAIR WHALEN: Thank you.

## ERIC GUINTHER,

having been first duly sworn to tell the truth, the whole truth and nothing but the truth, testified as follows:

MR. GUINTHER: I guess I could start right out by attempting to answer the question. I did hear it.

The particular species of bird that you're talking about is a small white seabird. It is protected under state regulations. It's not federally protected. It doesn't reside on the site.

Just to back up a little bit on how the studies — the bird studies are done. An avian biologist, not myself — I'm a botanist — sets up stations on a site and then does timed counts. So he's standing in a spot. I believe they're five-minute counts for this type of survey. And he is very good at hearing and identifying birds from the sounds they make.

He's also, obviously, very knowledgeable about any sightings that he sees. So he's going to list all of the species in that five-minute count that he hears or he sees. I've watched him do it. He rotates around. So he's doing a very thorough study of that area, which extends well out from where he's standing, obviously.

Incidental -- the incidental observations are other birds that he sees while he's not at a count station. And I think it's explained in there that this particular tern was spotted while he was moving from one -- one point to another. So he listed those as well as things he's seen, and I think he describes it quite well that it was flying over the site. So that means there's no evidence --

And he's knowledgeable -- very knowledgeable about that species. There's no evidence that that bird is even using that site in any way. In fact, seabirds don't use that site for anything, but they will fly over going from point A to point B.

So that's the nature of the observation.

It wouldn't be counted as a habitat that was either suitable for that species or something that you would even expect to live there or utilize in any way.

Does that satisfy your question on that particular species?

VICE CHAIR WATERHOUSE: Yes.

MR. GUINTHER: So it wouldn't be listed in our report as an endangered species that's present because birds naturally move around. They're flying over and stuff. And so simply flying over a site isn't considered the presence of the species.

VICE CHAIR WATERHOUSE: What department of the state -- I'm assuming in DLNR -- has responded to this section of the report?

MR. GUINTHER: Excuse me?

VICE CHAIR WATERHOUSE: Is there a response by DLNR to this section of the report, a division within DLNR that has responded to this section of the report?

MR. GUINTHER: It would be DOFAW, and I do believe they did respond. I don't think they mentioned that particular species, again, because simply flying over the site isn't considered utilizing the site. It's utilizing the air space about it. So they probably would not have --

That species is particularly prominent in Waikiki and parts of downtown Honolulu. It likes to nest in large trees. If you really wanted to see the

species, it's very easy to spot it going to Waikiki, around the state capital, that part of central That's actually where they live and Honolulu. utilize the trees for their nests which are just -they just put an egg on the branch. They don't even build a nest, particularly. But they are prominent in the Waikiki area. They're going out to sea to So they're flying back in from their feeding, heading back to their roost or their nest. So it would fly over this site naturally if it was coming from that particular direction from the sea. no bearing on the site itself or the use of the site. It's not a material concern of either DOFAW or us, particularly. VICE CHAIR WATERHOUSE: Can you or someone in your organization or someone direct me to the response from DLNR about --MR. FRYER: So we do have a letter from -- it's from Department of Land and Natural Resources dated 15 August 2017, and I believe it's attached to -- it's one of the EA documents. VICE CHAIR WATERHOUSE: Can you say the date again? I'm sorry, ma'am? MR. FRYER: VICE CHAIR WATERHOUSE: What's the date

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1	of the document?
2	MR. FRYER: The date is 15 August 2017,
3	and it's from DLNR.
4	VICE CHAIR WATERHOUSE: Okay.
5	MR. FRYER: Essentially, if I can
6	paraphrase it, it's accepting the survey is
7	completed.
8	VICE CHAIR WATERHOUSE: And that is
9	located in
10	MR. FRYER: It's in the EA package,
11	ma'am. Let me see if I can figure out what appendix
12	it is.
13	CHAIR WHALEN: Cite the document and the
14	page so that I'm sorry to be so particular.
15	MR. FRYER: No, no, no.
16	VICE CHAIR WATERHOUSE: Is it the October
17	2017 final EA? Is it in this one?
18	MR. FRYER: Yes, ma'am. It's in there.
19	It's about three quarters of the way through. It's
20	in the back and I'll try to there's,
21	unfortunately, no page numbers, but it's one of the
22	attachments supporting the document. So it's
23	Appendix A, comment letters no. I take it back.
24	VICE CHAIR WATERHOUSE: Okay. From
25	Mr. Emoto, that one?

1 MR. FRYER: Yes. It should be from James 2 Cogswell. 3 (Brief pause.) CHAIR WHALEN: I don't know if you can 4 5 record this. They're identifying the page. VICE CHAIR WATERHOUSE: Oh, here we go. 6 7 Okay. So it's August 15, 2017, and it's from James Okay. So I will go ahead and read this 8 Coaswell. 9 later on. Thank you. 10 MR. FRYER: Thank you. 11 MEMBER SWINNEY: Chair? 12 CHAIR WHALEN: Yes. Yes, Shirley. 13 MEMBER SWINNEY: So in the staff report, 14 it refers to a substation located on this property, 15 and it describes it as, like, being a 16 transformer-type station. I was wondering can you 17 describe, first of all, what that substation or 18 building would look like? Is it tile? And, also, if 19 you're transmitting -- transforming and transmitting 20 to HECO, what kind of lines would that require? 21 Would you be putting in lines and is that overhead? 22 MR. FRYER: Yes. Part of the lines will 23 be overhead and part of it will be underground, and 24 HECO is actually going to put the lines in 25 themselves. So they'll put poles down Coral Sea Road where it's not inside the FAA clear zone, and inside that zone, we will put in duct bank.

So duct bank is a series of conduits placed underground covered with concrete, and then HECO will pull their wires essentially to the circuits through the duct bank.

The switch yard -- I'm calling it a switch yard because typically a substation has a big transformer, and this will not. So we'll take the power off of each of the inverter pads and bring it into our switch yard where we'll consolidate it kind of like a big electrical panel like you have in your home, but we're kind of going in reverse.

So each will be pad-mounted cabinets that will basically accept the power. There will be cabinets for the power. There will be cabinets for the communication lines coming in because HECO needs to have control of it. So they have what they call SCADA control over it, supervisory (sic) and data acquisition control coming on in. So there will be a Hawaiian Telcom cabinet, HECO's cabinet, and then these upright stainless steel cabinets that will contain the actual switch gear itself.

The only thing missing from the typical substation is your big, massive transformer.

Something that looks like that, that won't be there. 1 2 MEMBER SWINNEY: So your lines are Is that what I heard? 3 underground? 4 MR. FRYER: So the portion that we put 5 in -- so the lines will be aboveground that HECO puts in. The portion that we put in, because HECO does 6 7 not do -- or has indicated they will not do the duct 8 bank, the portion that's up by the airport -- by the 9 airfield. We have to come in and put that in in the 10 DOT right-of-way. And then we build it and, essentially, let them do their part once we're done. 11 12 Does that make sense? 13 MEMBER TIMSON: Chair, I have another question, please. 14 15 CHAIR WHALEN: Yes. 16 MEMBER TIMSON: Okay. I want to ask a 17 question about the closer sites which you will be --18 you will be preserving. And I was reading something 19 you're going to -- what are you going to do? What is 20 your definition of preserving it? Are you just going 21 to leave the land there? Are you going to do 22 something with it? 23 MR. FRYER: We leave it alone. We will 24 not touch it. We leave it alone. We haven't decided 25 if we're going to put, like, a little barrier around

it, like a rope fence around it or not. We're trying to figure out the right answer for that. In fact, as I recall, we have to consult with SHPD when we come up with that final plan, but, yeah, we're not touching it. We'll put up during construction — advance of construction, we'll put up — what do they call it? It's kind of like the marker tape. Not crime scene tape, but it's the same kind of tape that you'll put up around it. We'll put up two zones — two rings around one site. So one is absolutely do not get inside this and the other one as well. But we will not touch the sites, ma'am. They are going to stay as they are.

MEMBER TIMSON: And you're going to set rules for the proper authorities, whoever wants to come and do research? You know, what's going to be the access to that -- to that area? We want to keep it away from the general public who knows nothing about it, but what is the openness to another group or organization that may want to come in and do work or studies or, you know? Is that going to be open to them?

 $$\operatorname{MR.}$  FRYER: Yes, ma'am, and the person who is going to answer that is Kawika.

CHAIR WHALEN: Kawika, this will be a

good time for you to introduce yourself and be sworn in.

MR. MCKEAGUE: Aloha mai kakou. Kawika McKeague, senior planner and director of cultural planning, and I do affirm to tell the truth.

CHAIR WHALEN: Okay. Thank you.

## KAWIKA MCKEAGUE,

having been first duly sworn to tell the truth, the whole truth and nothing but the truth, testified as follows:

MR. MCKEAGUE: Please pardon my frog voice. I'm dealing with day 3 of the flu, and so I'm trying my best here. But to answer your question -- that's a great question.

So maybe to take a quick back-step. So once we identified the 23 sites and the 46 features in our field work, we also, as part of the requirements, had extensive conversations with different key community groups, including the Kalaeloa Heritage Park, at the time the Kalaeloa Heritage Legacy Foundation. We also met with the Office of Hawaiian Affairs as well as, more recently, the Kanehili Cultural Hui. And thank you very much. And last but not least is that through the process of

going through the Burial Treatment Plan, because two of the specific features were identified as Native Hawaiian burials, and there's a subscribed process by which family descendants come up and get recognized. And I believe -- I could be corrected here. I remember a count of 27 recognized cultural descendants.

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So the setup for all that is we allowed talk story sessions about what we should and shouldn't do with what essentially would be -- the best way to describe it as a passive preservation site, meaning that ASEF is not really in the capacity to do active preservation activities like hosting a cultural group or whatnot. But in those conversations, which HCDA was also -- at least staff was present along with SHPD and some of these other entities, we did say, you know, if, within the 20-year lease, an appropriate group were to come forward -- for example, not to call them out, but say, for example, like the Heritage Park was interested to do some activity, ASEF would be more than happy to try to figure out what that collaboration would be or could be in the future.

But right now where it stands, first thing we want to do is establish the preservation

zone first and get that actually set, literally, into stone and then worry about what happens with the activities afterwards.

MEMBER TIMSON: Okay. So it's not part of anything written? So it's just an agreement that -- talk story?

MR. MCKEAGUE: At this current time with SHPD, the requirement being asked of us would be interim preservation and to ensure that nothing happens during the construction phase of the project. Now, we'll still continue to have more conversations, and I failed to mention we also had a talk story with the Ahahui Siwila, the one in Kapolei as well.

So pretty much people, at this point in time, are of the opinion until such time there's appropriate persons or entity that comes forward -- steps forward to want to come and kuleana -- no one's really done that yet -- that the best way to malama these mo'ohelu (phonetic) is to put them into passive preservation such that nothing happens to them in the interim, if that makes sense.

MEMBER TIMSON: Okay. It's not the best, but that's what we got.

MEMBER SWINNEY: Just to follow up on that. What is the Archaeological Monitoring Plan?

1 MR. MCKEAGUE: What is the monitoring 2 plan? 3 MEMBER SWINNEY: Yes. MR. MCKEAGUE: If I could yield to our 4 5 archaeologist because I'm not a qualified 6 archaeologist, but as a professional that works in 7 the 6E world, monitoring this case is a form of 8 mitigation that is to ensure that, while we're doing 9 construction, everything that needs to be put into 10 place relative to observation ensures -- assures us that we do not impact those sites there during 11 12 construction. So the specifics I would yield to 13 Ms. Morgan Davis if you have follow-up questions. 14 Would you like to hear CHAIR WHALEN: 15 from the archaeologist? MEMBER TIMSON: I think we're concerned 16 17

MEMBER TIMSON: I think we're concerned about a future plan. I know construction -- I believe that you're qualified to know better, but, you know, we're interested in the future. You know, what is your commitment to the future?

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MR. FRYER: To answer your question,
ma'am, it is actually in the lease. The form of the
lease -- it's not final, but the form of the lease
includes language that we will cooperate. We are
required to cooperate with recognized descendants.

think the only word in there is we have to be properly vetted, insured, you know, sign leases, that type of thing. But there is language in the draft lease that basically preserves that right.

MR. MCKEAGUE: And I would -- I'm sorry.

I would add one more comment specific to the two
burials. This question was specifically asked:

"Would you want" -- to the descendants. Excuse me.

"Would you want access that's maintained, cleared to
the two burials? Would you want specific
landscaping? What kind of materials would you want
to those specific burials?" And the answer, I
believe almost uniformly, was, "Leave it as is."

Because if you make a clearing, a lot of people can
come in and check it out; right?

So, basically, the way it is now in the natural environment with the kiawe bush and all that there makes it very difficult to want to access these sites. So at least specific to the two burials, excuse me, there was no need, at least on the part of the descendants, to provide access, but it was requested to at least do annual inspections because we do have foliage that grows, and there was one kiawe tree, for example, that could be a future issue that may have to be addressed. So those kinds of

things were discussed with that particular group.

CHAIR WHALEN: Board Member Timson or

Swinney, do you have any questions of the

MEMBER SWINNEY: No.

archaeologist, particularly?

CHAIR WHALEN: Thank you. Any other questions of board members of the applicant or witnesses? Or, staff, do you have any questions?

Okay. Then all right. So at this point,
Applicant, do you feel you've concluded your
presentation? Anything else that you wish to add?

MR. FRYER: No, sir. Mahalo. Thank you.

CHAIR WHALEN: Okay. We are ready for -we can proceed with public testimony. Speakers will
be called up to testify in order. I think we haven't
gotten any sign-ups. I haven't gotten any sign-ups
from staff. Is there anyone in the audience who
wishes to provide public testimony on the part of the
applicant or --

Okay. So if there's no public testimony, then on behalf of the HCDA Authority members and staff, I thank you for your attendance. The public hearing on the applicant's requested modifications now stands adjourned. The time is now 11:06 a.m. Thank you.

1	(The proceedings were adjourned at
2	11:06 a.m.)
3	CERTIFICATE
4	STATE OF HAWAII )
5	) ss. CITY AND COUNTY OF HONOLULU )
6	
7	I, LAURA SAVO, a Certified Shorthand Reporter in and for the State of Hawaii, do hereby certify:
8	That the foregoing proceedings were taken
9 10	down by me in machine shorthand at the time and place herein stated, and was thereafter reduced to typewriting under my supervision;
11	That the foregoing is a full, true and correct transcript of said proceedings;
12	I further certify that I am not of counsel or attorney for any of the parties to this case, nor in any way interested in the outcome hereof, and that I am not related to any of the parties hereto.
13 14	
15	Dated this 28th day of January 2018 in Honolulu, Hawaii.
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17	LAURA SAVO, RPR, CSR NO. 347
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