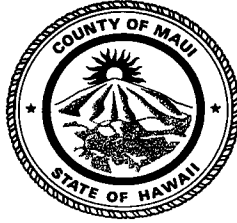


ALAN M. ARAKAWA
Mayor

STEWART STANT
Director

MICHAEL M. MIYAMOTO
Deputy Director



MICHAEL RATTE
Solid Waste Division

ERIC NAKAGAWA, P.E.
Wastewater Reclamation Division

**COUNTY OF MAUI
DEPARTMENT OF
ENVIRONMENTAL MANAGEMENT**

2050 MAIN STREET, SUITE 2B
WAILUKU, MAUI, HAWAII 96793

January 27, 2017

Mr. Alan M. Kato
Belt Collins Hawaii LLC
2153 North King Street, Suite 200
Honolulu, HI 96819-4554

Dear Mr. Kato:

**SUBJECT: REQUEST FOR WASTEWATER AND RECLAIMED WATER SERVICE
VILLAGES OF LEIALI'I - 200-UNIT MULTI-FAMILY RENTAL PROJECT
TMK: (2) 4-5-021: 003**

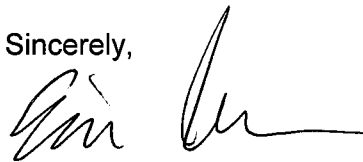
The County of Maui Wastewater Reclamation Division (WWRD) has reviewed the request for the subject 200 unit project to connect to the County of Maui sewer system and receive R-1 recycled water for irrigation purposes and have the following comments:

1. The subject project is located in the southwest portion of the master planned Villages of Leialii Community, which will have its own private wastewater treatment facility. We expect that the requested connection would be temporary until the treatment facility is constructed and operational, at which time the flows will be redirected to the new facility.
2. Capacity at the Lahaina Wastewater Reclamation Facility (LWWRP) is currently available, however, it is not guaranteed as it is only allocated when building permits are issued for the actual dwellings. Construction of other projects, delays in this project or changes in the County's disposal regulations or operating permits, could result in the unavailability of capacity.
3. There is currently adequate capacity in the trunk collection lines in Honoapiilani Highway north of Kapunakea Street to accommodate 200 units. Lines south of Kapunakea Street would require capacity upgrades to be completed by your project.
4. WWRD cannot provide R-1 recycled water to this project. Currently the distribution system is unpressurized and only delivers water as far south as the Kaanapali Golf Course reservoir (approximately 2 miles from your project site). Water is pumped to the golf course only when required. While there are future plans to construct a tank and pressurize the system, the intent is to expand use in the Kaanapali area, not to expand further south.

5. Typically, the County does not allow temporary connections to its facilities. Provided that all 200 units will be developed as residential workforce housing units, pursuant to Chapter 2.96, Maui County Code, we would consider connection on an interim basis subject to a recorded agreement with terms developed with the Housing & Human Concerns and Environmental Management Departments Directors. These terms may include:
 - a. The agreement would be specifically limited to these 200 workforce housing units. Any further requests for additional units or facilities within the project district may require that the developer upsize sewage transmission lines between the LWWRF and the project, or make a fair share contribution for costs for upgrades that may be incurred by the County.
 - b. The agreement would specifically require that the developer commence construction of the 200 units within two (2) years of the execution of the agreement. The agreement would be null and void if this condition is not met, and no funds will be returned to the developer nor credit given toward any future allocation requests.
 - c. The connection of these 200 units is on a temporary basis. The County believes that a five (5) year deadline (from the date of execution of the agreement) for transfer of these units to Villages of Lei Ali'i private wastewater treatment facility is reasonable.
 - d. As noted above, the entire project will be required to treat its own wastewater and utilize or dispose of all of the recycled water it produces.
 - e. Additional requirements as required.

We are available to meet with you to discuss this project further if you require. Please contact me at (808) 270-7422, should you have any questions or comments.

Sincerely,



Eric Nakagawa, Chief
Wastewater Reclamation Division

xc: Stewart Stant, Director
WWRD Planning Section