

## EXECUTIVE SUMMARY

This Environmental Assessment (EA) addresses the environmental impacts of the Proposed Action to construct certain improvements to the City and County of Honolulu (City) wastewater collection system (sewer) along a portion of Kalia Road and within an easement area covering portions of the Fort DeRussy property fronting on Ala Moana Boulevard and Kalakaua Avenue in Waikiki, Oahu, Hawaii.

The purpose of the Proposed Action is to increase the capacity of wastewater collection lines along Kalia Road and portions of Fort DeRussy fronting on Ala Moana Boulevard and Kalakaua Avenue. The improvements are required to reduce the risk of overflows during periods of heavy rain and to accommodate additional flows from future development in the area, including implementation of the Hilton Hawaiian Village (HHV) Master Plan. Completion of these sewer improvements will fulfill a City condition of the Planned Development-Resort (PD-R) and Special Management Area (SMA) Use permits (2011) issued for the HHV Master Plan.

This EA has been developed in accordance with the National Environmental Policy Act (NEPA) of 1969, 42 US Code (USC), Section 4321 et seq.; the Council on Environmental Quality (CEQ) regulations for implementing NEPA, 40 Code of Federal Regulations (CFR) Parts 1500-1508: Environmental Analysis of Army Actions (32 CFR 651) and the State of Hawaii, Environmental Review Process, Chapter 343, Hawaii Revised Statutes (HRS); Hawaii Administrative Rules (HAR), Title 11, Department of Health (DOH). The purpose of the EA is to analyze the environmental impacts of the Proposed Action and project alternatives, present the findings, and solicit public input in order for the City, Department of Environmental Services (ENV) and United States Army Garrison, Hawaii (USAG-HI) to make an informed decision on future action. This EA provides a focused and site-specific analysis of the potential environmental impacts of constructing the proposed sewer improvements. Additionally, the EA considers impacts at this Oahu location that would result from the Proposed Action.

***Proposed Action (Preferred Alternative): Construct Sewer Improvements along Kalia Road and portions of Fort DeRussy fronting Ala Moana Boulevard and Kalakaua Avenue and make certain other improvements***

The Proposed Action is for the City or its designee to construct the following improvements to the City's sewer system (the "Kalia-Fort DeRussy Wastewater System Improvements" or KDWSI):

1. An existing 12-inch diameter sewer pipe (installed c. 1950s) along Kalia Road will be replaced with a new 21-inch diameter sewer line from a point near Paoa Place to a point near the intersection of Kalia Road, Ena Road and Ala Moana Boulevard. The new line will be located just east of the existing line. A trench will be excavated to accommodate the new line. Following completion of the new line, sewer laterals from HHV that connect to the existing 12-inch diameter sewer line will be connected to the new 21-inch diameter sewer line. The 12-inch diameter sewer line will be removed or grout filled, and abandoned in place. Upon completion, the 21-inch diameter sewer line trench will be backfilled, and existing surface improvements and landscaping will be restored.

2. An existing 24-inch diameter sewer line located within the boundaries of a City easement on federally owned land at Fort DeRussy, will be replaced with a new 30-inch diameter sewer line running along Ala Moana Boulevard from a point near Kalia Road to a point near the intersection of Ala Moana Boulevard and Kalakaua Avenue, and then along Kalakaua Avenue to a point near the existing Fort DeRussy wastewater pumping station (WWPS). The new line will be located in the same easement which contains the existing sewer line. Trenches will be excavated to expose the existing line, which will be bypassed by a temporary line to allow for the removal of the existing line and the installation of the new line. Upon completion of the new line, the new line will be connected to the new 21-inch Kalia Road line (described in item 1 above) and, by way of the new line described in item 3 below, to the Fort DeRussy WWPS. Following this, the bypass will be disconnected and removed, the trench will be backfilled, and existing surface improvements and landscaping in the easement area will be restored.
3. An existing 24-inch diameter sewer line within the Fort DeRussy WWPS, between sewer manhole (9004) and sewer manhole (9003) and between sewer manhole (9003) and the Fort DeRussy WWPS wet well (0000), will be replaced with a new 30-inch diameter sewer line.
4. In addition, an existing 16-inch diameter sewer line crossing Fort DeRussy from the intersection of Kalia Road and Ala Moana Boulevard intersection to the Fort DeRussy WWPS will be cut and plugged with grout.

The KDWSI will expand the capacity of the City's wastewater system in a portion of the service area between the Ala Wai Canal, Kalakaua Avenue, and Fort DeRussy (the "Kalia-Fort DeRussy Wastewater Service Area" or simply the "Service Area"), which includes the Hale Koa Hotel (HKH) and the HHV.

The construction of the KDWSI will be scheduled to meet the development timeline for the completion of the new HHV Timeshare Tower 1 (which is currently scheduled for late 2015). Where potentially significant impacts might result from the Proposed Action, mitigation measures will be taken to reduce the impact to less-than-significant levels.

In addition to providing additional capacity to serve existing and future development within the Service Area, including implementation of the HHV Master Plan, installation of the KDWSI may help the City satisfy the strict mandates set under the 2010 Wastewater Consent Decree agreed upon by the United States (U.S.) Environmental Protection Agency (EPA), the State of Hawaii and the City.

The environmental impact of the Proposed Action (Preferred Alternative) is expected to be less than the impact of the No Action Alternative, as described below.

### ***No Action Alternative***

The No Action Alternative is a benchmark against which the Preferred Alternative can be evaluated. Under the No Action Alternative, the existing sewer system servicing the HHV, HKH, and other parts of the Service Area would remain unchanged and unimproved. The existing system is intended to provide capacity for existing peak wet weather flows, which is a combination of the maximum flow and the wet weather infiltration/inflow. Without improvements such as the KDWSI, the City's wastewater system will not be sufficient to accommodate the increased flows that will be produced from implementation of the approved HHV Master Plan, including the construction of the new Timeshare Tower 1.

The No Action Alternative is evaluated in the environmental consequences section of this EA and addresses the potential impacts of the No Action Alternative on the baseline conditions identified in the affected environment section of the document.

### ***Summary of Environmental and Socioeconomic Impacts***

Under the Proposed Action, less than significant impacts are identified for most categories of environmental and socioeconomic impact, as summarized in the following table.

| <b>SUMMARY OF POTENTIAL IMPACTS FOR NO ACTION ALTERNATIVE AND PROPOSED ACTION<br/>(PREFERRED ALTERNATIVE)</b> |                              |   |   |
|---|------------------------------|---|---|
| <b>Impact Area</b>  | <b>No Action Alternative</b> | <b>Cumulative</b>   | <b>Proposed Action<br/>(Preferred Alternative)</b>        |
| Land Use  | No impact                    | No impact   | No impact   |
| Socioeconomic   | No impact                    | Beneficial  | Beneficial  |
| Traffic and Roadways  | No impact                    | Significant impact but mitigable to less than significant | Significant impact but mitigable to less than significant |
| Noise   | No impact                    | Significant impact but mitigable to less than significant | Significant impact but mitigable to less than significant |
| Air Quality   | No impact                    | Less than significant impact                              | Less than significant impact                              |
| Geology, Soils and Seismicity   | No impact                    | Less than significant impact                              | Less than significant impact                              |
| Natural Hazards   | No impact                    | No impact   | No impact   |
| Water Resources   | No impact                    | Beneficial/<br>Less than significant impact               | Beneficial/<br>Less than significant impact               |
| Hazardous Materials   | No impact                    | No impact   | No impact   |
| Public Facilities, Services, and Utilities  | No impact                    | Beneficial/<br>Less than significant impact               | Beneficial/<br>Less than significant impact               |
| Biological Resources  | No impact                    | Less than significant impact                              | Less than significant impact                              |
| Cultural Resources  | No impact                    | Significant impact but mitigable to less than significant | Significant impact but mitigable to less than significant |
| Visual Resources  | No impact                    | Less than significant impact                              | Less than significant impact                              |
| Environmental Justice   | No impact                    | Beneficial  | Beneficial  |
| Note: In cases when there would be both beneficial and adverse impacts, both are shown on this table.         |                              |   |   |

### ***Proposed Action (Preferred Alternative): Construct the Kalia-Fort DeRussy Wastewater System Improvements***

Under the Proposed Action, beneficial impacts can be expected for socioeconomics, water resources, public facilities, services and utilities, and environmental justice.

The Proposed Action will have short-term and long-term beneficial effects on the local economy. There will be short-term increases in employment, income and tax revenue during the construction period. In addition, construction of the proposed sewer line improvements will allow for the development of improvements and expansion projects under the approved HHV Master Plan. These projects will result in beneficial long-term indirect economic and fiscal impacts relating to employment, income, taxes, and additional consumer expenditures.

Implementation of the Proposed Action will have beneficial impacts on water quality since the sewer improvements will serve to minimize problems that occur from wet weather infiltration/inflow to the system. The project will not increase the volume of peak stormwater runoff or contribute additional contaminants to stormwater runoff. Upon completion of the sewer improvements, pavements, groundcover and landscaping disturbed during construction will be repaired to model pre-construction conditions, eliminating discernible long-term adverse impact.

By increasing the capacity of the City's sewer collection system along Kalia Road and the portions of Fort DeRussy fronting Ala Moana Boulevard and Kalakaua Avenue, the KDWSI may help the City comply with the mandates of the 2010 Wastewater Consent Decree with the EPA. The Proposed Action will have a long-term beneficial impact on public utilities by improving the existing wastewater system, and a long-term beneficial impact to surface water quality.

The Proposed Action will directly result in beneficial short-term and long-term impacts through the creation of jobs opportunities for low-income or minority groups. Temporary new jobs will be created during the construction period of the Proposed Action. The sewer expansion will also allow for construction jobs associated with the new Timeshare Tower 1 and various Master Plan projects. By allowing for completion of Timeshare Tower 1 and other elements of the HHV Master Plan, the Proposed Action will aid in the creation of additional long-term jobs associated with those projects.

The Proposed Action will have no impacts on Land Use and Hazardous Materials. Less than significant impacts are expected for air quality, geology, soils and seismicity, water resources, public facilities, services and utilities, biological resources, and visual resources, all of which will be temporary and limited to the period during and immediately following construction.

The Proposed Action will have less than significant adverse impacts on air quality from air pollutants or greenhouse gases. The air quality issues are related to construction activities, and include fugitive dust and emissions from construction equipment engine exhaust. Impacts will be temporary and mitigated through the implementation of best management practices (BMPs), such as dust minimization, to ensure that air quality standards are met.

Short-term adverse impacts from erosion will be mitigated during construction and during the period immediately after construction, through the implementation of erosion and sediment control BMPs. The Proposed Action will not increase impervious area at the project areas. The potential for water quality degradation due to sediment-laden runoff from disturbed areas during construction will be mitigated through the implementation of BMPs for erosion and sediment control (construction) and stormwater management. As a result, the Proposed Action is expected to temporarily generate less than significant impacts to geology, soils, and water quality.

Construction of the Proposed Action will have a less than significant impact on public services (police protection, solid waste management, etc.) and existing utility infrastructure located near the project areas. The Proposed Action will not directly increase energy and potable water consumption, wastewater generation, stormwater generation, or demands on communication systems (except to a limited and less-than-significant degree during construction). Therefore, impacts on all of these are anticipated to be less than significant.

There will be less than significant impacts on biological resources. The Proposed Action may affect the manuoku (White Fairy Tern, *Gygis alba*) particularly during the construction period. However, impacts to this seabird are considered to be less than significant because there is abundant alternative tree canopy habitat for this species in the adjacent areas. The adverse effects from construction are expected to be temporary and minor. Temporary site clearing in Fort DeRussy will have a less than significant impact on biological resources. Upon completion of the sewer improvements, the affected area will be repaired and landscaped to model pre-construction conditions.

During construction, there will be short-term adverse impacts on the visual character of the site and surroundings resulting from a visible increase in traffic from project vehicles, the operation and storage of equipment and materials during demolition and construction, and a decrease in visibility from fugitive dust. These short-term adverse impacts on the visual landscape of the project areas will be limited and temporary, and are expected to be less than significant.

Significant impacts but mitigable to less than significant are expected for traffic and circulation, noise and cultural resources, all of which will be temporary and limited to the period during and immediately following construction.

Under the Proposed Action, there will be short-term impacts to traffic and roadways during construction of the sewer improvements. Lane closures and potential traffic diversions will be required. However, construction work areas will be phased along the project alignment to minimize impact to vehicular and pedestrian traffic. The traffic control plans will include phased work areas and detours for lane and sidewalk closures. Construction scheduling will be coordinated with the City Department of Planning and Permitting (DPP), City Department of Transportation Services (DTS), and State Department of Transportation (DOT) Highways Division in an effort to minimize these impacts. While the potential impacts on traffic and roadways could be significant in the absence of mitigating action, the impacts can be mitigated, and it is anticipated that coordination with City and State agencies will result in mitigation measures that will reduce these impacts to a level that is below what would be considered significant.

The Proposed Action will introduce temporary noise from construction of the sewer improvements. However, these noise levels will not exceed applicable regulatory standards. In addition, typical construction noise mitigation measures will be utilized to reduce the adverse noise impact to a level that is below what would be considered less than significant.

Based on historic documents and archaeological investigations, the Proposed Action may have a significant impact on archaeological resources; however, compensatory mitigation will be included to reduce the level of impact to below significant levels. The project team has engaged and is working closely with cultural of the Kalia area to learn about the area's history, build relationships, promote dialogue among the parties, and address potential impacts on cultural resources. This collaboration is leading to the formulation of a Native American Graves Protection and Repatriation Act (NAGPRA) Plan of Action (POA) to protect cultural resources found on Federal lands. In addition, an archaeological monitoring program will be implemented as an appropriate mitigation measure for ground disturbance conducted within the study area. Trenching for the Proposed Action will be within or adjacent to areas of previous disturbance due to extensive utility work in the general corridor. Nonetheless, expansion of the trench areas to accommodate the larger pipes presents some risk that human remains or other culturally sensitive items not previously identified could be encountered and disturbed. Should human

remains (iwi kupuna), cultural resources, or artifacts be uncovered during construction; actions will be undertaken for either preservation in place or relocation, under the NAGPRA POA or agreed-to conditions under State historic preservation administrative rules and appropriate authorities of decision-making following respective cultural protocol. With these measures in place to mitigate project actions, it is anticipated that the Proposed Action will not have a significant cumulative impact on cultural resources.

It is anticipated that the owner of the HHV will fund, design and construct the KDWSI, which will allow it to construct Timeshare Tower 1 and other additions and improvements to the HHV property contemplated by the recently approved HHV Master Plan. This investment in the City's infrastructure is expected to have an overall beneficial impact, not only for the HHV, but also for the Waikiki community and the visitors and general public that it serves. The construction timetable for the sewer improvements is planned to meet the programmed completion of the HHV Master Plan Timeshare Tower 1 in late 2015. The impacts of the Proposed Action are analyzed in this EA. The project details described in this EA may change as technical requirements and designs are refined, and this EA may be revised, if appropriate, to address material changes. Additionally, unanticipated issues may delay the construction schedule.

#### No Action Alternative

Under the No Action Alternative, the existing conditions would not change and improvements to the sewer lines serving HHV, HKH and other parts of the Service Area would not occur. The HHV Timeshare Towers would not be built because the existing sewer system would not be able to accommodate additional flows. Development and operations employment related to the HHV Master Plan project and Proposed Action would also not be available. The City would need to expend additional public funds to make improvements to the existing wastewater system to meet the requirements of the 2010 Wastewater Consent Decree with the U.S. EPA. Without improvements to the existing system, the risk of wastewater system overflows would not be reduced. While sewer improvements under the Consent Decree may still take place without the Proposed Action, it would occur at a later point.

The No Action Alternative would have no significant impact on land use, socioeconomic characteristics, traffic and roadways, noise, air quality, geology, soils, and seismicity, natural hazards, water resources, hazardous materials, public, facilities, services and utilities, biological resources, cultural resources, visual resources and environmental justice. However, the No Action Alternative would not mitigate potential adverse impacts on water resources, resulting from the lack of wastewater system improvements, and would not result in any improvement to public services and utilities. The benefits to socio-economic and environmental justice resources would also not occur.