

From: Karen_Beattie@URSCorp.com
Sent: Tuesday, October 24, 2006 7:36 AM
To: Matsumura, April Mido; Hirai, Nolan S
Subject: Permit clarification

Karen Beattie
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Sr. Project Manager
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April and Nolan:

As you may remember we are working with Tradewinds Forest Products for a veneer plant at the O'okala site. We are currently working closely with them to revise their air permit application and hope to submit it shortly.

In the meantime, the applicant would like to do some work at the site. We are extremely cautious regarding this- we understood that some work on the actual site can not be started until the applicant would successfully be given the air permit. However, the applicant would like to do some work and wanted to ask if the following activities will be acceptable prior to receipt of the air permit (acknowledging that they will need separate permits for some of this work). The list includes:

- § Conversion of woodshop building to temporary housing for construction crew
- § Installation of septic system(s) for existing houses
- § Dismantling of small yellow warehouse
- § Demolition of sugar crusher pedestals inside the big blue building
- § Conversion of house nearest woodshop to kitchen/dining facility for construction crew
- § Installation of perimeter fence
- § Installation of landscaping
- § Construction of perimeter road

Is there someone that they could talk to directly to clarify each of these?
Your help would be deeply appreciated.

From: Hirai, Nolan S
Sent: Tuesday, October 24, 2006 2:52 PM
To: Karen_Beattie@URSCorp.com
Cc: Matsumura, April Mido; Nagamine, Wilfred K
Subject: RE: Permit clarification

Karen

In determining whether these activities can proceed without an air permit, we would use procedures consistent with EPA guidance on PSD preconstruction activities. Basically, all construction activities of a permanent nature related to the veneer plant would be prohibited until the air permit is issued. Without knowing the scope of the activities and with the exception of landscaping, all the activities appear to be of a permanent nature.

It was also not clear if the proposed activities are solely for the veneer plant or if they can serve other purposes. If the activities are not dedicated to the veneer plant and would be undertaken whether or not the veneer plant is built, then these activities are permissible. Also, non-permanent activities such as site clearing, grading and on-site temporary storage of equipment are allowed prior to issuance of the permit. All such activities, if undertaken prior to the issuance of the air permit, are at the risk of the owner or operator.

Nolan Hirai

Tradewinds Forest Products

HEADQUARTERS
Century House
2574 NW Thurman Street
Portland, Oregon 97210-2524
503 542-2440

MILL SITE
39-3324 Old Mamalahoa Highway
O'okala, Hawai'i 96774

November 3, 2006

VIA EMAIL

Mr. Nolan Hirai, P.E.
Supervisor, Engineering Section
Clean Air Branch
Hawaii State Department of Health
P.O. Box 3378
Honolulu, HI 96801

RE: Tradewinds Forest Products LLC
Veneer Mill Project, O'okala, HI
Work Clarification
URS Project No. 25696093

Dear Mr. Hirai:

Thank you for your e-mail dated 10/24/06 (attached). We continue to appreciate you and your staff's guidance as we work through the permit process for the proposed veneer mill project at O'okala. To further clarify what we intend to do at the property we believe that the work we mentioned in our request to you is required to improve the property whether or not we construct the facility. Our reasons are presented below:

1. Repair woodshop building. This is an old building in poor repair; the building has signs of rot, requires some structural work, and painting. As new owners, we believe that the building needs to be repaired because it is an eyesore and not safe. This work is required regardless of whether or not a veneer plant is constructed on the site.
2. Installation of septic systems for existing houses. Use of the houses is limited due to an outdated sanitary waste discharge system. In order to use the other buildings, we must install new septic systems to comply with sanitary regulations. This work is required regardless of whether or not a veneer plant is constructed at the site.
3. Dismantling of a warehouse. The warehouse is old, dysfunctional, and an eyesore. As new owners, we believe that the property should be cleaned up; this work will further that effort.

4. Demolition of sugar crusher pedestals inside the big blue building. This building is unusable at the moment due to the concrete structures inside the building that are in the way. No matter what the use of this facility, we will need to remove these structures.
5. Clean up and repair of house nearest woodshop. As with the woodshop building, this house is in a state of disrepair. It is showing significant signs of dry rot, requires some structural improvements and paint to make it less of an eyesore. The work is required regardless of whether or not a veneer plant is constructed on the site.
6. Installation of a perimeter fence. As new land owners, we are concerned about public safety. There are a number of old buildings, deep pits, and old equipment throughout the site. Installation of a perimeter fence will detract potential trespassers and provide a safer environment regardless of whether or not a plant is constructed.

Please let us know if you see any issue with these proposed activities. We deeply appreciate your time and guidance. As the project develops and if we have further questions, we will not hesitate to contact you. Thank you.

Sincerely,

Don Bryan, President & CEO
Tradewinds Forest Products, LLC

c: David Robichaux, Robichaux & Associates
Karen Beattie, URS
John Lague, URS

From: John_Lague@URSCorp.com
Sent: Wednesday, November 08, 2006 1:45 PM
To: Hirai, Nolan S
Cc: Matsumura, April Mido
Subject: RE: Tradewinds Veneer Mill Covered Source

Hi, Nolan

We have been working hard to revise the permit application for this project in accordance with your comments on the original submittal, and you should be receiving it early next week. Preparing the revised application took several months, because Tradewinds has been soliciting bids and buying the plant equipment so we can now give real vendor emission guarantees and equipment descriptions. As you know, the lack of that information was one of the main deficiencies in our application that was identified by DOH. We have also added a full BACT analysis and redone all the air quality modeling to reflect all the changes that have been made to the mill equipment, including emission controls, since the original application.

Tradewinds wants to make sure that we do everything we can to answer any questions you may have on the application as early as possible, so that permit processing will not experience any delays. To that end, Don Bryan and I would like to set up a meeting with you and April to go through the application with you a few days after you receive and have had time to look it over. The days that work best for us are Wednesday (11/29) or Thursday (11/30). Would you be available on either day? Please let me know and if you can meet with us, name a time of day that will work best for you.

I will look forward to meeting with you again.

Thanks very much and best regards - jsl

John Lague
Senior Air Quality Consultant
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