

**MINUTES FOR THE
MEETING OF THE
BOARD OF LAND OF NATURAL RESOURCES**

DATE: FRIDAY, MAY 08, 2015
TIME: 9:00 A.M.
PLACE: KALANIMOKU BUILDING
LAND BOARD CONFERENCE ROOM 132
1151 PUNCHBOWL STREET
HONOLULU, HAWAI'I 96813

Acting Chairperson Suzanne D. Case called the meeting of the Board of Land and Natural Resources to order at 9:01 a.m. The following were in attendance:

MEMBERS

Suzanne D. Case
Stanley Roehrig
Christopher Yuen
Ulalia Woodside

James Gomes
Thomas Oi
Keone Downing

STAFF

Russell Tsuji-LAND
Dan Quinn-PARKS
Lisa Hadway-DOFAW
Meghan Statts-DOBOR
David Penn-DOFAW

Kevin Moore-LAND
Steve Soares-PARKS
Kevin Yim-DOBOR
Guy Chang-DOCARE
Emma Yuen-DOFAW

OTHER

Linda Chow/Deputy AG
Ann Shiigi/DOT-AIR
Chris Conger/D-14
James Fu/D-15
Craig Nakamura/D-7
Peter Horovitz/D-8
Pam Bunn/D-8
Phil Hauret/D-17
Rocky Kaluhiwa/J-1

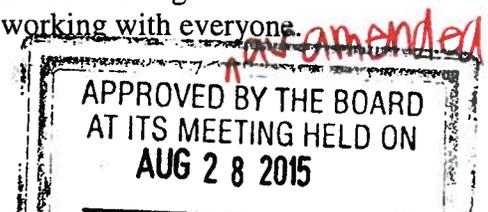
D.Purcell/A1,D14,D8,D1,E2,C1,J3
Ethan Tomikiyo/DOT-AIR
Jerry Whitehead/D-14
Bruce Voss/D-13
Heidi Meeker/D-6
James Manakusya Sr./D-8, C-1
Cheryl Vasconcellos/D-8
Mahealani Cypher/J-1
Jerry Kaluhiwa/J-1

ITEM C-3 Status Report for the Hawai'i Conservation Reserve Enhancement Program.

Chairperson Case announced that item C-3 was withdrawn.

Withdrawn

Member Roehrig introduced Chairperson Suzanne Case and thanked her for serving. Member Gomes presented her with lei. Chair Case said she looked forward to working with everyone.



ITEM A-1 Approval of February 13, 2015 Minutes

Member Woodside commented that page 3, Item K-2 Ms. Renard is with HHF not HFF.

Dan Purcell welcomed Chairperson Case and commented that there is a legal requirement to have the minutes available within 30 days of the meeting. He said that often with this Board minutes are up to 4 months late. Purcell recommended having an outside company come in to help transcribe the minutes.

Unanimously approved as submitted (Gomes, Woodside)

ITEM M-1 Consent to Assignment of State Lease No. DOT-A-91-0021, Pacific Aviation Services, Inc. to ALPS Aircraft Leasing, LLC, Honolulu International Airport, Tax Map Key: (1) 1-1-72:51.

ITEM M-2 Consent to Sublease of State Lease No. DOT-A-91-0021, Pacific Aviation Services, Inc. to Genesis Helicopters, LLC, Honolulu International Airport, Tax Map Key: (1) 1-1-72:51.

ITEM M-3 Issuance of a Revocable Permit for Aircraft Parking, Brian J. Isaacson, Kalaeloa Airport, Island of O'ahu, State of Hawai'i, Tax Map Key: (1) 9-1-13: Portion of 32.

Ann Shiigi property manager with the Department of Transportation-DOT presented items M-1 through M-3.

Member Woodside asked if property in item M-1 was the same as M-2. Shiigi confirmed.

Unanimously approved as submitted (Roehrig, Gomes)

ITEM M-4 Issuance of a Revocable Permit for a Kiosk Space, Lanai Resorts, LLC, Lanai Airport, Tax Map Key: (2) 4-9-02:Portion of 55.

ITEM M-5 Issuance of a Revocable Permit for a Ticket Counter and Baggage Make-up Spaces, Schuman Aviation Company, Ltd., Kapalua Airport, Tax Map Key: (2) 4-3-01:Portion of 73.

ITEM M-6 Issuance of a Heliport Lease, Helicopter Consultants of Maui, LLC, Lihū'e Airport, Tax Map Key: (4) 3-5-01:Portion of 08.

ITEM M-7 Issuance of a Revocable Permit for A Ticket Counter and Office Space, American Airlines, Inc., Kona International Airport at Keāhole, Tax Map Key: (3) 7-3-43:Portion of 40.

ITEM M-8 Issuance of a Revocable Permit for Parking, Vehicle Parking Stalls, Federal Express Corporation, Kona International Airport at Keāhole, Tax Map Key: (3) 7-3-43:Portion of 40.

Ethan Tomokiyo Property Manager for the neighbor island portion of the Airports Division-DOT-AIR asked for the Board's consideration and approval of items M-4 through M-8.

Unanimously approved as submitted (Roehrig, Gomes)

ITEM D-14 Second Amendment of Grant of Non-Exclusive Easement S-5668 to Evershine II, L.P. for Channel, Concrete Surge Break or Breakwater, Seawall, Step and Fill Purposes; Portlock, Honolulu, O'ahu; Tax Map Key: (1) 3-9-026:Seaward of 044, 045, and 048.

Russell Tsuji Administrator for Land Division-LAND had nothing to add to this submittal.

Member Yuen commented that this caught his attention because we don't have a lot of break waters, but this didn't explain the break water. Meber Yuen asked how big this break water was and how did it come about that we have break water there.

Chris Conger with Sea Engineering Inc. clarified that these 4 easements are already in existence, they are just asking to make minor adjustments to the areas. Through the shoreline certification over the last year, they have identified some discrepancies. For the surge break it's an old non-conforming structure that has an easement already. There is an access set of stairs on the China wall side of the surge break itself. There was an old rotten wooden set that was replaced with a concrete set that was about a square foot that was outside the easement area, so they had re-adjust that shape to catch that foot. The mauka side of the easement was seaward of where the certified shoreline would be, so they had to make that adjustment as well. The surge break was to keep waves that had made it around the break water from impacting the shoreline. Those were the minor adjustments for the surge break. For the harbor easement, there were a series of 7 piles that were in the harbor, it's part of the turning base. In addition a footing was discovered, it was there previously but the area hadn't received any work in the last 30 years, so they cleaned it up and expanded it slightly.

Member Yuen asked when these easements were put in place. Conger explained that there were a range of dates, the most recent 4 years ago, and some of these date all the way back to the creation of the harbor, which was in the 60's. Conger confirmed that they have been working with the Oahu district land agent, the State surveyor-DAGS, OCCL and the shoreline administration team.

Member Roehrig asked if this went out to public meeting. Tsuji said no. Member Roehrig was curious if this impacted any recreational activities in the area. Conger assured that there were no changes to the existing structure.

Member Roehrig asked that next time work is done in the ocean that photos are provided so that the Board can better see what is going on. Member Woodside echoed what Member Roehrig

said. Item D-13 showed pictures of encroachments, this item didn't have the same type of map or pictures.

Member Downing asked what was being added, if this is just to clean up. Conger explained that they cleaned up everything that was illegal or non-conforming. Everything left needs to be re-evaluated with the shoreline certification. These are structures that were considered encroachments in 2009 but are now not considered encroachments.

Member Roehrig asked if lease rent should be charged on this. Tsuji disclosed that there will be that is determined by lease rent by appraisal. Member Roehrig didn't understand why the Board wouldn't vote on the amount of the lease rent and asked to see a report back and would like to know what the lease rent was.

Deputy Attorney General-AG Linda Chow explained that this doesn't have to come back to the Board. They have already paid \$58,000 of the easement so the appraisal would only be of the additional. She said this is routine, but it's up to the Board.

Chair Case noted that the rent is going to be established by an independent appraisal subject to the review and approval by the Chair. Tsuji verified defiantly the Chair will have to approve the appraisal.

Dan Purcell testified that this is a very important issue and was glad to see this wasn't rubber stamped. Purcell said the presentation was inadequate. He was inclined to request a contested case, but didn't because he appreciated the spotlight this item was given today.

Jerry Whitehead with Tower Engineering testified that he wasn't involved with this, he was just observing. The encroachment for the major part of what the concern was, he as a boater was concerned. Whitehead said he felt opposite of the previous testifier and felt this was directed toward the public. He said he heard the owner say do what you need to do to make it compliant, meet the culture, meet the safety requirements, and do it for the letter of the law no matter what the cost is.

Member Roehrig made a motion to approve, Member Yuen seconded. All were in favor.

Dan Purcell requested a contested case, he said that these are an opportunity to request public access and that option is now gone.

Chris Conger responded by explaining that as part of the SNA permit, they are required to provide public access.

Purcell said there has to be reproductions from the public, they need to come in here prepared. He again said he would request a contested case to at least give the public more of an opportunity to look over this.

AG Linda Chow advised Chair Case that generally the practice of the Board has been to stay their decision pending the outcome of the contested case procedures. Purcell needs to follow up with a written petition within 10 days.

Member Roehrig made a motion to reconsider the prior motion, deferring it so the Board is in compliance of the AG's ruling that the Board's decision should be deferred until after the request for a contested case hearing.

Member Yuen commented that under the rules when there is not a public hearing prior to the Board voting a person in Mr. Purcell's situation can only request a contested case hearing after the Board has made its decisions. So the Board needs to make a decision. The Kilikila case says that the Board is not to allow action on that decision until either the contested case hearing has been held or in this case, the AG advises weather this is subject to a contested case.

AG Chow said the decision of the Board is stayed until a decision is made on the contested case proceedings.

Purcell withdrew his request for a contested case, he thought this was a good exercises.

Chair Case noted that on behalf of staff there will better visuals accompanying all documents.

Unanimously approved as submitted (Roehrig, Yuen)

ITEM D-15 Issuance of Right-of-Entry Permit to Department of Transportation Highways Division for Geological and Topographical Field Surveys Purposes, Waimānalo, Ko'olaupoko, O'ahu, Tax Map Key: (1) 4-1-009:262 (Portion).

Russell Tsuji-LAND reviewed item D-15, the Department of Transportation-DOT was present.

James Fu, a structural engineer with DOT said he was the project manager for this project.

Unanimously approved as submitted (Yuen, Gomes)

ITEM D-13 Authorize the Chairperson Enter into Escrow Agreement and Right of Entry with ORF, LLC Regarding Removal of Encroachments on State Lands; Waikīkī, Honolulu, O'ahu; Tax Map Key (1) 2-6-004:010 .

Tsuji-LAND conveyed item D-13.

Chair Case disclosed that her brother is general counsel for Outrigger Hotel but she has no interest in this.

Bruce Voss explained that the encroachments here are currently 12 tiki torches; Outrigger would like to keep those in place while they get the city permits and financing. That portion of the beach is dark and it's a safety issue. As soon as construction begins they will remove those torches and if for whatever reason Outrigger doesn't do that, they have posted the money to allow the State to go in and remove them.

Member Gomes asked what would happen with lighting after construction begins. Voss said they would like to put the tiki torches back, but the way the rules are they need to be removed.

Member Downing commented that the tiki torches didn't bother him as much as the beach chairs did. Voss disclosed that what is permitted here are the tiki torches, the beach chairs are there while there is light there. He apologized if chairs were left there at night.

Unanimously approved as submitted (Yuen, Gomes)

ITEM D-7 Quitclaim of State's Interests, if Any, in Old Waikapū Road to the County of Maui, Waikapū, Maui, Tax Map Key: (2) 3-5-002 (por).

Written testimony was submitted by Carlsmith Ball LLP.

Tsuji-LAND had nothing to add. Counsel was present for questions.

Member Roehrig asked if there was a title report of the potential owner of the road. Tsuji said the roads under 264 HRS fall under DOT or the Counties. The Legislature passed a law that said as to any government roads that may be questioned, the State is authorized to quitclaim if the County is going to dispose of the road. In this case the County's plan is to realign the road.

Craig Nakamura representing the land-owners surrounding this road told Member Roehrig that there's a dispute between the County and the State. This is why they are here, the State does not acknowledge ownership of the road. The State will quitclaim the road to the County. This is for the purpose of clearing up the title.

Member Roehrig was concerned that the State is quitclaiming something that we don't entirely own. He asked what the title report said, if it showed any other owners.

Nakamura said this roadway has always been a government road so there has never been any dispute regarding title. He didn't think the state wanted to acknowledge ownership over the road.

Unanimously approved as submitted (Gomes, Roehrig)

ITEM D-6 Approval in Principle of Acquisition of Privately Owned Land for Educational Purposes at Hāmākuapoko, Makawao, Maui; Tax Map Key: (2) 2-5-005:020.

Tsuji-LAND presented item D-6.

Heidi Meeker planner with the Department of Education –DOE gave some history of the school.

Chair Case disclosed that the Board Chair of her previous employer is Chris Benjamin who may or may not be the same entity. Chair Case had no personal interest in this.

Member Gomes asked if the school opened in 1860 since it was deeded in 1860. Meeker said they think it opened in 1908. Meeker assured that they would get a title report.

Unanimously approved as submitted (Gomes, Roehrig)

ITEM D-8 Amend prior Board of Land and Natural Resources action of August 10, 1990, under agenda item F-7, as amended: *Direct Sale of a Perpetual, Non-Exclusive Easement for Repair and Maintenance of Existing Seawall Seaward of and Fronting Tax Map Key: (2) 3-9-11:7 and 8; Waiohuli-Keokea Homesteads and Beach Lots, Waiohuli-Keokea (Kihei), Wailuku, Maui, Hawai'i.* The purpose of the amendment is to change the applicant requesting the easement as to Parcel 8 to the Association of Owners of 1688 Halama Street Condominium (Association), include an exemption notification under Hawai'i Revised Statutes Chapter 343, amend the term of the easement from perpetual to 65 years, include requirements that the Association obtain a concurrent resolution from the Legislature for the issuance of the easement and provide an updated survey map, and authorize the issuance of an immediate management right-of-entry to the Association.

Kevin Moore Assistant Administrator for LAND explained that D-8 amends a prior Board action form 1990, regarding an easement that was approved but never documented. It was paid for and it was mapped. Over the last 25 years lots of things have changed. In 1990 the Board approved a perpetual easement, which the Board doesn't do anymore. LAND is asking the Board to amend the name of the applicant, change the term to a 65 year on the understanding that 25 years of that 65 years elapsed.

Member Roehrig was concerned that this was not clear and if there was something that needed to be taken back.

AG Linda Chow commented that an appropriate inquiry whether or not the applicant has agreed from perpetual to 65 years makes a difference in the analysis.

Peter Horovitz the Attorney for the 2013 living trust which owns one of the CPR units as well as the association brought pictures of this area. Horovitz said they would prefer a perpetual easement, they are agreeable to changing it to a 65 easement retroactive from 1990. He noted that the original recommendation was for a 65 year easement, but he didn't know why it was perpetual.

Dan Purcell testified that there was no shoreline or no beach and wouldn't suggest any kind of perpetual easement. Purcell showed a 2013 image. He said the beach is almost gone and asked where the public access was.

Horovitz pointed out where the shoreline access was in 3 different locations. They are not asking to do any work on the wall; if they need to they would be back before the Board.

Member Downing asked if there was anyway the public could access the wooden fence around the wall. Horovitz wasn't sure if people do, and if there is legal permission to or not.

Member Roehrig asked Horovitz what his clients' position was about people walking on the wall. Horovitz explained that there were two homes with two separate owners. For the Rams who own the property closer to the access have never expressed any issue with people going along throwing a fishing pole, etc. He said they would probably have an issue if someone set up their beach chairs on their lawn.

Member Roehrig asked where the vegetation line was. Horovitz said there have been certified shorelines in the past, the surveys will determine the vegetation line.

Member Roehrig asked AG Linda Chow if it was appropriate for the Board add any conditions regarding the utilization of the rock wall. AG Chow explained that this is a non-exclusive easement so there is no prohibition against the public being able to use that area as well.

James K. Manakusya Sr. testified that he was concerned about the location of the vegetation line. He was also concerned about the access to the ocean.

Unanimously approved as submitted (Gomes, Yuen)

ITEM D-18 Approval in Concept of Construction of Rehabilitation Center under General Lease No. S-5548, Hana Health, Lessee, Amend Lease Conditions 11 and 20 to Allow for the Placement of a Federal Interest on the Premises; Authorize Chairperson to Sign Landlord Letter of Consent in the Form Proposed by Health Resources and Services Administration, Kawaipapa, Hana, Maui; Tax Map Keys: (2) 1-4-003:022 and 024.

Tsuji-LAND indicated that the applicant, Hana Health will be applying for a federal grant. If they are awarded the grant this will allow them to start the planning for the construction of a rehab center. Tsuji informed the Board that previously the Department received a notice that there were large capacity cess-pools that need to be closed. The lessee has been working on trying to close them. They recently got funding to put in a septic system and it has been operational. This is just seeking approval in concept to get planning money.

Member Gomes asked if any plans have been submitted by the applicant. Tsuji said he hasn't seen any.

Pam Bunn representing Hana Health introduced Cheryl Vasconcellos the Executive Director. Tam recognized that this is an unusual operation. The grant itself is for construction. They need this in order to complete a federal application and get the conceptual drawings. The application deadline for this is May 21.

Member Gomes asked if federal grant of 1 million dollars they are asking for was going to cover the size of their expansion. Bunn explained that this money was to build a rehabilitation center. 1 million will not be enough, but it's the maximum grant under this program. Vasconcellos

disclosed that based on past construction done on site, they are probably looking at \$130 a square foot.

Member Roehrig asked what the likelihood was that the legislature would give them a CIP. AG Chow told member Roehrig that they are not a State agency so the only way they can get CIP funds is through a grant in aid program. Member Roehrig said he didn't understand why not. Vasonccillos detailed that the State used to operate the medical center it was transferred to a nonprofit about 16 years ago because the State couldn't afford it.

Bunn suggested a slightly different recommendation from staff. They would like to keep recommendation A as is, flip B and C so they are in the opposite order. She said she would rather not hold up the signing of the letter of consent for further review, this is urgent. There wouldn't need to be any amendments to the lease unless and until the grant is awarded in October.

Chair Case clarified that if there is a problem with this, then the federal government has the right to designate a recipient. Bunn confirmed.

Bunn suggested the verbiage "the duration of the federal interest will not exceed the remaining term of the lease (2052)".

Chair Case asked if they were okay with 20 years for now. Bunn and Vasonccillos agreed.

Member Yuen said he would hate to see this 20 year thing mess up their grant. He suggested just saying "duration of the lease".

Tsui said this is longer than we normally allow, but understood.

Member Gomes asked how many people come to the medical center. Bunn said about 10 a week from drownings to fractures. Their job is to stabilize and transport if they cannot handle in house. They are available 24/7 and they have ambulances that take patients to the airport and they are then transported here to Oahu.

Member Roehrig commented that this looks like a regional hospital.

Chair Case reiterated that the word "substantially" be added, item B be item C and the new item B1 be amended. Member Gomes made a motion to approve. Member Roehrig seconded.

The Board amended the staffs' recommendation by moving recommendation B to C, and vice versa. The newly labeled B was amended to read "Authorize the Chairperson to sign the Landlord Letter of Consent in substantially the form attached hereto as Exhibit C, under the terms...". The new B1 was amended to read: "The duration of the federal interest shall not exceed the duration of the lease."

Unanimously approved as amended (Gomes, Roehrig)

ITEM D-17 Grant of Perpetual, Non-Exclusive Easement and Issuance of Immediate Construction and Management Right-of-Entry Permit to Hawaiian Electric Company, Inc. and Hawaiian Telcom, Inc. for Telecommunication and Electrical Transmission Lines Purposes, Aiea, ‘Ewa, O‘ahu, Tax Map Key: (1) 9-9-012:portions of 005 and 046.

Tsuji-LAND had nothing to add. The Hawaiian Electric Company-HECO representative was present.

Member Roehrig asked if this was being bought by the new HECO or old one.

Phil Hauret-HECO explained that if the acquisition goes through, the successor will still be Hawaiian Electric Inc. Nexteria will acquire all the shares, HECO will remain the same. There will be no need to do name changes etc.

Member Downing asked Tsuji how an appraiser goes about deciding what a fee is for perpetual. Tsuji explained that they come up with a different value that is a lot higher.

Hauret indicated that this was a situation that came to light because of the rail project; the line did not have an easement. This is not a new line; this is an existing line that just needs to be shifted. Many utility lines need to be moved out of the way.

Dan Purcell testified that this should not be in perpetuity; this should be for one set price.

Unanimously approved as submitted (Roehrig, Gomes)

ITEM E-2 Cancellation of Revocable Permit Issued to Moana Parking Management, LLC, for Parking Lot Operation Purposes, Diamond Head State Monument, Kapahulu, Waikīkī, Honolulu, O‘ahu, Tax Map Key: (1) 3-1-042:006 (por.)

Cancellation of Revocable Permit to Moana Parking Management, LLC, for Parking Lot Operation Purposes, Nu‘uanu Pali State Wayside, Nu‘uanu, Honolulu, Oahu, TMK (1) 1-9-007 (por.)

Cancellation of Revocable Permit to Moana Parking Management, LLC, for Parking Lot Operation Purposes, ‘Akaka Falls State Park, Kahua, South Hilo, Tax Map Key: (3) 2-8-011:018 (por.)

Issuance of Revocable Permit Issued to Pro Park, Inc., for Parking Lot Operation Purposes, Diamond Head State Monument, Kapahulu, Waikīkī, Honolulu, O‘ahu, Tax Map Key: (1) 3-1-042:006 (por.)

Issuance of Revocable Permit to Diamond Parking Services, LLC, for Parking Lot Operation Purposes, Nu‘uanu Pali State Wayside, Nu‘uanu, Honolulu, O‘ahu, Tax Map Key (1) 1-9-007 (por.)

Issuance of Revocable Permit to Diamond Parking Services, LLC, for Parking Lot Operation Purposes, ‘Akaka Falls State Park, Kahua, South Hilo, Tax Map Key: (3) 2-8-011:018 (por.).

Dan Quinn Administrator for State Parks-PARKS presented item E-2. On March 27, 2015 to Board approved 3 revocable permits for Moana Parking that PARKS is now asking to cancel. PARKS is intending to put this out to bid in the future. There are representatives from both companies present.

Member Downing asked why the percentages are always so different. Steve Soares Property Manager-PARKS explained that the two rates 70% and 75% were based on competitive bids that Aparak had successfully won. Member Downing commented that we should be look at how to make them succeed as well as how to make us succeed.

Member Roehrig asked if this comes under the procurement code. AG Chow clarified that this comes under the concession code, concessions cover parking facilities on State property.

Dan Purcell commented he went to Diamond Head months ago and wasn't able to get a receipt.

Soares added that the staff recommendation is what is listed in the agenda title.

Unanimously approved as amended (Yuen, Gomes)

11:32AM RECESS
11:39AM RECONVENE

ITEM C-1 Request For Authorization to Negotiate And Sign A Contract(s) To Install Ungulate-Proof Fencing Within The Ka‘ala Natural Area Reserve And Mokuleia Forest Reserve, Tax Map Keys (1) 6-8-001:001, 6-7-03:18, 6-7-03:25, 8-4-02:65, Waialua, Mokulē‘ia, O‘ahu.

AND

Request approval of declaration of exemption to Chapter 343, HRS, Environmental compliance requirement for this project.

Lisa Hadway Administrator for the Division of Forestry and Wildlife-DOFAW reviewed item C-1. She said this was a protective fence to protect the watershed forest from goats on the Waianae side.

James K. Manakusya Sr. testified that he was concerned about the fencing. Putting up the fence doesn't address the concerns.

Member Woodside asked Hadway to share about the public access that will allow for gathering. Hadway explained that this is a strategic fence that is just preventing the goats from moving across the range. It doesn't cross a road or a trail. Ka'ala Natural Area Reserve is not part of a hunting unit. They want to insure that there are opportunities for hunting elsewhere.

Dan Purcell made the Chair aware of the fence and Kaena Point needing to be fix.

Member Yuen made a motion to approve and asked staff to consider Mr. Manakusya's request for hunting concerns.

Unanimously approved as submitted (Yuen, Gomes)

ITEM C-6 Authorization Of Funding For The Nature Conservancy of Hawai'i For \$470,802 During FY 16-21 For Continued Enrollment In The Natural Area Partnership Program And Acceptance And Approval of The Pelekunu Preserve Long Range Management Plan, Tax Map Key 5-4-3:32, 5-9-6:11, Pelekunu, Molokai;

AND

Request Approval for Declaration of Exemption to Chapter 343, HRS, Environmental Compliance Requirements for the Project.

Chair Case disclosed that this is funding from her previous employer and she has no direct interest in this.

Lisa Hadway-DOFAW noted that this project and the original management plan went through an original EA process in 2009 and there was a finding of no significant impact.

Member Woodside commended the department on these new map plans that have the tables that show what the levels of success are for the funding and what is being accomplished with that funding.

Staff from the Nature Conservancy was present for questions.

Unanimously approved as submitted (Gomes, Woodside)

ITEM C-7 Authorization of Funding For The Nature Conservancy of Hawai'i For \$663,600 During FY 16-21 For Continued Enrollment in The Natural Area Partnership Program and Acceptance and Approval of The Kapunakea Preserve Long Range Management Plan, Tax Map Key (2) 4-4-7:01, 4-4-7:03, 4-4-7:07, Lāhainā, Maui;

AND

**Request Approval of Declaration of Exemption to Chapter 343, HRS,
Environmental Compliance Requirements for the Project.**

Lisa Hadway-DOFAW compared item C-7 as being similar to item C-6. This project also went through an EA in 2009 with no significant impact.

Chair Case made the same disclosure as the last item.

Unanimously approved as submitted (Gomes, Roehrig)

ITEM J-3 Request to Amend the Commencement Date on the Right of Entry Permit to Waikiki Beach Activities, Ltd. for Future Zip Line Operations from April 1, 2015 To July 1, 2015.

Kevin Yim representing the Division of Boating and Ocean Recreation-DOBOR conveyed item J-3. In March DOBOR came to the Board with a start date of April 1st, the vendor informed DOBOR that they could not make the start date, so they have asked for a different start date of July 1st.

Member Downing asked why the dates needed to be switched. Bob Hampton, Chairman of Waikiki Beach Activities said that there were changes to the engineering and the equipment doesn't come in until June.

Member Downing asked how the landing was able to go between the coconut trees and the other trees that were there. Hampton said they would be moving two 15-20ft trees on the grass. They will also be taking trees from the parking lot and putting it on the grassy area. Member Downing told Hampton that the trees that were being removed from the parking lot, those stalls were not as wide as the parking lot spaces. Hampton understood they would be the same. Member Downing said that they were about 18 inches narrow. Hampton apologized and said he would follow up.

Member Roehrig asked if this had to go up for competitive bid and asked why the Board was giving one vendor a 6 month window if this is going up for competitive bid. Meghan Statts also with DOBOR explained that this was just a 6 month trial period, what happens after that they will have to check with the attorney.

AG Chow explained that under a concession law you can issue up to a one year revocable permit which can be directly negotiated. For anything after that you would have to go out for a longer term lease that is subject a competitive bidding.

Rocky Kaluhiwa representing the Aha Moku Advisory Committee-AMAC testified that there should be a hearing because this is going to set a precedent.

Member Downing asked staff how the price of \$1.50 per rider was determined. Statts explained that the square footage was based on the parking stalls itself. The \$1.50 was comparable to what they used for the Hilton pier.

Member Downing was concerned that more space was going to be used. Statts assured that this was just for 6 months if there are issues and something comes up, it still needs to come back to the Board if it's something long term. Member Downing understood that, he was just trying to make it beneficial.

Guy Chang testified that the issue with removing trees needs to be addressed. There are white terns that could be nesting in those trees.

Dan Purcell commented that this brings the need for videos for meetings. Representations that are made during meetings aren't always factual.

Member Woodside asked Hampton who he was going to reach to and survey to see how this affects their use of the area. Hampton disclosed that they would be meeting with the Waikiki neighborhood Board on June 9th to make a complete presentation and hear their feedback.

Member Woodside asked if there was any feedback on reaching out to the general public. Hampton said they got some feedback on their trial.

Member Roehrig asked if this needed an Environmental Impact Statement-EIS. Yim said he didn't think it did, but he would consult with the AG's office. Member Roehrig felt this needed a full EIS.

Member Gomes made a motion to approve, Member Yuen seconded.

Member Roehrig commented that this was a bad idea.

Chair Case reminded everyone that this was approved previously, this is a change in start date. Member Roehrig said he voted no before.

Member Yuen clarified that the previous right of entry would stand, which would begin April and last for 6 months and they are requesting July and last for 6 months, and they would lose 3 months.

5:2 vote; Member Roehrig and Member Downing were opposed.

Approved as a submitted (Gomes, Yuen)

ITEM J-1 Request Approval to Adopt Amendments to Hawai'i Administrative Rules (HAR), Title 13, Section 256-73.13, Ahu O Laka (Kaneohe Sandbar), Removing the Sunset Date for the Rule and Making the Safety Zone Around Ahu O Laka, Established by HAR § 13-256-73.13, Permanent. HAR § 13-256-73.13 Prohibits Possession, Use or Consumption of Alcohol; Disorderly Behavior; and Prohibits a Person Under the Influence of Alcohol, Narcotics or Drugs From Remaining in or Entering the Safety Zone.

The rules can be reviewed online at: <http://dlnr.hawaii.gov/dobor/draft-rules/> or can be reviewed in person at any small boat harbor from 8:00 am to 3:30 pm, Monday through Friday, except Holidays. Location and contact information for DOBOR offices is available online at: <http://dlnr.hawaii.gov/dobor/contact/>

Written testimony was submitted by Leialoha (Rocky) Kaluhiwa.

Kevin Yim-DOBOR explained that this item would allow certain rules to become permanent. He reviewed the rules. Members of the community and the Oahu District Manager were present to answer questions.

Member Yuen said he felt Zone J was missing from the draft rules. Meghan Statts-DOBOR said they changed the exhibit number. Member Yuen said J should be underscored to show that it's an addition. Member Yuen also asked if there was something under DOBOR rules that prohibits the items listed under #3. Statts said this was specifically written for this specific rule.

Member Yuen said he was torn by this situation because he felt like this was controlling a lot of people for the misdeeds of a few. He asked if this was a situation that could not be controlled any other way. Statts explained that during 3 days weekends is when it gets too loud and out of control.

Member Gomes commented that only 25 people showed up for this public hearing. Statts explained that public notice was given.

Member Downing asked if you can drink at State beaches. Guy Chang, Oahu Branch Chief for the Division of Conservation and Resources Enforcement-DOCARE said there is no place in the State that you can legally drink in public. Ahu O Laka still belongs to DOFAW and the Department of Agriculture so there are no rules that cover it. Chang said he didn't understand why drinking is only being banned for 3, 3 day holidays. One of the biggest issues with Ahu O Laka are that the issues that happen out there end up back on shore or in the harbor. HPD has no way to get out there, and they can't do any water enforcement. Without any rules in place DOCARE is just playing the same roll as bouncers in a bar.

Chair Case asked if it would be fair to say just to be clear, it's worth the risk of duplication. Chang suggested this be EO'd to a specific division.

Member Roehrig asked if this could be outlawed completely. Chang said it would need to go out for public hearing.

Mahealani Cypher testified on behalf of the Ko`olaupoko Hawaiian Civic Club in strong support. Cypher read her written testimony.

Rocky Kaluhiwa testified on behalf of the Aha Moku Advisory Committee-AMAC and read her written testimony. Kaluhiwa lives right there near Ahu O Laka and gave examples of different

issues that have happened; people drinking, jumping off boats, driving boats drunk, crashing, loud music, parking cars illegally, fights, sex, etc.

Jerry Kaluwhiwa asked for a band for the 3, 3 day weekends because this is the time its worst. He said it's the younger generation, they have no respect. They don't respect the elders, they play loud music, they don't respect the ocean, and fight.

Member Roehrig made a motion to approve with the amendment to add Zone J. Member Gomes seconded.

Unanimously approved as amended (Roehrig, Gomes)

1:02PM RECESS
3:48PM RECONVENE

ITEM C-2 Request for Approval to Enter Into a Memorandum of Understanding between the State of Hawai'i, the United States Department of Agriculture, and the Hawai'i Association of Conservation Districts Concerning Collaboration on Delivery of Forestry-Related Conservation Assistance on Private Land.

Lisa Hadway-DOFAW went over item C-2, this is a renewal of the State agreement.

Member Woodside commended the efforts to support private land owners and land managers.

Unanimously approved as submitted (Roehrig, Woodside)

ITEM C-4 Request Approval for Selection of Competitive Sealed Proposal Process and Authorize the Chairperson to Award and Execute a Contract for Development of a Management Plan and completion of Environmental Assessments and Related Regulatory Compliance Documents for Establishing the Kanaio Game Management Area at Tax Map Key (2)-2-001-002:001, (2)-2-001-002:026, (2)-2-001-002:025, (2)-2-001-002:009, (2)-2-001-002:004, (2)-2-001-002:010, (2)-2-001-002:007, (2)-2-001-002:008, (2)-2-001-002:003, (2)-2-001-002:006, (2)-2-001-002:022, (2)-2-001-002:023, (2)-2-001-002:015, (2)-2-001-002:021, (2)-2-001-002:020, (2)-2-001-002:019, Kanaio, Tax Map Key (2)-2-001-002:016, (2)-2-001-002:017, Kanaio/Kaloi, TMK (2)-2-001-002:024, Kaloi, TMK (2)-2-001-002:011, (2)-2-001-002:012, Kaunuhane, Tax Map Key (2)-2-001-002:014, (2)-2-001-002:013, (2)-2-001-002:018, Kaloi/Kaunuhane, Tax Map Key (2)-2-001-004:006, (2)-2-001-004:035, Papaka Kai, Tax Map Key (2)-2-001-004:075, (2)-2-001-004:114 (por.), (2)-2-001-004:110, (2)-2-001-004:039, (2)-2-001-004:040, Papaka Kai/Kalihi, Maui.

Lisa Hadway-DOFAW reviewed item C-4. David Penn was present for questions.

Member Gomes said that parts of this were on Uluplalakua Ranch, where he is currently employed, so he can recuse if he needed. AG- Linda Chow said there was no need for him to recuse because these are for planning purposes only.

Member Gomes said this is a great concept, he knows the area well.
Member Woodside also commended them.

Unanimously approved as submitted (Gomes, Woodside)

ITEM C-5 Request Authorization For The Chairperson To Negotiate, Sign, Execute, and Amend A Memorandum Of Agreement With Finance Factors, Limited For The Establishment Of A Public Access Route To The Hilo Forest Reserve, South Hilo, Hawai'i, Tax Map Key: (3) 2-8-001:002

AND

Request Approval of Declaration Of Exemption From Chapter 343, Hawai'i Revised Statutes, Environmental Compliance Requirements For The Subject Memorandum of Agreement.

Lisa Hadway-DOFAW presented item C-5.

Unanimously approved as submitted (Roehrig, Yuen)

ITEM D-1 Consent to Extension of Sublease under General Lease No. S-3852, United States of America, Department of the Navy, Sublessor, to New Cingular Wireless PCS, LLC dba AT & T Mobility, Sublessee, Waimea, Kekaha, Kaua'i, Tax Map Key: (4) 1-2-002:por. 026.

Kevin Moore Assistant Administrator-LAND reviewed item D-1.

Unanimously approved as submitted (Roehrig, Gomes)

ITEM D-10 Cancellation of Revocable Permit No. S-7525 to Bernard K. Halama (Deceased) for Residential and Agriculture Purposes and Issuance of a New Month-to-Month Revocable Permit to Noel and Linda Keliikoa for Residential and Agriculture Purposes at Honouliwai, Moloka'i, Tax Map Key: (2) 5-8-003:023.

Moore-LAND had an amendment to item D-10.

The Board amended the staff submittal by deleting all references to Hawaii Revised Statutes Section 519-2 in the submittal and its exhibits; approved in all other respects.

Unanimously approved as amended (Roehrig, Gomes)

ITEM D-2 Amend prior Board Action of September 27, 2013 Item D-4, After-the-Fact Consent to Assignment and After-the-Fact Consent to Mortgage of Grant of Easement No. S-4553 to Savio Waiākea Village LLC, as Grantee, Waiākea, South Hilo, Hawai‘i, Tax Map Key: (3) 2-2-031: por. for landscape easement and Road Lots A and B adjacent to parcel 12.
The amendments are: 1) Add an After-the-Fact Consent to Assignment of Grant of Easement No. S-4553, from Commissioner Sandra P. Song, as Grantor, to Owens Mortgage Investment Fund, as Grantee, for the purpose of completing the chain of title for the easement; 2) Correct the Mortgagee name used in the assignment, from Owens Financial Group, Inc. to Owens Mortgage Investment Fund.

Written testimony was submitted by Belles Graham Proudfoot Wilson & Chun, LLP.

ITEM D-5 Issuance of a Right-of-Entry Permit to MC&A Inc. for Team Building Sand Sculpting Beach Activity Event, at Mōkapu Beach, Wailea, Maui, Hawai‘i: Tax Map Key:(2) 2-1-008: seaward of 067.

ITEM D-9 Issuance of Right-of-Entry Permit to Napili Surf Association of Apartment Owners (AOAO) to Access State Lands for the Removal of Encroachments at Nāpili, Lāhainā, Maui, Tax Map Keys: (2) 4-3-002:023 and 099.

ITEM D-11 Issuance of Right-of-Entry Permit to Hawai‘i Explosives & Pyrotechnics, Inc. for Aerial Fireworks Display at Duke Kahanamoku Beach on May 17, 2015, Waikīkī, Honolulu, O‘ahu, Tax Map Key: (1) 2-3-037:021 (Portion).

ITEM D-12 Consent to a Non-Exclusive Easement, General Lease No.S-3980, Synergy Ventures LLC, Assignor, to Brian Lester Sakamaki, Donna J. Walden and Giampaolo Paul Boschetti, Assignees, Makiki, Honolulu, O‘ahu, Tax Map Key: (1) 2-4-029:066.

ITEM D-16 Amendment and Consent to Assignment of Grant of Non-Exclusive Easement No. S-5339, Sunset View Properties, LLC, as Assignor, to Stephen James McGillin and Diane Lynn McGillin, Trustees of The STEPHEN AND DIANE MCGILLIN 2002 TRUST dated November 14, 2002, as Assignee, Pūpūkea-Paumalau Beach Lots, Ko‘olauloa, O‘ahu, Tax Map Key: (1) 5-9-020:050 seaward. Rescind Prior Board Action of March 27, 2009, item D-13. The Purpose of the Amendment is to Allow the Easement to “Run with the Land” and to Inure to the Benefit of the Private Property it Abuts.

Moore-LAND had no changes to items D-2, D-5, D-9, D-11 D-12 or D-16.

Unanimously approved as submitted (Roehrig, Gomes)

ITEM E-1 Consent to Assign General Lease No. SP-0152, Anna Thuenta, Miles Kawamoto, Michael Zins, Garry Miller, Assignors, to Anna Thuenta,

Michael Zins and Jon Ohman, Assignees, Lot 84, Pu'u Ka Pele, Waimea (Kona), Kaua'i, Hawai'i, Tax Map Key: (4) 1-4-002:086.

Steve Soares-PARKS had no changes.

Unanimously approved as submitted (Roehrig, Gomes)

ITEM J-2 Issuance of Revocable Permit to Honolulu Transpac, Ltd. for Support Areas and Mooring Sites for the 2015 California to Hawai'i Yacht Race Finishing at the Ala Wai Small Boat Harbor, Tax Map Key (1) 2-3-037:012 (por).

ITEM J-4 Cancellation of Boating Revocable Permit No. BM-14071, dated July 1, 2014 Between the State of Hawai'i, Lessor, and Fusion Food Truck LLC, Lessee; Lanai City, Hawai'i. Tax Map Key (2) 4-9-017 (por).

Kevin Yim-DOBOR had no changes to items J-2 or J-4.

Unanimously approved as submitted (Yuen, Roehrig)

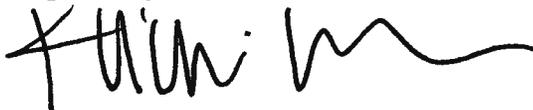
ITEM D-3 Consent to Lease Term Extension Pursuant to Act 207, Session Laws of Hawai'i 2011, General Lease No. S-3622, Hiroshi Matsubara and Naoe Matsubara, Lessee; Amendment of Terms and Conditions Regarding Assignment and Sublease Provisions for General Lease No. S-3622; Lot 29, Kanoelehua Industrial Lots, Waiākea, South Hilo, Hawai'i, Tax Map Key: (3) 2-2-050:095.

Member Yuen asked for a deferral. He said he wanted to have a discussion with Tsuji of whether its property charged the lessee with the appraisal in this situation. The applicant doesn't need to think that their project is in trouble, it's not.

Deferred

There being no further business, Chairperson Suzanne D. Case adjourned the meeting at 4:04 p.m. Recording(s) of the meeting and all written testimonies submitted at the meeting are filed in the Chairperson's Office and are available for review. Certain items on the agenda were taken out of sequence to accommodate applicants or interested parties present.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Ku'ulei Moses', with a long, wavy horizontal line extending to the right.

Ku'ulei Moses
Land Board Secretary

Approved for submittal:

A handwritten signature in black ink, appearing to read 'Suzanne D. Case', written over a horizontal line.

Suzanne D. Case
Chairperson
Department of Land and Natural Resources