

MINUTES OF THE MEETING OF THE
BOARD OF LAND AND NATURAL RESOURCES

DATE: June 27, 1980
TIME: 10:00 A. M.
PLACE: DLNR Board Room
Kalanimoku Building
1151 Punchbowl Street
Honolulu, Hawaii

ROLL
CALL

Chairman Susumu Ono called the meeting of the Board of Land and Natural Resources to order at 10:10 A. M. In attendance were the following:

MEMBERS

Mr. Moses Kealoha
Mr. Takeo Yamamoto
Mr. Stanley Hong
Mr. Roland Higashi
Mr. Thomas Yagi
Mr. Susumu Ono

STAFF

Mr. Kenji Ego
Mr. Robert T. Chuck
Mr. James Yamashiro
Mr. Gene Renard
Mr. Jake Pyo
Mr. James Detor
Mr. Roger Evans
Mr. Maurice Matsuzaki
Mr. Robert Lee
Mrs. Joan K. Moriyama

OTHERS

Mr. Johnson Wong
Mr. Jack Suwa
Mr. D. Pendleton (Item E-1)
Mr. Tamotsu Sahara (Item F-9)
Mr. Stanley Fujimoto (Item H-4)
Ms. Abigail Kekaulike Kawanakoa
and Mr. Joseph Spielman (Items E-6
and E-7)
Mr. Kaneshige (Item F-14)

MINUTES

On Mr. Kealoha's motion, seconded by Mr. Hong, the board unanimously approved the minutes of May 23, 1980 as circulated.

Added
Items

Mr. Kealoha moved to add the following items to the board agenda:

Land Management Division

Item F-28 -- Public Auction Sale - Single-family dwelling, Heeia, Oahu

Administration

Item H-9 -- Filling of Position No. 11465, Clerk III, assigned to the Chairman's Office

Mr. Hong seconded and the motion was unanimously carried.

The board deviated from its regular agenda and took up the Department of Transportation's submittals first in order to accommodate Mr. Jack Suwa who had to leave the meeting early.

ITEM J-1

SALE OF A LEASE BY PUBLIC AUCTION, HARBORS DIVISION, HONOKOHAU BOAT HARBOR, KEALAKEHE, NORTH KONA, HAWAII (VARIOUS)

This was a request for sale of a lease by public auction of an area containing 182,308 square feet, or 4.185 acres, of fast and submerged lands. The upset rental has not been established as yet but Mr. Suwa said they have obtained an appraiser to do the job. The term is for thirty-five years.

DOT is processing a request for an executive order to set aside the subject harbor to DOT. However, because of the urgency of a boat repair facility in the Kona coast, DOT is requesting permission to proceed with the sale of this lease prior to receipt of the executive order.

Mr. Yagi said this request is unusual. He asked whether DOT is assuming that the executive order is going to be approved by the governor.

Mr. Suwa said Mr. Yagi's concern is well taken. He said they had a drydock facility in the Keauhou area. However, because of the road realignment, the developer removed that and there is no drydock facility there now.

Mr. Higashi said Mr. Akana is no longer servicing the area with gasoline for the boats because of financial hardship, and this has created a problem. He asked whether this area is intended to be provided with such services.

Mr. Suwa said they will have a facility for such service and this will be included within their master plan.

Mr. Higashi said in case Mr. Akana goes out of business, and if this area falls in the same area that he is in, this submittal should be amended to include servicing of gasoline for boats. He said some people are concerned because it will create a real hardship on the charter boat operators and these people don't have gasoline.

Mr. Suwa said he wasn't familiar with the exact location, but if it is a safe area they'll include that in.

ACTION Mr. Higashi moved to approve this request as amended above. Mr. Kealoha seconded and the motion was unanimously carried.

Mr. Kealoha said the lease cannot be sold before the executive order is issued and suggested that the motion be further amended to include this provision.

Mr. Higashi amended his motion, making it subject to the issuance of an executive order by the Governor. Mr. Yagi seconded and the amended motion was unanimously carried.

ITEM J-2

ISSUANCE OF REVOCABLE PERMIT, HARBORS DIVISION, KEEHI LAGOON, HONOLULU, OAHU (CASTLE & COOKE, INC.)

ACTION Unanimously approved as submitted. (Kealoha/Hong)

REQUEST FOR APPROVAL TO AMEND THREE AGREEMENTS WITH THE RESEARCH CORPORATION OF THE UNIVERSITY OF HAWAII TO PROVIDE CONTINUED ADMINISTRATIVE SUPPORT SERVICES - HAWAII FISHERIES DEVELOPMENT PLAN, LEEWARD ISLAND COMMERCIAL FISHING SURVEYS, AND STATEWIDE FISH AGGREGATING SYSTEM PROJECTS

ITEM B-1

This was a request to amend three existing agreements with the Research Corporation of the University of Hawaii. The projects affected are the Hawaii Fisheries Development Plan, the Leeward Islands Commercial Fishing Survey, and the Statewide Fish Aggregating System. The proposed amendments will extend the contract period through the next fiscal year and provide funds as appropriated during the last legislative session. Mr. Ego said the arrangements with RCUH have been very beneficial to our department in expediting and implementing the somewhat complex projects.

The board was informed that approvals of the governor's office and the attorney general's office have been obtained.

ACTION Unanimously approved as submitted. (Hong/Kealoha)

APPROVAL TO ENTER INTO AN AGREEMENT WITH THE UNIVERSITY OF HAWAII SEA GRANT COLLEGE PROGRAM TO IMPLEMENT SUPPORT FOR FRESHWATER PRAWN FARMING EXTENSION SERVICE (JUNE 1, 1980 - MAY 31, 1981)

ITEM B-2

This was a request to enter into an agreement with the University of Hawaii Sea Grant College Program to continue support for our prawn farming extension operation. The board, at its earlier meeting, approved the agreement for the January 1 to May 31, 1980 period, which resulted in the transfer of \$41,700 into our department from the U. H. Sea Grant Program. The execution of this agreement will continue the prawn program through May 31, 1981 with the additional transfer of \$85,105 from the U. H. Sea Grant Program to our department.

ACTION Unanimously approved as submitted. (Hong/Yamamoto)

CERTIFYING THE ELECTIONS OF DIRECTORS OF SOIL AND WATER CONSERVATION DISTRICTS

ITEM D-1

ACTION The board, on Mr. Higashi's motion and seconded by Mr. Yagi, unanimously approved to certify the elections of the following candidates nominated to serve as directors for the terms shown:

Waiakea SWCD

Susumu Maeda, retiree - term to end June 30, 1982
Roy Shigenaga, ornamental grower - term to end June 30, 1983

East Kauai SWCD

Walter Palmeira, farmer - term to end June 30, 1983

West Oahu SWCD

Michael Furukawa, agriculturist - term to end June 30, 1983
Fred Gross, engineer - term to end June 30, 1983

ITEM D-2

APPOINTMENTS OF DIRECTORS OF SOIL AND WATER CONSERVATION DISTRICTS

ACTION The Board, on Mr. Yagi's motion and seconded by Mr. Yamamoto, unanimously approved to appoint the following persons recommended for the appointive offices to serve as directors for the terms shown:

Kona SWCD

Richard Tanaka, farmer - term to end June 30, 1983

Central Maui SWCD

Doug MacCluer, manager - term to end June 30, 1983

Robert Smith, crop control superintendent - term to end June 30, 1981

West Maui SWCD

Martin Luna, attorney - term to end June 30, 1981

West Oahu SWCD

Hajime Ono, field supervisor - term to end June 30, 1982

Waiakea SWCD

Wing Kong Chong, insurance executive - term to end June 30, 1983

ITEM D-3

PERMISSION TO AMEND CONTRACT NO. 9435 RELATING TO PREPARATION OF ENVIRONMENTAL IMPACT STATEMENT FOR PHASE I, WAIMANALO AGRICULTURAL PARK PROJECT

This submittal concerned the Waimanalo Agricultural Park, and the state, through its Department of Agriculture and the Department of Land and Natural Resources, is looking into implementing this project.

The Department of Agriculture originally intended to have the first phase of the ag park reserved for banana cultivation. They are now asking that the state look into the feasibility of addressing other types of production in the Phase I area, such as nursery, orchard and truck crop production, as well as bananas.

Mr. Chuck explained that the Department of Agriculture currently has had conversations with the people involved in banana production and have found that the interest is not much as they thought to be when they first started, and they would now like to broaden the scope.

Mr. Chuck said the cost involved would be \$9,000 plus. He said the EIS is a misnomer in this case because this is more a planning concept. That concept is taken in the EIS and written up.

Staff recommended that the chairman be authorized to amend the scope of work as listed in the submittal.

Mr. Yagi asked whether there was any public hearing or public meeting with the farmers in the area when they determined this. Mr. Chuck said

the Department of Agriculture has been meeting extensively with the people involved.

ACTION Unanimously approved as submitted. (Kealoha/Hong)

APPROVAL FOR AWARD OF CONTRACT - JOB NO. 46-OL-17, SAND ISLAND PARKWAY, INCREMENT II, PHASE I, AND SEWAGE PUMP STATION, SAND ISLAND, OAHU (BIDS OPENED ON JUNE 26, 1980 - SUBMITTAL WAS DISTRIBUTED AT BOARD MEETING)

ITEM D-4

Bids were opened yesterday and staff was prepared to recommend that the bids be awarded to Okada Trucking Co., Ltd. under Schedule I at the bid price of \$1,946,530.00, and to Oahu Construction Co., Ltd. under Schedule II at the bid price of \$1,611,787.65.

Mr. Hong noted that both bids exceed staff's estimates significantly. Mr. Chuck said this is due to fuel cost increase, and competition is heavy at this time. He said he has been paying personal attention to bid estimates because his office has been criticized for having low estimates. He firmly believed, however, that if they were to go to bid again it will still be higher because prices and wages are rising.

ACTION The board, on Mr. Yagi's motion and seconded by Mr. Hong, unanimously voted to award the contract for Schedule I to Okada Trucking Co., Ltd. in the amount of \$1,946,530.00 and for Schedule II to Oahu Construction Co., Ltd. in the amount of \$1,611,787.65 for the subject project, subject to release of funds by the Governor.

APPROVAL FOR AWARD OF CONTRACT - JOB NO. 2-HW-16, IMPROVEMENTS TO LALAMILO-PUUKAPU IRRIGATION SYSTEM, LALAMILO-PUUKAPU, HAWAII (BIDS WERE OPENED JUNE 19, 1980 - SUBMITTAL WAS DISTRIBUTED AT BOARD MEETING)

ITEM D-5

Bids were opened for the Lalamilo Irrigation System on June 19, 1980, and Frank Coluccio Construction Company was the lowest bidder on the basic bid at \$1,048,746.00 and additive alternate bid at \$323,872.00. Since the board wasn't familiar with this company, Mr. Chuck briefly gave the contractor's qualifications.

Mr. Hong commented that the staff's estimates were significantly lower than the bid prices.

ACTION The board, on Mr. Higashi's motion and seconded by Mr. Yagi, unanimously approved to award the contract for the subject project to Frank Coluccio Construction Co. for basic bid, plus the additive alternate based on their total low bid of \$1,372,618.00, subject to release of funds by the governor.

APPROVAL FOR AWARD OF CONTRACT - JOB NO. 3-9W-40, KUALAPUU RESERVOIR REPAIR, MOLOKAI IRRIGATION PROJECT, MOLOKAI (BIDS WERE OPENED ON JUNE 19, 1980 - SUBMITTAL WAS DISTRIBUTED AT BOARD MEETING)

ITEM D-6

Bids for this project were opened on June 19, 1980, and Molokai Construction Inc. submitted the lowest bid.

ACTION On Mr. Yagi's motion, which was seconded by Mr. Hong, the board unanimously approved to award the contract to Molokai Construction, Inc. at the bid price of \$162,975.00 (basic bid plus additive alternate).

APPROVAL FOR AWARD OF CONTRACT - JOB NO. 8-HW-49, PIPELINE ALONG KUAKINI HIGHWAY, PHASE II, KONA WATER PROJECT, NORTH KONA, HAWAII (BIDS WERE OPENED JUNE 26, 1980 - SUBMITTAL WAS DISTRIBUTED AT BOARD MEETING)

ITEM D-7

Bids were opened yesterday for this project and Isemoto Contracting submitted the lowest bid. Staff recommended that the board award the contract for Schedules A and B to Isemoto Contracting Co., Ltd. for his total low bid of \$1,582,835.00, subject to release of funds by the Governor and EDA.

ACTION Unanimously approved as submitted. (Higashi/Hong)

APPROVAL OF DEPARTMENT OF EDUCATION FOR NONEXCLUSIVE USE OF THE EXHIBIT HALL IN HEEIA STATE PARK UNTIL JUNE 30, 1981

ITEM E-1

Mr. Kealoha asked the staff how they propose to accommodate other requests for part-time use of the exhibit hall. Mr. Yamashiro said they have to look through the total program and see whether the program can accommodate more people or not.

Mr. Kealoha said Sea Trek deals with outdoor programs and it appeared to him that they are starting to require more building space.

Mr. Douglas Pendleton of Sea Trek Hawaii said they will be using the building to place their belongings, and it is their intent to work with the people who will be using the building to set up appropriate displays, etc.

Mr. Kealoha wanted it understood that the department determines the usage of the building, not by what the needs or the wants of Sea Trek are.

ACTION Unanimously approved as submitted. (Kealoha/Hong)

ESTABLISHMENT OF KAHANA VALLEY STATE PARK CULTURAL PROGRAM WORKING COMMITTEE

ITEM E-2

Mr. Yamashiro said this will be a working committee and the department will be working with them and come up with a program. Whatever report that is made as a result of this committee would be presented to the department and subsequently to the board for approval.

Mr. Yagi asked what happens in the event the department disagrees with the working committee. He felt, and the other board members agreed, that it should be an advisory committee rather than a working committee.

Mr. Ono asked how much time this committee will have to finish the work. He said this committee may go on for years.

Mr. Renard said they haven't projected the schedule as yet, but they hoped that they could get something within six months that is very workable, but it will be a continuing thing.

Mr. Yamashiro said initially they will have to sit with the committee and set up the scope of work, then they will be able to determine the length of time it will be required to complete the work.

Mr. Kealoha said we should have the scope of work first. He asked whether the staff considered people from the neighborhood board. He did not see it listed. The neighborhood board handles lots of neighborhood problems and he said it should be included.

Mr. Kealoha said there is a canoe meet this Sunday or next Sunday. With the number of people that would be using the place, he said that place will be a mess and those facilities might be damaged. He wanted to know when the restroom is expected to be completed. Mr. Yamashiro thought in about two months.

Mr. Renard said what this committee would be doing is to review this program that is going on and work with the people there and their resources. We have to expand that program, especially in the agricultural activities, and other things such as crafts, legends and history.

Mr. Kealoha asked whether names will be available, and how long it will take before they can submit some names from different groups. Mr. Yamashiro said names will be available as soon as the board approves the establishment of this committee. Mr. Renard said they have a few names, however, they were open for suggestions from the board. Mr. Yagi preferred to see the staff contact all the organizations and have them submit names to the chairman so he can review them.

Mr. Ono asked how they are going to solicit names if we don't have the scope of work. Mr. Renard said they have tried but have not been able to develop a program, so they are actually going to the citizens for help in developing a program. All they can give them is a broad general guideline.

ACTION Mr. Kealoha moved to defer this matter until the next meeting and asked the staff to come back with more information--the structure of the organization with respect to this committee, composition, the scope of work, and the time frame of what they plan to accomplish. Mr. Hong seconded, and the motion was unanimously carried.

ITEM E-3 APPROVAL OF AWARD OF CONTRACT - JOB NO. 5-OP-31, ACCESS ROAD, WAIMANALO STATE RECREATION AREA, OAHU

ACTION Mr. Kealoha moved, seconded by Mr. Higashi, and the board unanimously approved to award the contract to Site Engineering, Inc. at the total bid of \$174,111.00.

ITEM E-4 APPROVAL OF AWARD OF CONTRACT FOR HEEIA STATE PARK IMPROVEMENTS, OAHU

ACTION On Mr. Kealoha's motion, seconded by Mr. Higashi, the board unanimously approved to award the subject contract to Richard K. W. Tom, Inc. at the basic bid of \$129,499.00.

ITEM E-5 RESUBMITTAL - PERMISSION TO AMEND EXTENSION OF AGREEMENT FOR MANAGEMENT FOR IOLANI PALACE - STATE OF HAWAII CONTRACT NO. 8645 WITH FRIENDS OF IOLANI PALACE AND BARRACKS

At the last meeting, the board requested an audit report and a breakdown

of the \$324,000 request. An audit report and the breakdown, which were submitted by the Friends, were distributed to the board members.

Mr. Kealoha said he discussed this matter this morning with the Friends of Iolani Palace. They have actually expended this \$84,000. It wasn't an unexpected cost, but they were denied this \$84,000. He said the actual cost to Iolani Palace has been \$324,000 and not \$240,000.

Last year the Friends of Iolani Palace had petitioned this board with the information that the cost of operating Iolani Palace was in fact \$324,000, and not \$240,000. So they have been operating under a deficit rather than a zero budget. Mr. Kealoha encouraged the board to look at this item from that standpoint.

Mr. Yamashiro said originally the contract was made for \$240,000 even though they knew that the cost would have been more. That was the appropriation given to us by the legislature. Mr. Kealoha said staff should have given this information to the board when this matter was first presented.

ACTION Mr. Kealoha moved, seconded by Mr. Hong, and the board unanimously authorized the amendment to the subject contract from \$240,000 to \$324,000.

ITEM E-6 PERMISSION TO NEGOTIATE WITH FOIP, INC. AND EXECUTE CONTRACT DOCUMENT FOR MANAGEMENT OF IOLANI PALACE AND BARRACKS

ITEM E-7 APPROVAL OF GUIDELINES FOR MANAGEMENT OF IOLANI PALACE AND BARRACKS

Mr. Kealoha asked for board's permission to defer Items E-6 and E-7 to the latter part of the agenda so that the Friends of Iolani Palace can have an opportunity to discuss these two items in detail.

The board had no objection to deferring these two items until the latter portion of the meeting. (See pages 17 to 20 for Items E-6 and E-7.)

Item F-1-f KUALOA-HEEIA ECUMENICAL YOUTH (KEY) PROJECT APPLICATION FOR R. P. COVERING BUILDING AT HEEIA STATE PARK, KANEOHE, OAHU

Mr. Kealoha said this program should help the parks people in the maintenance of this park. He said he had several meetings with this group and they will be meeting with some of the business people in town for assistance in water and surface equipment because they have limited funds. Bishop Estate has indicated that they are willing to contribute some of the equipment so it should help further this program. He said the project looks very promising.

ACTION Unanimously approved as submitted. (Kealoha/Hong)

ITEM F-14 KEOKEA BEACH, INC. APPLICATION FOR ACCESS AND UTILITY EASEMENT, KIHEI, KULA, MAUI

The County of Maui Board of Water Supply, who has an executive order from the state covering the land through which this easement passes, awarded an easement to the applicant in 1975. They did not, however, get the approval of this board, so legally that easement does not exist. They are now applying to this board for an easement. Mr. Detor explained that we would be directly awarding an easement. The former easement will be null and void.

Mr. Yagi said he received a call from the county corporation counsel. As he understood it, there is a suit filed against Joseph Andrews and the county was enjoined in that suit. The county is concerned about this.

Attorney Kaneshige, representing the applicant, said he talked to Mr. Kosaka who said they can go ahead and get approval of this easement from the state. Mr. Kaneshige said there is a possibility that they are going back to the county and ask them to pay for any difference in the price which they would have to pay for this easement, as opposed to what was paid in 1975 when the easement was first granted to their predecessors. Mr. Yagi said this may be the problem that Mr. Kosaka had in mind.

Mr. Detor was unaware of any suit connected with this, and it was his understanding that the county charged the applicant only \$1.00 for the easement.

Mr. Kaneshige said he is not sure what their predecessor paid to the County of Maui. If they paid \$1.00, then there is no problem. As he understood it, an appraiser has been appointed to appraise the easement area. Either they or the County of Maui would have to pay for that.

Mr. Detor explained that in the regular procedure on the sale of an easement, the state appoints the appraiser to appraise the value of the easement. To his knowledge this has not been done. The cost of the appraisal is to be borne by the applicant.

Mr. Yagi suggested that he, the county attorney and Mr. Kaneshige meet, and suggested that this matter be deferred until this question is resolved.

ACTION The board had no objection to deferring this matter until the next meeting.

ITEM F-20 CHEVRON, USA, INC. APPLICATION FOR NONEXCLUSIVE EASEMENT, HONO-
ULIULI, EWA, OAHU

This refinery has been in operation since 1961. At that time Standard Oil installed the pipeline and the mooring area on a strength of a right of entry from the Harbors Division. There has never been any permit issued although our staff has been in communication and conducted negotiations with the Standard Oil people during that period.

What is proposed here is to grant a retroactive revocable permit, going back to 1961, coming up to the present period, and continuing on until an easement can be sold. Consideration for that back rental from January 1, 1961 to December 31, 1979 would be \$224,150.00. Then, commencing January 1, 1980, the monthly rental is to be \$1,500.00 until such time as the easement takes effect.

Also proposed is the granting of an easement and the price would be \$252,000 for the full term of the easement. The easement is to run until November 1, 2043 to coincide with the HIRI easement, which will expire at that time. Mr. Detor said the prices that are listed are the same as we have charged to HIRI.

Mr. Detor added that the submittal calls for the easement to be sold at public auction. At the last session, the law was changed to permit a direct award of easement. However, Mr. Detor said they would like to have the flexibility of going either way. He suggested that this submittal be amended to read "public auction or direct award."

Mr. Hong wanted to know why they want to maintain that flexibility. Mr. Detor explained that they have settled on the price, and they have sold the easement to HIRI. If we were to go by direct award, we have to have an independent appraisal made, which will necessitate reappraisal. If we go to public auction, we can use the one we already have.

Mr. Detor said there was a typo on the third line, on page 2 of the board submittal. The figure should correctly read "10,300 feet."

ACTION Unanimously approved as amended. (Yagi/Higashi)

ITEM F-27 GASCO, INC. REQUEST FOR PERMISSION TO CONSTRUCT 5,900 BARREL SPHERICAL TANK ON GENERAL LEASE NO. S-4250 PREMISES, NAWILIWILI, LIHUE, KAUAI

ACTION Unanimously approved as submitted. (Yamamoto/Higashi)

ITEM F-9 RESUBMITTAL - U. H. APPLICATION FOR LEASE COVERING PORTION OF THE PIIHONUA CANE LAND, PIIHONUA, SOUTH HILO, HAWAII

This matter was deferred at the last meeting. This was an application by the U. H. for a lease covering some 34.9 acres of land at Piihonua on Hawaii. This land is under a lease to Mauna Kea Sugar Company.

At the last board meeting a question came up as to whether the rental should be reduced if we withdrew this from the lease. The answer is yes. Another question arose whether the loss of revenue from this cane land, which would be a loss in the revenue that goes to Hawaiian Homes and later on to OHA, would constitute a legal problem. Mr. Detor said although he discussed this matter with Deputy Attorney General Johnson Wong, he did not have an official answer to that.

Mr. Ono asked Mr. Tamotsu Sahara whether the U. H. is willing to pay if the attorney general's opinion says that we have to collect rent. Mr. Sahara said they need the land so if they have to pay rent, they would have to accommodate that in their budget.

Mr. Detor said they received a letter from the U. H. indicating that they would give up the lease that they have at Puainako.

Mr. Higashi said from what he understood this property is very critical for their total program. The area that the U. H. is presently using is not suitable for them to farm, and they are willing to return that land.

On the question of whether the loss of revenues from this cane land would constitute a legal, Mr. Ono said that question should be referred to the attorney general's office for a legal ruling.

ACTION Mr. Higashi moved for approval, subject to the attorney general's opinion. Mr. Yagi seconded and the motion was unanimously carried.

ITEM F-1 DOCUMENTS FOR CONSIDERATION

HAWAII

Item F-1-a REVOCABLE PERMIT
JERRY M. ALLEY and MARY E. ALLEY - Parcel A, Waiohinu Government Remnants, Waiohinu, Kau - for agriculture - \$15

Item F-1-b ASSIGNMENT OF GRANT OF EASEMENT
UNITED STATES TRUST COMPANY OF NEW YORK, as Trustee under the terms of an unrecorded indenture of trust for benefit of Patricia Simpson O'Kieffe, to MICHAEL WILLARD O'KIEFFE and PATRICIA SIMPSON O'KIEFFE - Puukapu, Waimea, South Kohala

Item F-1-c MORTGAGE
BRYSON T. KUWAHARA (lessee), mortgagor, to STATE OF HAWAII, DEPARTMENT OF AGRICULTURE, Mortgagee - Lot 1, Keonepoko Iki Farm Lot Subdivision (Pahoa Agricultural Park), Keonepoko Iki, Puna

MAUI

Item F-1-d CONSENT TO ASSIGN AND MORTGAGE GRANT OF EASEMENT
ROBERT DANIEL OMER, II, also known as Robert Daniel Omer and PATRICIA McKEY OMER, also known as Patricia M. Omer, husband and wife, as Mortgagor, and the FEDERAL LAND BANK OF SACRAMENTO, a corporation, Grant of Easement No. S-4562 - Wakiu, Hana

Item F-1-e REVOCABLE PERMIT
MAUI HILL CONDOMINIUMS - government land, portion of Kamaole Homesteads at Wailuku - for landscaping, pedestrian path and maintenance purposes - \$30.00 per month

(See page 8 for Item F-1-f.)

KAUAI

Item F-1-g ASSIGNMENT
WILLIAM A. FONTANA, JR. and BARBARA L. FONTANA, husband and wife, as tenants by the entirety, assignors, to NADINE SHARON HOFFMAN, unmarried, as tenants in severalty - Lot 43, Puu Ka Pele Park Lots, Waimea - GL No. S-4497

ACTION Mr. Higashi moved to approve Item F-1 as submitted, Mr. Kealoha seconded, and the motion was unanimously carried.

ITEM F-2 HAWAIIAN TELEPHONE COMPANY APPLICATION FOR POLE, OVERHEAD LINE, AND ANCHOR EASEMENTS AT HUMUULA, NORTH HILO, HAWAII

ACTION Unanimously approved as submitted. (Higashi/Kealoha)

ITEM F-3 HAWAII ELECTRIC LIGHT CO., INC. APPLICATION FOR POLE, OVERHEAD LINE, AND ANCHOR EASEMENTS AT KEAALAU, MANOWAIOPAE, LAUPAHOE-HOE, AND HUMUULA, NORTH HILO, HAWAII

ACTION Unanimously approved as submitted. (Higashi/Kealoha)

ITEM F-4 COUNTY OF HAWAII REQUEST FOR DRAINAGE EASEMENT AND EXECUTIVE ORDER SETTING ASIDE LAND FOR FLOOD CONTROL PROJECT, WAIAKEA, SOUTH HILO, HAWAII

ACTION Unanimously approved as submitted. (Higashi/Kealoha)

ITEM F-5 DIVISION OF STATE PARKS REQUEST FOR CANCELLATION OF E. O. NO. 1750 AND ISSUANCE OF NEW E. O. SETTING ASIDE LAND FOR LAVA TREE PARK, PUNA, HAWAII

- ITEM F-6 STAFF RECOMMENDATION FOR AMENDMENT OF PREVIOUS BOARD ACTION WITHDRAWING LAND FROM NANAWALE FOREST RESERVE AND CONVEYANCE OF ROAD TO THE COUNTY OF HAWAII, KANIAHIKU, PUNA, HAWAII
- ACTION Items F-5 and F-6 were unanimously approved as submitted. (Higashi/Yagi)
- ITEM F-7 AMENDMENT TO JACK GREENWELL, ET AL, REQUEST FOR CONSUMMATION OF LAND EXCHANGE, ONOULI AND KEOPUKA, SOUTH KONA, HAWAII
- ACTION Unanimously approved as submitted. (Higashi/Yamamoto)
- ITEM F-8 STAFF RECOMMENDATION FOR CANCELLATION OF GOVERNOR'S EXECUTIVE ORDER NO. 1741 AND RESET ASIDE OF WATER RESERVOIR SITE AT WAIAKEA, SOUTH HILO, HAWAII
- Mr. Higashi informed the board that he has a possible conflict on this item and did not participate in any action taken by the board.
- ACTION Approved as submitted. (Kealoha/Yamamoto)
- (See page 10 for Item F-9.)
- ITEM F-10 DPS REQUEST FOR APPROVAL OF RENEWAL OF LEASE COVERING OFFICE SPACE FOR THE CETA PROGRAM, ROOMS 202B AND 202C, HILO PLAZA BUILDING, HILO, HAWAII
- ACTION Unanimously approved as submitted. (Higashi/Kealoha)
- ITEM F-11 COUNTY OF HAWAII REQUEST FOR GRANT OF EASEMENT FOR DRAINAGE PURPOSES AND CONSTRUCTION RIGHT OF ENTRY AT WAIAKEA, SOUTH HILO, HAWAII
- ACTION Unanimously approved as submitted. (Higashi/Yamamoto)
- ITEM F-12 MAUI ELECTRIC COMPANY AND PIONEER MILL COMPANY REQUEST FOR AMENDMENT OF PREVIOUS BOARD ACTION AUTHORIZING GRANT OF EASEMENTS FOR ELECTRIC TRANSMISSION LINES, LAHAINA, MAUI
- ACTION Unanimously approved as submitted. (Yagi/Hong)
- ITEM F-13 STAFF RECOMMENDATION FOR REPURCHASE AND SALE OF LOT 27, WAHIKULI HOUSELOTS, 5TH SERIES, WAHIKULI, LAHAINA, MAUI
- ACTION Unanimously approved as submitted. (Yagi/Yamamoto)
- (See pages 8 and 9 for Item F-14.)
- ITEM F-15 CAINE ENTERPRISES CORPORATION/HALE ALI'I KANADA REQUEST TO ASSIGN EASEMENT TO ALL OWNERS OF CONDOMINIUM PROJECT, KAMAOLE, WAI-LUKU, MAUI
- Mr. Detor said the applicant has asked to withdraw this request.
- ACTION The board had no objection to withdrawing this item from the agenda.

ITEM F-16 KRAUS-ANDERSON OF ST. PAUL DEVELOPMENT CORPORATION APPLICATION FOR DRAINAGE EASEMENT, KIHEI, MAUI

ACTION Unanimously approved as submitted. (Yagi/Higashi)

ITEM F-17 OEQC REQUEST FOR ACCEPTANCE OF EXTENSION OF LEASE FROM U. S. ARMY COVERING STATE USE OF PORTION OF THE KAPALAMA MILITARY RESERVATION FOR PILOT RECYCLING PLANT, HONOLULU, OAHU

ACTION Unanimously approved as submitted. (Kealoha/Yagi)

ITEM F-18 DIVISION OF STATE PARKS REQUEST FOR E. O. SETTING ASIDE WAHIAWA FRESHWATER STATE PARK, WAHIAWA, OAHU

ACTION Unanimously approved as submitted. (Kealoha/Hong)

ITEM F-19 CITY AND COUNTY OF HONOLULU REQUEST FOR LEASE OF STATE LAND FOR ITS LUALUALEI SEWAGE PUMP STATION, LUALUALEI, WAIANAE, OAHU

ACTION Unanimously approved as submitted. (Kealoha/Yagi)

(See pages 9 and 10 for Item F-20.)

ITEM F-21 RESUBMITTAL - DIRECT SALE OF REMNANT, KEAAHALA STREAM FLOOD CONTROL PROJECT, KANEOHE, KOOLAUPOKO, OAHU

This matter was deferred at the last board meeting. This was an application for a sale of a remnant parcel bordering the stream control project at Kaneohe. The board had asked that the other abutting owners be contacted and to bring all the requests at one time.

Mr. Detor said this will take a little time to do it. The applicant is willing to process the subdivision of the remnant portion at no cost to the state in order to expedite this request and has requested that we go ahead with his application.

ACTION Unanimously approved as submitted. (Kealoha/Hong)

ITEM F-22 STAFF RECOMMENDATION FOR CANCELLATION OF GENERAL LEASE NO. S-3989 COVERING LOT 36, KAPAA HOMESTEADS, 1ST SERIES, KAPAA, KAWAIHAU (PUNA), KAUAI

ACTION Unanimously approved as submitted. (Yamamoto/Higashi)

ITEM F-23 THE FREE PRIMITIVE CHURCH OF THE HOLY COMMUNION APPLICATION FOR ACCESS AND UTILITY EASEMENT, WAILUA, KAUAI

Mr. Detor said the applicant's name should correctly read "The Free Primitive Church of the Divine Communion" and asked that the submittal be amended accordingly.

There was some question on this so staff asked the board to defer this matter until the next board meeting, which was scheduled to be held on Kauai.

ACTION There was no objection by the board, and this matter was deferred until the next board meeting.

ITEM F-24 STAFF RECOMMENDATION FOR AMENDMENT OF PREVIOUS BOARD ACTION
(11/9/79, AGENDA ITEM F-30) AUTHORIZING ISSUANCE OF RECREATIONAL-
RESIDENCE LEASES AT PUU KA PELE AND KOKEE, KAUAI

ACTION Unanimously approved as submitted. (Yamamoto/Yagi)

ITEM F-25 RESUBMITTAL - COUNTY OF KAUAI REQUEST FOR CONVEYANCE OF PORTION
OF BLAKE ROAD, KOLOA, KAUAI

This matter was taken up at the last meeting, however, the motion to approve died for lack of votes. The proposal is to convey in fee a portion of Blake Road on Kauai to the county in order that the county could sell it to Grove Farm and use the money to buy land from Grove Farm that is required by the county for a housing project. Mr. Detor distributed to the board members a letter from the Housing Administrator of the County of Kauai giving the county's position in the matter and explaining why it is necessary to acquire the land.

Mr. Hong said although Mr. Yamamoto has disqualified himself from voting, and since he has been in communication with the county, he asked the chairman whether it would be permissible for Mr. Yamamoto to comment on this request.

Mr. Ono had no objection in permitting Mr. Yamamoto to participate in discussing this matter as long as he doesn't vote on the issue, and asked Deputy Attorney General Johnson Wong for his ruling on this. Mr. Wong said if that is the wishes of the board, it is all right.

Mr. Yamamoto said the county is racing for time and they would like to get an answer today if possible. As far as the road is concerned, he said it has been abandoned and no one is using it.

Mr. Ono said there were several questions asked at the last board meeting. One of them was whether consideration should be more than a \$1.00. Mr. Yagi added, whether there should be exchange of properties and whether the money should come to the general fund.

Mr. Kealoha wanted to know who the abutting property owners were. Mr. Detor said Grove Farm is the abutting owner.

Mr. Kealoha suggested that we sell it to Grove Farm.

(Mr. Wong left the meeting at 12:20 P. M. and was excused.)

The chairman asked whether there was anyone present from the county to discuss this matter. Mr. Detor said when he talked to the deputy corporation counsel, he had indicated that they would not be sending anyone, but that they would be sending a letter.

Mr. Ono said if a representative from the county was present today, the board could have taken action one way or the other. He wanted to know why they wouldn't want to send someone if this is that important and urgent to them.

ACTION Mr. Yagi moved to defer this matter until the next meeting, which is scheduled for Kauai, and directed the staff to get in touch with the County of Kauai to

make sure that someone attend the next board meeting to answer some of the questions that were discussed today. Mr. Higashi seconded and the motion was carried.

Mr. Yamamoto did not vote.

ITEM F-26 STAFF RECOMMENDATION FOR CANCELLATION OF GENERAL LEASE NO. S-3975, KAPAA HOMESTEADS, KAPAA, KAWAIHAU, (PUNA) KAUAI

ACTION Unanimously approved as submitted. (Yamamoto/Higashi)

(See page 10 for Item F-27.)

ADDED
ITEM F-28 PUBLIC AUCTION SALE - SINGLE-FAMILY DWELLING, HEEIA, OAHU

ACTION Unanimously approved as submitted. (Kealoha/Higashi)

ITEM H-1 APPROVAL OF PERSONNEL TRANSACTIONS FOR MAY 1980

ACTION Unanimously approved as submitted. (Higashi/Kealoha)

In order to accommodate those who were present in the audience, the board deviated from its regular agenda and took up the items in the following order:

ITEM H-3 RESUBMITTAL - CDUA FOR NONCONFORMING SINGLE FAMILY DWELLING USE AT HAENA, KAUAI (MR. JAMES R. BUCKLEY)

This was a deferred item from an earlier meeting. It involved a request for a single family dwelling at Haena. This is in a limited subzone. The applicant cannot meet the objectives of the subzone and staff recommended denial.

ACTION Mr. Yamamoto moved to approve staff's recommendation as submitted, which was for denial. Mr. Higashi seconded and the motion was unanimously carried.

ITEM H-4 CDUA FOR SUBDIVISION AND UTILITY EASEMENT AND FOR WATER DEVELOPMENT USE AT KALAMA VALLEY, MAUNALUA, OAHU (BARRY R. OKUDA ON BEHALF OF KACOR REALTY, INC.)

This matter was deferred at the last board meeting since a question of subdivision had come up. Staff stated that it is a conditional use under Regulation No. 4, and it is discretionary on the part of the board. This comes under the definition of conditional use on page 1 of the regulation.

The board back in 1971 originally approved this project. The reservoir site, the road and also the landscaping are presently there. What failed to happen back in 1971 was to approve the reservoir improvement and subdivide the land. The applicant, KACOR Realty, wants to transfer these improvements to the Board of Water Supply. The purpose is to make it a part of the Board of Water Supply's service system in the Hawaii Kai area. Staff's recommendation was for approval.

Mr. Stanley Fujimoto, representing the applicant, said he would like to make a correction to Mr. Evans' statement. The reservoir site was graded as soon as they got the approval back in 1971 and did some landscaping and irrigation. Other improvements are scheduled to go in within the next year. They

are going to fence up the improvement, complete the landscaping, the reservoir and access road. What they need now is approval to subdivide so the entire improvements can be dedicated to the Board of Water Supply.

Mr. Kealoha had no objection to this request, but he thought we could not subdivide conservation lands. Mr. Evans said as stated earlier in the presentation this is discretionary on the part of the board.

ACTION Unanimously approved as submitted. (Kealoha/Higashi)

ITEM H-7 CDUA FOR PRIVATE RECREATIONAL USE (TENNIS COURT) ACCESSORY TO EXISTING SINGLE FAMILY DWELLING USE AT KALIHI, MAKENA, MAUI (ROBERT N. OTA ON BEHALF OF GEORGE R. CARTER, III)

This matter came before the board a few months ago. The application is for a tennis court. Staff recommended denial at that time. Although there were no adverse comments, there was problem because the applicant had failed to satisfy the County's SMA requirements by the time it came to the expiration date. Mr. Evans said under the law the applicant has to meet those requirements before staff can recommend approval. Subsequent to that action of the board, the applicant has satisfied this requirement. As a result, staff recommended approval.

ACTION Unanimously approved as submitted. (Kealoha/Higashi)

ITEM H-2 AMENDMENT TO CDUA FOR AQUACULTURE RESEARCH USE AT KALOKO-HANAHOU, KANEOHE, OAHU (R. W. POWER ON BEHALF OF OCEANIC INSTITUTE)

This was a request for an amendment to a previous approved CDUA. Our Historic Sites Section of the Division of State Parks, made comments on the original application and they were concerned about the widening of the wall in the area, and also suggested some alternative means other than fencing be used. The board approved that. Subsequently, the applicant has had some difficulty on security. As a result, they came back to us and worked out with the Historic Sites Section for a way to fence on the landward site. Staff recommended approval of this modification.

ACTION Unanimously approved as submitted. (Kealoha/Higashi)

ITEM H-5 CDUA FOR DRAINAGE OUTLET USE AT NAWILIWILI HARBOR, NAWILIWILI, KAUAI (DEPARTMENT OF TRANSPORTATION)

Mr. Evans said the board delegated most of the permitted uses to the chairman for signature. However, in the areas of government use, aquaculture and water development, the board still wanted to see those applications.

This was a request from DOT for harbor improvements. This is a permitted use. Staff recommended approval with conditions as listed in the submittal.

ACTION Unanimously approved as submitted. (Yamamoto/Hong)

ITEM H-6 CDUA FOR SINGLE FAMILY DWELLING USE AT SOUTH KONA, HAWAII (PETER W. SMITH)

This was a request for a single family dwelling in a limited subzone on the

Big Island. To be consistent with our policy, staff found that this does conflict with our subzone objectives, and the applicant doesn't meet the criteria in terms of nonconforming residential dwelling use. As a result staff recommended denial.

ACTION Unanimously approved staff's recommendation for denial. (Higashi/Kealoha)

ITEM H-8 REPEALING OF DEPARTMENTAL REGULATIONS 6 AND 7, AND THE APPLICATION OF REGULATION 10 TO ALL NATURAL AREA RESERVES

ACTION Unanimously approved as submitted. (Higashi/Kealoha)

ADDED ITEM H-9 FILLING OF POSITION NO. 11465, CLERK III, ASSIGNED TO THE CHAIRMAN'S OFFICE

ACTION The board, on Mr. Higashi's motion and seconded by Mr. Kealoha, unanimously approved the appointment of Norma Doar to Position No. 11465, Clerk III, effective July 1, 1980.

ITEM I-1 APPOINTMENT OF VOLUNTEER CONSERVATION AND RESOURCES ENFORCEMENT OFFICER

ACTION The board, on Mr. Kealoha's motion and seconded by Mr. Higashi, unanimously approved the appointment of Bruce L. Bikle as a Volunteer Conservation and Resources Enforcement Officer.

ITEM I-2 APPOINTMENT OF LICENSE AGENT

ACTION The board, on Mr. Kealoha's motion and seconded by Mr. Higashi, unanimously approved the appointment of Military Services Department as a license agent to sell hunting and fishing licenses.

ITEM E-6 PERMISSION TO NEGOTIATE WITH FOIP, INC. AND EXECUTE CONTRACT DOCUMENT FOR MANAGEMENT OF IOLANI PALACE AND BARRACKS

Ms. Abigail Kekaulike Kawananakoa and Mr. Joseph Spielman from the Friends of Iolani Palace were present to discuss Items E-6 and E-7.

Mr. Kealoha said the Friends of Iolani Palace have been actually operating on a deficit budget, and the actual expense to operate the Palace is \$324,000.

The concerns that Mr. Kealoha had were:

1. How can these people operate both the Iolani Palace and the Iolani Barracks on the same budget that it takes to operate only the Palace?
2. Does the staff have any idea what it will take to operate the Iolani Barracks?
3. If they know that cost, how do we go about to see what vehicles could probably be used to acquire these funds to operate on a yearly basis, and not necessarily on a surplus basis.

Mr. Yamashiro said after meeting with the Friends of Iolani Palace, it was determined that to fully operate and manage the Iolani Palace and the Iolani Barracks would cost \$400,000. Their request to the Department of Budget and Finance was \$400,000 for the operation of the Palace and the Barracks.

However, Budget and Finance came up with the \$324,000 figure, which was subsequently approved by the legislature. Testimonies were made at the hearing by the State Parks Division and the Friends of Iolani Palace that the \$324,000 would not be sufficient to cover the operating expenses for the Palace and the Barracks.

Mr. Yamashiro said just to keep the Barracks at a minimum level, not to operate and open it to the general public, is going to cost about \$10,000 a year.

Mr. Yamashiro further stated that it has been projected by the Friends of Iolani Palace that the operation of the Palace would run approximately \$352,000 a year.

Mr. Hong wanted to know how the staff was proposing to make up the deficit. Mr. Yamashiro said it would be difficult to cut down the cost, whether the Palace is operated three days a week or five days a week. He said the cost would remain the same for fire insurance, insurance for the alarm system, maintenance of the security alarm. As far as payroll, Mr. Yamashiro said it was his understanding that they are currently operating with a bare minimum number of personnel. He was also informed that these people who are working for the Friends have not received any pay raises for a good number of years despite the rise in the cost of living.

Mr. Kealoha felt that the board should express the need or the intent to get additional money to operate the barracks.

(Mr. Higashi was excused and left the meeting at 1:05 P. M.)

There was some discussion on the budget process but Mr. Yamashiro was not able to give the board much information in this area.

Mr. Ono informed the board that he plans to have a budget session for the board members sometime next month, which will include the Friends of Iolani Palace budget.

ACTION

Mr. Yagi moved to approve the request to enter into an agreement with the Friends of Iolani Palace for the period July 1, 1980 through June 30, 1981 in the amount of \$324,000. Mr. Hong seconded the motion.

The board expressed the need to get additional money for the Friends of Iolani Palace, and unanimously agreed that after additional money is obtained that the original agreement can be amended accordingly.

On the call of the question, the motion was unanimously carried.

ITEM E-7

APPROVAL OF GUIDELINES FOR MANAGEMENT OF IOLANI PALACE AND BARRACKS

Mr. Yamashiro asked to defer action on this item since they are considering including the use of the Iolani Palace grounds in the proposed guidelines.

Mr. Kealoha said Ms. Kawanakoa and Mr. Spielman are here to discuss these guidelines so the board should discuss this item.

Mr. Ono asked whether the Friends of Iolani Palace had a chance to review the proposed guidelines.

Ms. Kawananakoa said they had only one day to review the guidelines, but they were prepared to discuss the guidelines.

Mr. Hong asked whether in principal whether it is desirable to have the continuity of administering over the grounds, as well as the building.

Mr. Spielman said it would be desirable, but to do it properly they would need some enforcement money to implement it. At the present time the Palace is closed all day Sunday. There is no one around the Palace to enforce anything. It was Mr. Spielman's personal feeling that it was premature at this point. They have no control over the maintenance of the yard nor the parking. That is handled by the Department of Accounting and General Services. He said there is no security on the perimeter. It is very difficult to control this.

The following areas of the guidelines were discussed:

Under Hours of Operations (Items A.1 and A.2). Mr. Spielman said these two items should be reconsidered because they would have to enforce this, and they don't have the money to enforce these two items.

Under Exemptions (Item C.) on senior citizens. Mr. Spielman said the words "under government-sponsored programs for senior citizens" were deleted. He said it is difficult for them to determine who are senior citizens. How do you get this information? He strongly felt that "under government-sponsored programs for senior citizens" should be included in this paragraph. Also, Mr. Spielman said at the present time every fourth Saturday is "manuwahi" day. People are allowed to sign up ninety days in advance. He said it will be a delicate situation if they have to enforce this condition.

Under Photography (Item G.) On the prior guidelines, "due to the light-sensitive nature of the furnishing within the premises" was left out. Mr. Spielman said they were able to handle this without this phrase, and it has not been a problem. They have no furnishings in there now so they would prefer to see this phrase deleted.

Under Parking (Item I.). The previous guidelines had the word "no unauthorized vehicles." They would prefer to see the word "unauthorized" included.

Mr. Hong asked how the communication between DLNR, to the board, and the Friends of Iolani Palace working out. He asked whether there are improvements that can be made. Mr. Spielman said the major problem has always been financing.

Ms. Kawananakoa said they have come a long way the past two years. They have greater contacts with the representatives in the State Parks Division. She suggested when there is a budget session on the board level that they be allowed to come in and be available for any question so they can review the budget that the State Parks Division submits.

Ms. Kawananakoa said the revenues that they generate through admission fees is approximately 50% of the operational expenditure. She said that goes directly to the general fund. If there is some way that they can have the law passed that will enable the board to give them a lease, then those money would not necessarily have to go into the general fund. She said this is an area that needs to be considered.

Mr. Ono said the problem may be the legislature. If they give the money, they may say raise your own 50% yourself. He felt that for this go around this request should be left out.

Ms. Kawananakoa said the recommendations that were made today should be included in the guidelines and incorporated into the new contract. They could work with this. She strongly emphasized that these are guidelines and not rules and regulations.

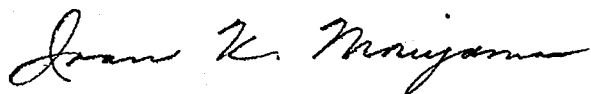
Ms. Kawananakoa said she agrees with their project manager, Mr. Spielman, that supervision of the whole area is premature now. They didn't think the Friends of Iolani Palace can handle it now even though they get the money to hire security guards because they have other priorities. She believed that their next contract is for the perimeter fence and the coronation band stand. After the gates are in, it would be a lesser problem for security.

Mr. Ono said when funds are set on the Barracks, the staff can attach this as an addendum to the guidelines for the Iolani Palace.

ACTION There was no further discussion on this item and this matter was deferred.

ADJOURNMENT: There was no further business and the meeting was adjourned at 1:45 P. M.

Respectfully submitted,



JOAN K. MORIYAMA
Secretary

APPROVED



SUSUMU ONO
Chairman

jkm