

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

DATE: June 12, 1981

TIME: 9:00 A. M.

PLACE: DLNR Board Room

Kalanimoku Building

1151 Punchbowl Street

Honolulu, Hawaii

ROLL
CALL

The meeting of the Board of Land and Natural Resources was called to order by Chairman Susumu Ono at 9:10 A. M. The following were in attendance:

MEMBERS

Mr. Stanley Hong
Mr. Takeo Yamamoto
Mr. Thomas Yagi
Mr. Roland Higashi
Mr. J. Douglas Ing
Mr. Susumu Ono

STAFF

Mr. James Detor
Mr. Roger Evans
Mr. Libert Landgraf
Mr. Takeo Fujii
Mr. Herbert Yanamura
Mr. James Yamashiro
Mrs. Joan K. Moriyama

OTHERS

Dep. A. G. Dona L. Hanaike
Dep. A. G. Edwin Watson
Ms. Jean Hanson (Item F-14)
Mr. Eugene Ichinose (Item F-14)
Mrs. Linda Wong (Items H-1 and H-4)
Mr. Breezer Bush (Item H-3)
Mr. Peter Garcia

Mr. Ono introduced and welcomed on board Mr. J. Douglas Ing, the new Oahu member replacing Mr. Moses Kealoha.

Mr. Hong also welcomed his colleague from Oahu. He said Mr. Kealoha served on the board for some seven years and set a very high mark so Mr. Ing has big shoes to fill.

MINUTES

The minutes of May 8, 1981 were unanimously approved as circulated. (Hong/Yamamoto)

Added
Items

Mr. Hong moved, seconded by Mr. Higashi, and the board unanimously approved to add the following items to the board agenda:

State Parks

Item E-5 -- Approval to Engage the Services of Sea Trek to Undertake a Pilot Educational Program at Heeia State Park

Land Management

Item F-30 -- Staff Recommendation for Recission of Previous Board Action
Authorizing Direct Sale of Easement at Kihei, Maui

Administration

Item H-5 -- Filling of Position No. 26434, Planner III, Planning Office

The board took up the matters in the following order to accommodate those present in the audience:

ITEM F-3 MAUNA LANI RESORT, INC. REQUEST FOR QUITCLAIM OF STATE'S INTEREST IN VARIOUS TRAILS AT WAIKOLOA, ETC., SOUTH KOHALA, HAWAII

ITEM F-4 STAFF RECOMMENDATION FOR ACCEPTANCE OF CONVEYANCE OF EASEMENTS FOR PUBLIC ACCESS ACROSS PRIVATE LANDS AT WAIKOLOA, ANAEHOOMALU AND KALAHUIPUAA, SOUTH KOHALA, HAWAII

Mr. Detor asked to take up Items F-3 and F-4 together since they were related items.

Item F-3 dealt with a proposal for the state to quitclaim interest in certain trails in the Puako area on the Big Island in connection with the Mauna Lani Resort development.

The subject application has gone through the county, and Special Management Area (SMA) use permit has been approved. The Environmental Impact Statement has also been submitted and approved.

Mr. Higashi asked whether the trail closer to the shore is on private land. Mr. Detor said this is through private land but there is a cloud on the title. There was no specific conveyance or reservation by the government when these lands were sold.

As far as Item F-4 was concerned, Mr. Higashi felt that they should deal directly with the county.

Mr. Detor asked that Recommendation No. 2, Item F-3, be amended by adding "within the historic preserve". That sentence should, therefore, read, "That the subject trails within the historic preserve, where physically evident, shall be preserved and maintained as a cultural resource."

Mr. Higashi said even if it is outside of the historic preserve, they should check with this department if there is even a suspicion of historic matter.

Mr. Detor said Mr. Ralston Nagata, Historic Sites Director, sent him a memo stating that, "Although the trails not necessarily need to remain in state ownership, we do wish to recommend that the sites and trails within the historic preserve not be subject to physical manipulation without further concurrence from us."

Mr. Detor said not only within the historic preserve, but any physically evident trails will be subject to review by the historic people.

ACTION Mr. Higashi moved to approve Item F-3 as amended above. Mr. Hong seconded.

Mr. Ing informed the board of a possible conflict in this matter and did not participate in any action taken by the board on Items F-3 and F-4.

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

Item F-4 dealt with the dedication to the state of the access points. If the board takes the course of action suggested above by Mr. Higashi (that the applicant go directly to the county), no action is necessary, Mr. Detor said. He recommended that Item F-4 be withdrawn. There was no objection by the board.

ITEM F-14 C&C OF HONOLULU REQUEST FOR E. O. SETTING ASIDE LAND AT KEEHI LAGOON, HONOLULU, OAHU

This was a recommendation to approve of and recommend to the governor issuance of executive order setting aside to the City and County of Honolulu roughly eleven acres of filled area at Keehi Lagoon. Mr. Detor said the subject so-called illegal filled area is under litigation.

Mr. Hong asked what the zoning is under the court order dealing with this parcel.

Mr. Detor said the area is restricted to recreational use. As far as what type of use, this would be subject to approval of the court. He said Deputy Attorney General Edwin Watson suggested that if this proposal is adopted by the board, that it be understood that the actual issuance of the executive order would not take place until the case is fully settled.

Mr. Hong asked whether it is not too premature for the board to dispose of this land prior to the conclusion of the litigation.

Mr. Detor said there would be no objection to the city taking test borings.

As far as maintenance is concerned, DOT is handling it right now through June 30. So there would be maintenance problem commencing July 1.

The subject parcel is divided into three parcels and the three companies who were involved cleared and grassed the area and DOT has been maintaining it.

Mr. Ono said one other reason for this request is that city had apparently made a commitment and they would like to know whether they should proceed with their plans or not.

Mr. Detor said the basic reason that the area is being requested is to accommodate recreational dancing. There were a number of people in the audience who belong to that group.

Mr. Ing asked whether the litigation is involved in the title to the land or sanction to the filling. Mr. Detor said there is no question on the title. The litigation is on the action in filling it.

Mr. Yagi asked whether there is a possibility of squatters being in there. Mr. Detor didn't think so.

Mr. Ono questioned whether the city would still be interested in the area after test borings are completed and structures cannot be put up. He didn't

want to force the city to accept something that they cannot use, and said he would like to have that condition attached.

Mr. Eugene Ichinose, dance director of Hawaiian Ballroom Dancers Association, said the number of dancers in Honolulu at the present time exceeds over 20,000. They have been looking for a site whereby they can encourage the city to build a first-rate dance facility.

Mr. Hong asked whether this is a convenient location for the dancers.

Mr. Ichinose said the best potential place was targeted to the Ala Wai Golf Course. He said although the Keehi site may not seem centrally located for the people in central Honolulu, it isn't far for people who come from such places as Wahiawa, Waipahu, Pearl City and Mililani.

Mr. Ichinose further stated that the City and County Parks and Recreation Department is thinking of building a dance complex. The association's idea is to have this dance palladium the center of the dance complex to accommodate all ballroom dancers, square dancers, group dancers, etc. Every year there are about 10,000 people who come to this city to attend conventions and there is no place in the island that can accommodate that many people under one roof.

Mr. Higashi asked how active the dance palladium is going to be. Is it going to be used daily, once a week? Mr. Ichinose said it isn't only for them. It is also for senior citizens' use. It is going to be used very extensively and the use will be coordinated by the City and County Parks and Recreation.

Mr. Hong asked whether the city would take the land and use that as a park regardless of whether the facilities can be built.

Ms. Jean Hanson, representing Council Chairman Rudy Pacarro, said Councilwoman Marilyn Bornhorst suggested that if the subject area does not prove to be sound for structures, they may trade it with the Keehi Park land and have the baseball and such other activities transferred to this area. So it would still be in the Keehi area.

Mr. Ono said it should be understood by the dancers association and the city that the state does not have total control over this particular area now because of the pending litigation, but the intent of the board can be acted on now.

ACTION Mr. Hong moved to approve and Mr. Yagi seconded.

Deputy Attorney General Edwin Watson suggested that approval be subject to other terms and conditions as may be required by the chairman since all improvements or construction must be subject to the Keehi Lagoon Master Plan.

Mr. Detor said a provision can be included that the building plans be subject to chairman's approval.

Mr. Hong amended his motion to include the amendment as discussed above. Mr. Yagi seconded and the amended motion was unanimously carried.

ADDED
ITEM F-30

STAFF RECOMMENDATION FOR RECISSION OF PREVIOUS BOARD ACTION
AUTHORIZING DIRECT SALE OF EASEMENT AT KIHEI, MAUI, TO KRAUS-
ANDERSON OF ST. PAUL DEVELOPMENT CORPORATION

The board at its June 27, 1980 meeting approved the sale of a drainage easement at Kihei, on Maui, to the Kraus-Anderson of St. Paul Development Corporation. The applicant had originally asked for permission to use an existing drainage channel. However, because of objection from DOT that increased water flow through this drainage channel would affect a boat launching facility which DOT is planning there, an alternate site was selected. Subsequent to that, DOT changed its mind and withdrew their objections, based on engineering studies that were submitted to DOT.

Staff recommended that the board (1) rescind its action of June 27, 1980 (under agenda Item F-16); and (2) grant to the applicant right of entry to utilize the present channel, subject to the conditions listed in the submittal.

ACTION Unanimously approved as submitted. (Yagi/Yamamoto)

Items H-1 and H-4 were taken up together as they were related.

ITEM H-1

CDUA FOR AFTER-THE-FACT SEAWALL REINFORCEMENT AND LANDFILL
USE AT KAHALUU, OAHU (KAHALUU PONDS, INC.)

This was a follow-up action of a violation that was brought to the board's attention on January 16, 1980. This was an after-the-fact application at Kahaluu Fish Pond.

Staff recommended approval, subject to the conditions listed in the submittal, and as amended below:

Recommendation B. That the applicant comply, within thirty days, with monetary sanctions imposed by the board as stated in their decision of January 11, 1980;

Recommendation C. That upon completion of the monetary sanction imposed, the applicant request the following as a follow-up to the board's decision of January 11, 1980:

1. Approval for an easement be obtained from the Division of Land Management for the seawall; and
2. That the rental be determined after a Division of Land Management appraisal, to include the time frame from construction.

Mr. Higashi suggested that the board approve Recommendations A and B only and leave Recommendation C on the disposition to Land Management, rather than mandating it under this CDUA.

Mr. Evans said the board could give a general condition. In this particular case it was the staff's feeling that they should be more specific.

Mr. Higashi said his concern was that if there is a change in the disposition that it may affect the CDUA itself.

Mr. Evans said it does not. He said state lands were used without authorization and there is a certain amount of damage to the public land.

Mr. Evans further stated that the applicant has been aware of the conservation district. They have also been aware where the private and public lands are now. This was the reason that the disposition condition was included in this submittal.

Mr. Ono said there is a potential problem if we separate these two separate processes. He said the board has been insisting that any applicant clear the debts. If they have any obligation, taxes, or violations of any specific conditions that they should not get any further consideration from this board.

Mr. Higashi said we could include in Recommendation C that before any disposition of state land is made that all debts be cleared.

Mr. Detor said on the question of retroactivity, this would be a perpetual easement and there would be one payment in full. So if there is going to be retroactivity, it would have to be a permit covering a period prior to the sale of the easement.

Mr. Yagi agreed that it would be confusing if the condition on disposition is included. He said it is the responsibility of the Land Management Division to determine whether to make it retroactive or not.

Mr. Evans said this matter was discussed with Land Management. Mr. Detor said retroactivity, however, was not discussed.

Mr. Higashi suggested that Recommendation C be amended to the extent that "The applicant satisfy all requirements before an application is made to the Land Management for disposition."

ACTION

Mr. Hong moved to approve Item H-1 as recommended and as amended above. Mr. Higashi seconded and the motion was unanimously carried.

ITEM H-4

CDUA FOR SEAWALL AND ACCESSORY IMPROVEMENTS TO EXISTING AQUACULTURE USE AT KAHALUU, OAHU (KAHALUU PONDS, INC.)

Item H-4 related to what is proposed in the future. In addition to what exists today, a number of things are being proposed. For example, they would have to relocate the existing house; turn-around area; additional sluice gate; widening of the fish nursery wall, which is inside the pond; and the dredging of silt along the pond banks. Staff said there is no difficulty with these proposals.

Basically, staff recommended approval of the proposed activities, with all construction activities taking place on the pond side of the wall rather than more public lands being used.

In the original application staff recommended approval, with a specific condition that construction activities take place on the pond side of the wall. However, construction activities took place on the seaward side.

In terms of board's consistency, Mr. Evans said staff not only considered the technical aspect but also a public policy aspect, and as such recommended that this application be approved, with all of the activities to be on the pond side, or the private property side of the wall.

Mrs. Linda Wong briefly addressed the board. She said they asked an engineering firm, Alfred Yee & Associates, to take a look at the existing wall

and to tell them the minimum amount of work that would have to be done to preserve that wall from caving in. They also told them of their problem of trying to stay within their own property line. The engineer reported that no matter which way they looked at it, there was evidence of undermining from the ocean side and the pond side and that if they were going to spend the money to fix the wall up, they would have to put up a protective rip-rap wall on the ocean side of the pond, and a smaller one on the inside. Mrs. Wong said they could really stay inside of the property line. It would be cheaper for them.

Mr. Ono said their engineers assumed that they are able to use public lands. Mrs. Wong said it wasn't assuming that. It was their recommendation that if they were going to protect the existing wall that this would be the only way they can do it.

Mrs. Wong said if they did it on the inside wall, it will undermine it. She further stated that if they don't spend the money now to fix the wall, they may be confronted with another situation where the wall caves in again and they would lose everything. Basically they want to preserve this as a fish pond.

Mr. Ono said they encroached into the public property one time. The second plan also calls for some more use of public lands. He thought Mrs. Wong would have some concern, or at least have the engineers develop some kind of a plan to give the board an opportunity to look at other options.

Mr. Hong asked whether any direction was given to them when Alfred Yee looked at the situation to see what could be done. Mrs. Wong said they asked for recommendation within their own boundary line, and they sent her a report that it should be done on the outside of the wall.

Mr. Ono asked Mrs. Wong whether the 1965 break in the wall was caused by wave action or flood waters. Mrs. Wong said that was from wave action and flooding from Kamehameha Highway coming down.

ACTION

Mr. Hong said since we have some time on this application, and since the new Oahu board member has not had an opportunity to familiarize himself with this matter, he moved for deferment of Item H-4. Mr. Yagi seconded the motion.

Mr. Ono said he had one comment to make, not so much on this request per se, but in general. The board has been holding the line on any improvement or construction on state land for private purposes. He said he sees this as a possible break in precedent. He said he would hold further comment until the board takes action on this item.

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

RESUBMITTAL - CDUA FOR PASSIVE MICROWAVE REFLECTOR CONSTRUCTION USE AT KAHILI MOUNTAIN PARK, KOLOA, KAUAI (HAWAIIAN TELEPHONE CO.)

ITEM H-2

This was a resubmittal. There was some question as to whether or not an EIS would be required due to possible presence of shearwater birds in the area. Subsequent to the first indication of the possible presence of the shearwater birds, our Kauai staff made a field inspection. Upon completion of their field inspection, they reported that the proposed use will not interfere with the nesting of the birds, and issued a negative declaration. Staff recommended approval.

ACTION Unanimously approved as submitted. (Yamamoto/Yagi)

ITEM H-3 CDUA FOR AFTER-THE-FACT NONEXCLUSIVE ACCESS ROAD IN THE HAMA-
KUA FOREST AT HAMAKUA, HAWAII (DAVIES HAMAKUA SUGAR CO.)

Staff recommended that the easement not be granted and that the permit be denied. There were several reasons for this. Basically, there is presently a legal access to the area by other means. As a result, staff did not view this as a necessity. Further, additional access for the sole purposes of harvesting cane, when other access is available, is not within the purpose and intent of the conservation district, and it conflicts with the objectives of the resource zone.

Staff recommended that the applicant be fined \$500; also that the disturbance of the forest reserve caused by cutting of the road by the applicant on state land be rectified by the applicant; restore the area to its natural condition at no expense to the state; and failure to comply with the above within thirty days that this matter be turned over to the Attorney General's Office.

Mr. Higashi asked whether there are any trails or some assemblage of a road, vehicular traffic within this area. Mr. Landgraf said no. There used to be an old dirt road on the makai side that Jack Ramos used to take his cattle through there occasionally. There may have been a logging road where they logged the area.

Mr. Yagi asked whether there is presently a road there now. Mr. Evans said there is now because it was cut by the applicant since the normal road that they have been using was washed out. The purpose of the road is to go in and harvest sugar cane.

Mr. Yagi asked whether the state in such a situation want to help them so they could harvest the cane. Mr. Evans said in all likelihood it is possible that the state would most certainly help. However, we were never asked in this case, and they just went in and did it.

Mr. Yagi said this was an emergency nature. Mr. Evans said Regulation 4 does provide for emergency actions. However, that emergency provision is a determination that this board has delegated to the chairman to make that judgment, and not to any individual to make that judgment himself.

Mr. Higashi asked whether there is any public benefit by having this road. Does it serve a community to the mauka? Mr. Evans said he could not reply to the board that there is a public benefit by allowing this to occur. He said there may be a public detriment by allowing this to occur.

Mr. Yagi said his concern is the fact that there is a sugar plantation cultivating sugar cane on land which happens to be inaccessible to harvest.

Mr. Evans said staff didn't really look at it on the basis that it was a sugar company who wants to move in and cut this road. There is a regulation and there are individuals within the organizational structure who are familiar with the conservation district rules and regulations.

Mr. Higashi asked who are the owners of the surrounding areas, particularly the makai portion. Mr. Landgraf said it is state land leased to Honokaa Sugar for the purpose of growing sugar cane. Mr. Higashi said then this forest reserve area is surrounded by sugar cane.

ACTION Mr. Higashi moved to approve Item B (\$500 fine) only, and to defer the other actions until the August meeting when the board meets on the Big Island. Mr. Yamamoto seconded the motion.

Mr. Higashi said he needs to know from Forestry what the usefulness of the subject forest reserve is. The subject property is surrounded by agricultural lands. If there is a strong need for that area for reforestation, then he said he would probably oppose a road to go through.

Mr. Hong did not participate in any action taken by the board on this item since he had a conflict.

Mr. Breezer Bush, Land Administrator for Theo. H. Davies, described briefly what the circumstances were on this application. He explained that while there are people in their organization who are knowledgeable of Regulation 4, they are not generally at the level that made the decision to go through this.

In anticipation that they may require the use again, Mr. Bush said he filed an application for continued use or modifying the use which would be at the time of harvesting.

Mr. Bush further explained that because of the location of this particular forest area, it does not touch a roadway and the makai part (which is the part in question) is in state land. But it stops short of an access. The plantation has worked with forestry people and other government workers through the years. However, he didn't feel this was an excuse for them to go on to state property in the like manner.

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

ITEM J-5

CONSENT TO ASSIGNMENT OF LEASE NO. A-64-2, H-65-2, AND RIGHT-OF-ENTRY AGREEMENT, HONOLULU INTERNATIONAL AIRPORT, OAHU (TEXACO, INC. TO HFFC)

Mr. Hong said he is not familiar with Honolulu Fueling Facilities Corporation (HFFC) and asked whether DOT is satisfied that they are financially strong company to assume all the responsibilities now held by Texaco.

Mr. Garcia said yes. HFFC is a group with representatives of various airlines. The principal thing of this is HFFC will distribute petroleum products to all of the airlines that are under the agreement. Rather than having a number of companies providing petroleum products to various airlines, this is one central entity that distributes the petroleum products to all of the airlines. They are a tenant of the airport right now.

ACTION Unanimously approved as submitted. (Hong/Yagi)

ITEM F-9

LAHAINA CHRISTIAN FELLOWSHIP APPLICATION FOR LEASE COVERING THE FORMER HONOKOWAI SCHOOL GROUNDS, HONOKOWAI, LAHAINA, MAUI

This concerned the former Honokowai School lot on Maui. It is no longer being used for school purposes. The Lahaina Christian Fellowship has applied for a church lease of the property. Mr. Detor said this particular area is under consideration as a possible public housing site and it is zoned for apartment

use at the present time so if the church-related use was to be accommodated, we would in effect be downzoning it.

Staff felt that there are other lands available in the area that could be considered for church site and recommended that this site not be made available for a church use lease and that the application be denied.

The pastor of Lahaina Christian Fellowship said they tried for different lands and it has been very difficult because West Maui land is very expensive. He said they are one of the larger churches on West Maui and they still cannot afford the land prices there. He said they have been seeking this thirty-year lease, hoping that it would give the congregation time to grow to the point where they can buy the land.

The pastor said the alternate site that was offered to them is too small. It was in the same area which they had asked for and was denied because there was another state agency that was interested in the land. So he said they are concerned that the same thing might happen again.

Mr. Yagi was very sympathetic. However, he said there is a need for a low-cost employee housing in Lahaina. He said the church's problem, as was explained by them at a meeting, was mostly economics. So they would like to use the building that is presently on the subject site.

Mr. Yagi said as far as this board was concerned, he didn't think that was a sound argument.

Mr. Yagi further continued that the difficulty here is that we also have the Office of Hawaiian Affairs to cope with.

Mr. Yagi said he would prefer the church to work it out with the Maui Land Agent.

Mr. Higashi agreed and suggested that they follow-up with Mr. Yagi's suggestion.

Mr. Yagi raised another point. He said there is going to be a youth center in Lahaina and the church may be able to use that. The county plans to build a huge youth center which could be utilized by everyone. He said before that youth center is built, the people in Lahaina have asked Pioneer Mill if they could use the old Pioneer Mill supervisor's clubhouse, which is presently leased to ILWU. Mr. Yagi said they have granted permission to go ahead and renovate the building so it can be used as a youth center. It was his feeling that they can utilize the building, too. He said this would be quicker for the church to have a place than to wait for the Honokowai School lot.

Mr. Ono said just because this is state land, it doesn't mean that they are going to get the land at the reduced rate. He didn't want the church to assume that the lease rental is going to be nominal because rental must be determined by appraisal.

A representative from the church expressed his frustration and questioned whether HHA is seriously considering using the subject land for housing. It seemed to him that all they are getting is run about.

Mr. Ono asked him "run about by whom?"

The representative responded run about by Mr. Yagi.

Mr. Ono said they are not getting the run about. In fact, Mr. Yagi is trying to help and giving suggestions.

There was another representative from the church, a realtor, who apologized for such a statement and said he personally didn't feel that way. He thanked Mr. Yagi for his efforts. He said the church will be an asset to the community as a whole and hoped that something can be done.

ACTION Mr. Yagi moved, seconded by Mr. Higashi, and the board unanimously approved staff's recommendation as presented.

ITEM C-1 AWARD OF CONTRACT, PROJECT NO DFC S-4, FURNISHING, DELIVERING, AND INSTALLING MOBILE 2-WAY RADIOS AND REPEATERS FOR DIVISION OF FORESTRY AND DIVISION OF CONSERVATION AND RESOURCES ENFORCEMENT

Mr. Hong asked whether other divisions are being considered to use this type of communication. Mr. Landgraf said yes.

ACTION Unanimously approved as submitted. (Higashi/Yamamoto)

ITEM D-1 APPROVAL FOR AWARD OF CONTRACT - JOB NO. 4-OW-11, CLEANING MAUNAWILI RESERVOIR, WAIMANALO IRRIGATION SYSTEM, WAIMANALO, OAHU (SUBMITTAL WAS DISTRIBUTED AT BOARD MEETING)

ACTION Mr. Hong moved, seconded by Mr. Higashi, and the board unanimously approved to award the contract for the subject project to Jas. W. Glover, Ltd. for their low bid of \$124,010.00.

ITEM D-2 APPROVAL FOR AWARD OF CONTRACT - JOB NO. 3-9W-44, LEASING CRAWLER TRACTOR AND ACCESS ROAD REPAIR, MOLOKAI IRRIGATION SYSTEM, MOLOKAI (SUBMITTAL WAS DISTRIBUTED AT BOARD MEETING)

ACTION On Mr. Yagi's motion, seconded by Mr. Yamamoto, the board unanimously approved to award the contract for the subject project to Hirahara, Inc., for their low bid of \$34,550.00.

ITEM D-3 APPROVAL FOR AWARD OF CONTRACT - JOB NO. 2-HW-19, CRAWLER TRACTOR AND MATERIALS FOR REPAIRS TO THE UPPER HAMAKUA DITCH, WAIMEA IRRIGATION SYSTEM, WAIMEA, HAWAII (SUBMITTAL WAS DISTRIBUTED AT BOARD MEETING)

ACTION The board, on Mr. Higashi's motion and seconded by Mr. Hong, unanimously approved to award the contract for the subject project to Isemoto Contracting Co., Ltd. for their low bid of \$33,665.00.

ITEM D-4 APPROVAL FOR AWARD OF CONTRACT - JOB NO. 3-9W-41, REPLACEMENT OF EXISTING PUMP AT WAIKOLU WELL NO. 23, MOLOKAI IRRIGATION SYSTEM, MOLOKAI (SUBMITTAL WAS DISTRIBUTED AT BOARD MEETING)

ACTION The board, on Mr. Yagi's motion and seconded by Mr. Yamamoto, unanimously approved to award the contract for the subject project to Roscoe Moss Company for their low bid of \$113,340.00.

ITEM E-1 FILLING OF GENERAL LABORER I POSITION, ROVING CREW, OAHU PARK SECTION

ACTION The board, on Mr. Hong's motion, seconded by Mr. Yamamoto, unanimously approved the appointment of James D. Kalili to fill Position No. 32754, General Laborer I, assigned to the Roving Crew on Oahu.

ITEM E-2 CONCESSIONING OF CABIN AND SUPPORTING FACILITIES, ISLAND OF HAWAII

Mr. Hong thought this is an excellent idea and said if this works out on the Big Island, we should look towards other islands.

The board was informed that the total package will be brought back to the board for approval before the project is advertised.

ACTION Unanimously approved as submitted. (Hong/Higashi)

ITEM E-3 AWARD OF CONSTRUCTION CONTRACT - REPAVING KALALAU ROADWAY AND PARKING AREA, KOKEE STATE PARK, KAUAI (SUBMITTAL WAS DISTRIBUTED AT BOARD MEETING)

ACTION On Mr. Yamamoto's motion, seconded by Mr. Yagi, the board unanimously approved to award the construction contract with Additive Alternate to Hawaiian Bitumuls and Paving Company, Ltd. for their total bid of \$57,439.25.

ITEM E-4 AWARD OF CONSTRUCTION CONTRACT - REPAVING WAIANAPANAPA MAIN ROADWAY, WAIANAPANAPA STATE PARK, MAUI (SUBMITTAL WAS DISTRIBUTED AT BOARD MEETING)

ACTION On Mr. Yagi's motion, seconded by Mr. Yamamoto, the board unanimously approved to award the subject construction contract to the apparent low bidder, Grace Brothers, Ltd. for their bid of \$35,705.00.

ITEM E-5 ADDED APPROVAL TO ENGAGE THE SERVICES OF SEA TREK TO UNDERTAKE A PILOT EDUCATIONAL PROGRAM AT HEEIA STATE PARK

ACTION Unanimously approved as submitted. (Hong/Higashi)

ITEM F-1 DOCUMENTS FOR CONSIDERATION

HAWAII

Item F-1-a REVOCABLE PERMIT
WALTRAUD TANAKA - Teacher's cottage located on the former Kukuihaele School Lot, Kanahonua, Hamakua - for residence - \$110 per month

Item F-1-b MORTGAGES
BIGROCK ANTHURIUMS, INC., Mortgagor, to HAWAII PRODUCTION CREDIT ASSOCIATION, Mortgagee - Lot 17, Keonepoko Iki Farm Lot Subdivision (Pahoa Agricultural Park), Puna - General Lease No. S-4622

Item F-1-c SHOJI KAWAHARA and YOSHIE KAWAHARA, husband and wife, Mortgagors, to HAWAII PRODUCTION CREDIT ASSOCIATION, Mortgagee - Lot 11, Keahole Agricultural Park, Phase I, Kalaoa-Ooma, North Kona - General Lease No. S-4690 (The mortgage amount was corrected to read \$31,621.00.)

ACTION The board, on Mr. Higashi's motion and seconded by Mr. Yagi, unanimously approved Item F-1 as presented above.

ITEM F-2 SHIZUO UEDA APPLICATION TO LEASE LAND AT WAIAKEA, SOUTH HILO, HAWAII

ACTION Unanimously approved as submitted. (Higashi/Hong)

(See pages 2 and 3 for Items F-3 and F-4.)

ITEM F-5 U. S. ARMY CORPS OF ENGINEERS REQUEST FOR EXTENSION OF TIME WITHIN WHICH TO CONDUCT SURVEYS, WAIAKEA, S. HILO, HAWAII

ACTION Unanimously approved as submitted. (Higashi/Hong)

ITEM F-6 STAFF RECOMMENDATION FOR EXERCISE OF REPURCHASE OPTION, LOT 40, UNIVERSITY HEIGHTS, 3RD INCREMENT, WAIAKEA, SOUTH HILO, HAWAII

ACTION Unanimously approved as submitted. (Higashi/Hong)

ITEM F-7 RICHARD SMART REQUEST FOR EXTENSION OF TIME TO INSTALL REQUIRED IMPROVEMENTS, HAMAKUA AND SOUTH KOHALA, HAWAII

Mr. Herbert Yanamura explained that there were two parts to this request. The first involved General Lease Nos. S-4467, S-4468, S-4470 and S-4474. The request is for an extension of time for a period of one year in which to install the required improvements and also to claim credit. The second request involved three leases that are so small that it becomes very difficult to manage if the fences were installed. Mr. Smart is asking for permission not to put in the fence, and merely place the boundary markers which are now lacking. In accordance with the requirements of the leases, the lessee will install the fence towards the end of the lease term, which is some thirty years away, but will not be claiming any credit.

Mr. Ono asked whether we are changing the terms and conditions of the lease and whether we can change the conditions.

Mr. Detor said the board does have the right and read that section of the provision in the lease which stated that "notwithstanding any provision contained herein to the contrary, whereby applicable, the board may for good cause allow additional time beyond the time or times specified herein to the lessee in which to comply, observe and perform any of the terms, conditions and covenants contained herein."

Mr. Higashi said he would like to have the interpretation of what is reasonable. He said they are not talking about six months or a year. They are talking of twenty-five years of postponing the whole thing.

ACTION Mr. Higashi moved to approve Recommendations 1 and 2 and defer Recommendation 3, and the matter referred to the Attorney General's Office for an opinion. Mr. Yagi seconded and the motion was unanimously carried.

ITEM F-8 DHHL REQUEST FOR RETURN OF LAND AT WAIAKEA, S. HILO, HAWAII

ACTION Unanimously approved as submitted. (Higashi/Hong)

(See pages 9 to 11 for Item F-9.)

ITEM F-10 COUNTY OF MAUI REQUEST FOR QUITCLAIM OF ELEU PLACE AND LOTS
58-B THROUGH 58-E, WAIOHULI-KEOKEA, WAILUKU, MAUI

ACTION Unanimously approved as submitted. (Higashi/Yamamoto)

ITEM F-11 DHHL REQUEST FOR RETURN OF LAND TO ITS JURISDICTION, HOOLEHUA,
MOLOKAI

ACTION Unanimously approved as submitted. (Higashi/Hong)

ITEM F-12 CARLSMITH & DWYER REQUEST FOR RIGHT OF ENTRY TO IMPROVE RIGHT
OF WAY, HONOULIMALOO AND LUPEHU, MOLOKAI

ACTION Unanimously approved as submitted. (Yagi/Yamamoto)

ITEM F-13 BOARD OF WATER SUPPLY, CITY AND COUNTY OF HONOLULU, REQUEST
FOR EASEMENT FOR FIRE PROTECTION SYSTEM SERVING VARIOUS PUBLIC
SCHOOLS ON OAHU

ACTION Unanimously approved as submitted. (Hong/Yamamoto)

(See pages 3 and 4 for Item F-14.)

ITEM F-15 DOT REQUEST FOR APPROVAL OF RENEWAL OF LEASE FROM U. S. ARMY
COVERING USE OF DILLINGHAM AIRFIELD, MOKULEIA, OAHU

ACTION Unanimously approved as submitted. (Hong/Yamamoto)

ITEM F-16 DOH REQUEST FOR APPROVAL OF ISSUANCE OF REVOCABLE PERMIT (BY
DEPARTMENT OF HEALTH) COVERING OFFICE SPACE AT MALUHIA HOS-
PITAL, HONOLULU, OAHU

ACTION Unanimously approved as submitted. (Hong/Yagi)

ITEM F-17 DSSH REQUEST FOR APPROVAL MODIFICATION OF LEASE COVERING OFFICE
SPACE AT 770 KAPIOLANI BOULEVARD, HONOLULU, OAHU

ACTION Unanimously approved as submitted. (Hong/Yamamoto)

ITEM F-18 DLIR REQUEST FOR APPROVAL OF MODIFICATION OF LEASE COVERING
OFFICE SPACE IN THE CHARLES R. KENDALL BUILDING, HON., OAHU

ACTION Unanimously approved as submitted. (Hong/Yagi)

ITEM F-19 DOE REQUEST FOR APPROVAL OF EXTENSION OF LEASE COVERING THE
7TH, 8TH, 10TH, 11TH, AND 12TH FLOORS AND THE BASEMENT OF THE
QUEEN EMMA BUILDING, HONOLULU, OAHU

Mr. Hong was amazed that DOE is paying \$29,497.50 in rent.

Mr. Higashi said staff should seriously take an inventory or instruct the responsible agency to look into this area.

Mr. Detor said couple of years ago, DAGS did submit a complete list of all state agencies leasing office spaces from the private sector. He said all leases have to be cleared by DAGS.

Mr. Hong recalled one building in particular where each department seemed to be negotiating separately for separate spaces. He seriously felt that the state should get a substantial discount in rent or purchase the building. He asked whether we can ask someone from DAGS to appear before the board to discuss this matter.

Mr. Ono said either that or write to the State Comptroller.

Mr. Hong asked whether this has to be approved today. Mr. Detor said the current lease runs out on June 30.

ACTION Mr. Hong moved for approval, with reservations. Mr. Higashi seconded and the motion was unanimously carried.

ITEM F-20 DSSH REQUEST FOR APPROVAL OF RENEWAL OF LEASE COVERING OFFICE SPACE AT 3176 AKAHI STREET, LIHUE, KAUAI

ACTION Unanimously approved as submitted. (Yamamoto/Hong)

ITEM F-21 DSSH REQUEST FOR ACQUISITION OF LEASE COVERING OFFICE SPACE AT 69 AND 69A WAIANUENUE AVENUE, HILO, HAWAII

ACTION Unanimously approved as submitted. (Higashi/Hong)

ITEM F-22 DEPARTMENT OF REGULATORY AGENCIES REQUEST FOR APPROVAL OF OPERATING AND RIGHT-OF-ENTRY AGREEMENT, KEAUHOU, KAU, HAWAII

ACTION Unanimously approved as submitted. (Higashi/Hong)

ITEM F-23 RESUBMITTAL - STAFF RECOMMENDATION FOR EXERCISE OF REPURCHASE OPTION, LOT 29, HANAPEPE HEIGHTS, HANAPEPE, KAUAI

This matter was deferred at the last meeting.

The purchaser has been trying to get a loan but he has been unable to do so and the lot has been paid in full. Mr. Detor said legally we are unable to give the party any more extensions of time in which to satisfy the building requirement.

Mr. Detor said Deputy Attorney General Johnson Wong had suggested that because this particular lot was sold prior to the adoption of the amendment to the law which changed it to two years, the previous set of regulations would apply. However, the previous one was only for one year, so it makes it worse.

ACTION Unanimously approved as submitted. (Yamamoto/Higashi)

ITEM F-24 REQUEST TO ATTEND ANNUAL WESTERN STATES LAND COMMISSIONERS ASSOCIATION CONFERENCE AT AFTON, OKLAHOMA

ACTION Unanimously approved as submitted. (Hong/Higashi)

ITEM F-25 KAORU SUNADA REQUEST FOR DELETION OF RESERVATIONS IN LAND PATENT GRANT NO. S-13773, WAIAKEA, SOUTH HILO, HAWAII

ACTION Unanimously approved as amended to make action applicable to all of TMK 2-4-48, except for Parcel 1. (Higashi/Hong)

ITEM F-26 DOH REQUEST FOR ACQUISITION OF LEASE COVERING ROOMS 507 THROUGH 510, 460 ENA ROAD, HONOLULU, OAHU

ACTION Unanimously approved as submitted. (Hong/Yamamoto)

ITEM F-27 STAFF RECOMMENDATION TO CANCEL GENERAL LEASE NO. S-4452, WAI-KEA, SOUTH HILO, HAWAII

ACTION Unanimously approved as submitted. (Higashi/Hong)

ITEM F-28 REQUEST TO PLACE DWELLING STRUCTURE ON AREA COVERED UNDER REVOCABLE PERMIT NO. S-5544, WAIMANALO, OAHU

This was a request from the permittee who holds a permit covering two acres of land in Waimanalo for agriculture purposes. It abuts a property that he owns. What he would like to do is to relocate the present home that is on the fee simple property onto the state property so somebody will be there to watch the area. They realize that it is a month-to-month tenancy, and that it can be cancelled at any time. However, they are willing to take that change. The reason they are asking for this is they have been having loss and damage to crops through theft and vandalism.

ACTION Unanimously approved as submitted. (Hong/Yagi)

Mr. Ono had one concern on this request. He said once you put up a structure, it would be hard to remove it when you have to vacate the premises. He asked whether there is some way staff can work out a procedure to in time of vacating they would vacate. He asked the staff to look into this area.

Mr. Yagi said the chairman has the right to impose such conditions as set forth in Recommendation 2.

ITEM F-29 STAFF RECOMMENDATION FOR CANCELLATION OF REVOCABLE PERMIT NO. S-5604, WAILUA BEACH, WAILUA, KAUAI

ACTION Mr. Yamamoto asked to defer this matter until the next Kauai meeting. There was no objection by the board.

(See page 5 for Added Item F-30.)

(See pages 5 and 6 for Item H-1; pages 7 to 9 for Items H-2 and H-3; pages 6 and 7 for Item H-4.)

ADDED
ITEM H-5 FILLING OF POSITION NO. 26434, PLANNER III, PLANNING OFFICE

ACTION On Mr. Hong's motion, seconded by Mr. Higashi, the board unanimously approved the appointment of Ms. Sherrie Samuels to fill Position No. 26434, Planner III, effective July 6, 1981.

ITEM J-1 AMENDMENT OF UNNUMBERED LICENSE DATED JUNE 10, 1947, PIER 1, HILO HARBOR, HAWAII (MATSON NAVIGATION CO. AND HILO TRANSPORTATION AND TERMINAL CO. - SUBLICENSEE)

ACTION Unanimously approved as submitted. (Higashi/Hong)

ITEM J-2 ISSUANCE OF REVOCABLE PERMIT, HARBORS DIVISION, NEAR PIER 19,
HONOLULU, OAHU (DIVERSIFIED DISTRIBUTORS)

ACTION Unanimously approved as submitted. (Hong/Yamamoto)

ITEM J-3 RESUBMITTAL - ISSUANCE OF REVOCABLE PERMIT, HARBORS DIVISION,
NAWILIWILI HARBOR, KAUAI (AMERICAN PACIFIC INDUSTRIAL LEASING,
INC.)

ACTION Unanimously approved as submitted. (Yamamoto/Yagi)

ITEM J-4 REQUEST FOR APPROVAL OF ISSUANCE OF REVOCABLE PERMIT NO. 81-677,
HIGHWAYS DIVISION, ALONG NIMITZ HIGHWAY, OAHU (DEPARTMENT OF
EDUCATION)

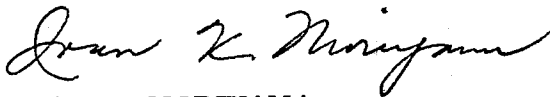
ACTION Unanimously approved as submitted. (Hong/Yamamoto)

(See page 9 for Item J-5.)

Mr. Garcia had one other matter. He was responding to Mr. Higashi's inquiry at the last board meeting. This was regarding a revocable permit that was issued to Thomas Lodge, whether he was conducting his insurance business from that office. Mr. Garcia said the DOT staff on the Big Island inspected the site and found that there was no commercial activity going on and no telephone. All they found were aircraft parts, tools, etc.

ADJOURNMENT: There was no further business and the meeting was adjourned at 12:20 P. M.

Respectfully submitted,



JOAN K. MORIYAMA
Secretary

APPROVED



SUSUMU ONO
Chairman

jkm