

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

DATE: November 6, 1981
TIME: 9:00 A. M.
PLACE: DLNR Board Room
Kalanimoku Building
Honolulu, Hawaii

ROLL
CALL

Chairman Susumu Ono called the meeting of the Board of Land and Natural Resources to order at 9:05 A. M. The following were in attendance:

MEMBERS Mr. Stanley W. Hong
Mr. Takeo Yamamoto
Mr. Roland Higashi
Mr. Thomas Yagi
Mr. Susumu Ono

Absent & Excused
Mr. J. Douglas Ing

STAFF Mr. James Detor
Mr. Roger Evans
Mr. Kenji Ego
Mr. Libert Landgraf
Mr. Melvin Young
Mr. John Corbin
Mr. Roy Sue
Mr. Alfred Carvalho
Mr. Isamu Kano
Mr. Julio Velles
Mr. Ronald Kama
Ms. Rhodie Masusako
Mrs. LaVerne Tirrell

OTHERS Ms. Dona Hanaike, Deputy Atty. General
Mr. Peter Garcia, DOT
Mrs. Margaret Young (Item E-4)
Mrs. Winona Reuben (Item E-6)
Mr. Hiram Fong, Jr. (Item J-13)

SERVICE
AWARDS

Service Awards were presented to the following employees:

10 Years

Alfred Carvalho	Division of State Parks
Isamu Kano	" " " "
Julio Velles	" " " "
Rhodie Masusako	Division of Aquatic Resources

20 Years

Ronald Kama	Division of Conservation & Resource Enforcement
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MINUTES

Mr. Ono asked that page 15 under Item H-2, last line of the third paragraph be corrected by changing the word "nonconforming" to "conforming".

ACTION

Mr. Hong moved for approval of the minutes with the above amendment.
Mr. Yagi seconded and motion carried unanimously.

ADDED
ITEMS

Upon motion by Mr. Hong and a second by Mr. Yagi, the board unanimously approved the addition of the following items to the agenda:

Aquatic Resources

Item B-2 -- Request for Out-of-State Travel to Washington, D.C. by Kenji Ego to Participate in Meetings with Federal Officials.

Land Management

Item F-23 -- Extension of Cure of Default Period - General Lease No. S-4651, Kapaa, Kauai (Bernard K. Duarte).

Item F-24 -- DLIR Request for Lease of Office Space, Wailuku, Maui.

The board deviated from the printed agenda to accommodate those in the audience and took up the items in the following order:

APPROVAL OF MANAGEMENT AGREEMENT WITH MAKIKI ENVIRONMENTAL EDUCATION CENTER, INC. TO CONDUCT A PROGRAM IN MAKIKI-TANTALUS STATE RECREATION AREA, OAHU.

ITEM E-4

ACTION

Unanimously approved as submitted, subject to the approval of the Agreement by the Office of the Attorney General. (Hong/Yagi)

ITEM E-6

KAHANA STATE PARK PROGRAM ADVISORY COMMITTEE REPORT.

Rather than vote to "accept" the report, Mr. Hong preferred that, instead, the Board just "receive" the report for filing and reading.

ACTION

Mr. Hong moved to:

1. Receive, for filing and reading, the report of the Kahana State Park Program Advisory Committee;
2. Direct staff to prepare a submittal for the December 18, 1981 Board meeting for the establishment of a Kahana Valley Advisory Board generally as proposed in the Kahana Valley State Park Environmental Impact Statement. This Advisory Board would be required to consider the contents of the Program Advisory Committee's report and the Staff Analysis. A major consideration of the Advisory Board will be to address the feasibility of the living park concept.
3. Direct staff to expedite analysis of waterbird habitat of Huilua Fishpond relative to its planned reconstruction and to institute preparation of appropriate reconstruction plans.

Before taking action on this item, Mr. Ono asked if anyone in the group wished to make any statements.

Mrs. Winona Reuben, a member of the committee, expressed her appreciation to the board for having being involved in the process of the preliminary planning. Mrs. Reuben said that the committee very strongly recommends that action be taken by the board to initiate as many of the recommendations made by the committee as possible, starting with the constituting of the advisory board which will work with the DLNR in implementing the details of the program that will finally put into practice the "living park" concept that so long has been waiting implementation.

Mr. Hong commended, on behalf of the board, the members of the committee for putting in many long hours and doing such a tremendous job in preparing the report.

Mr. Ono asked Mrs. Reuben if she saw any problem with staff's submittal for the December 18, 1981 Board meeting for the establishment of a Kahana Valley Advisory Board.

Mrs. Reuben said the sooner the better.

Mr. Yagi seconded and motion carried unanimously.

ITEM F-22

STAFF RECOMMENDATION FOR DISPOSITION OF ST. AUGUSTINE SCHOOL PROPERTY, WAIKIKI, HONOLULU, OAHU.

Possession and use of the St. Augustine school property was acquired from the Roman Catholic Bishop of Honolulu under an Agreement of Sale dated October 29, 1981.

This request for permit is intended to provide formal use coverage until the Agreement of Sale is satisfied and title is passed on to the State.

In answer to Mr. Hong's question, Mr. Detor said that the applicant, Waikiki Community Center, an Aloha United Way Agency, will be responsible for the upkeep of the building.

ACTION

Mr. Hong moved for approval for issuance of a Revocable Permit to the Waikiki Community Center covering the former St. Augustine school site and all improvements located thereon, subject to the terms and conditions listed in the submittal. Mr. Yamamoto seconded and motion carried unanimously.

ITEM J-13

APPROVAL OF CONSENT TO SUBLEASE PORTION OF THE PREMISES OF LEASE NO. H-71-7 BY EMPOUC, INC., OCEANIA FLOATING RESTAURANT, PIER 6, HONOLULU HARBOR, OAHU.

The premises are located at Pier 6, Honolulu Harbor and contains an area of 38,893 sq. ft., of which 31,013 sq. ft. is submerged land. The term of the lease is 35 years commencing February 16, 1972 to February 15, 2007.

The Lessee is currently paying the State \$90,000 minimum annual guarantee plus percentage rental as listed in the submittal.

The Lessee is permitted to use the premises for the operation of a floating ship restaurant and rental is to be renegotiated prior to February 16, 1982 for the five-year period February 16, 1982 to February 15, 1987.

The DOT has no objections to the use indicated in the subleases, which documents are in process of being submitted to the Attorney General's Office for review and approval.

The Lessee purchased the Oceania for \$1,250,000. Improvements and renovations on the premises will total \$450,000. The Lessee has estimated an annual income of \$600,000 from the subleases. However, after allowing expenses for depreciation, advertising, maintenance cost and interest which amount to \$720,497 per year, a loss of \$120,497 is reflected.

Mr. Garcia said that staff is recommending that the Board approve the Consent to Sublease, subject to the review of the rental payment under the master lease and any adjustment thereof to be submitted to the Board for its approval.

Mr. Fong, representing Empouc, Inc. does not feel that these should be called subleases. But, said Mr. Garcia, DOT and their attorneys feel that these are subleases. Nevertheless, Mr. Fong has asked that DOT sign a Memorandum of Understanding stating that his position is that these subleases may not be subleases. DOT, however, has not signed this Memorandum.

In answer to Mr. Yagi's question, Mr. Garcia said that he tried to understand Mr. Fong's rationale for not considering these as subleases, but he is unable to understand why. Since Mr. Fong was at the meeting, Mr. Garcia felt that maybe he could explain it himself.

Basically, said Mr. Fong, inasmuch as the lease affects only the land and the water and not the floating restaurant, which I own, I feel that any area leased on the ship is not a sublease. Also, regarding the Letter of Understanding, what I am requesting is that I not be held to a position that these are subleases.

Mr. Ono said that the request from the DOT to the Board is to approve the Consents to Sublease. As far as the interpretation, of whether its a lease or sublease, this will have to be worked out between DOT and Mr. Fong.

ACTION

Mr. Hong moved for approval of the Consent to Sublease, subject to the review of the rental payment under the master lease and any adjustment thereof to be submitted to the Board for approval. Mr. Yagi seconded and motion carried unanimously.

ITEM H-2

CDUA FOR MICROWAVE TOWER IMPROVEMENT USE AT KULANI, KAU, HAWAII.

Mr. Evans said that there was a hearing on this matter on the Big Island and, at that time, there was concern by the Board as to whether or not Hawaiian Telephone was going to grade the existing road. What staff did, as a result of that concern, was go back to the applicant and ask them just exactly what their plans were.

Hawaiian Telephone did respond in writing that they did not expect to grade the road. What they did expect to do is that when they did go in to use it as an access road that if repairs were needed to keep it in its original shape they would be making those repairs. Considering their answer, and comments received from others, staff did recommend approval subject to their standard conditions.

What our concern is, said Mr. Higashi, is that the area is cleaned up and repaired if necessary, when the work is done.

Accordingly, Mr. Evans said that a new Condition (no. 7) would be added stating that the area should be cleaned up to the satisfaction of the department upon completion of the work.

ACTION

Mr. Higashi moved for approval as submitted and as amended. Mr. Yamamoto seconded and motion carried unanimously.

ITEM B-1

REQUEST FOR APPROVAL TO HOLD PUBLIC MEETINGS ON PROPOSED RULE GOVERNING THE USE OF FISH AGGREGATING DEVICES (FADS) AND ON THE PROPOSED INSTALLATION OF ADDITIONAL FADS IN HAWAIIAN WATERS, AND TO HOLD PUBLIC HEARING ON THE ADMINISTRATIVE RULE.

ACTION

Unanimously approved as submitted. (Hong/Yagi)

ADDED
ITEM B-2

REQUEST FOR OUT-OF-STATE TRAVEL TO WASHINGTON, D.C. BY KENJI EGO TO PARTICIPATE IN MEETING WITH FEDERAL OFFICIALS.

Pursuant to the Magnuson Fishery Conservation and Management Act, the Western Pacific Fishery Management Council has been preparing a management plan for the spiny lobster fishery of the Northwestern Hawaiian Islands. In the formulation of the plan, certain issues of disagreement between the Council and the National Marine Fisheries Service (NMFS) have arisen relating to the inclusion within the plan of special "emergency protective measures" with respect to endangered species.

To thoroughly air the matter with high Federal officials, and in hopes of resolving the difference, the Council is sending a delegation to Washington, D.C. and, in addition, said Mr. Ego, have asked me to participate in the discussion to present the State's viewpoint and position.

The present schedule involves departure for Washington, D.C. on Sunday, November 22, 1981 and return to Hawaii on Tuesday, November 24, 1981.

ACTION

Unanimously approved as submitted. (Higashi/Yamamoto)

ITEM C-1

APPROVAL OF COOPERATIVE WILDLIFE HABITAT PROTECTION AGREEMENT BETWEEN THE U.S. DEPARTMENT OF THE INTERIOR AND THE STATE OF HAWAII FOR OPAEULA POND, ISLAND OF HAWAII.

ITEM C-2

RENEWAL OF COOPERATIVE WILDLIFE MANAGEMENT AGREEMENT WITH KEKAHA SUGAR CO., LTD., KEKAHA, KAUAI.

Mr. Landgraf asked the Board's permission to withdraw both Items C-1 and C-2 for the reason that copies of the Cooperative Agreements were not attached to the submittals for the Board's review and he preferred that the Board have the opportunity to review said agreements before taking any action.

Mr. Ono said that this matter could be handled in one of two ways:

1. Wait for the agreements to be given to the Board for review; or
2. Have Mr. Landgraf brief the Board on the highlights of the Agreements, which information may be sufficient enough for the board to take action.

In answer to Mr. Yamamoto's question, Mr. Landgraf said that there was no rush insofar as Item C-1 (Opaeuia Pond) was concerned. However, in the case of Item C-2 (Kekaha Sugar Company), the hunting season for the Kekaha Game Management Area is just about ready to start and the Kekaha Sugar Co. and DLNR have mutually agreed that they are prepared to go ahead with the hunting even though the formal documents may not be completed. However, said Mr. Landgraf, to make things proper, it would be better if the documents could be completed before the season starts. The Cooperative Agreement with Kekaha Sugar Company, said Mr. Landgraf, has already been reviewed by the Attorney General's Office but staff did not have time to get the necessary copies to the Board before this morning's meeting. This Agreement, if approved, is to be co-terminus with Kekaha Sugar Company's G. L. No. S-4222, which expires on December 31, 1993.

ACTION

Mr. Yagi moved for approval of both Items C-1 and C-2 as submitted.

Before taking a vote on this matter, Mr. Ono suggested that Kekaha Sugar Company be acknowledged for the fine cooperation extended DLNR.

Mr. Landgraf said that he would draft a letter accordingly.

Mr. Yamamoto seconded and motion carried unanimously.

ITEM E-1

PERMISSION TO ADVERTISE FOR BIDS, JOB NO. 36-MP-25, COMFORT STATION AND PARKING, PUA A KAA, HANA ROAD WAYSIDE, NAHIKU, MAUI.

The new comfort station with water system will replace the existing facilities which do not meet health standards. Construction cost for the project are estimated at \$140,000.00.

ACTION

Unanimously approved as submitted subject to approval by the Governor. (Yagi/Yamamoto)

ITEM E-2

PERMISSION TO ADVERTISE FOR BIDS, JOB NO. 30-KP-38, ASPHALT CONCRETE PAVING, OPAEKAA LOOKOUT, WAILUA RIVER STATE PARK, WAILUA, KAUAI.

The existing Opaekaa Falls Lookout Park area is not designed to handle the buses that frequent the Lookout. The walkway to Wailua River Lookout is also non-existent and require paving to allow visitors to walk without stumbling or going through puddles of water. Cost for this project is estimated at \$30,000.00.

ACTION

Unanimously approved as submitted subject to approval by the Governor. (Yamamoto/Yagi)

ITEM E-3

PERMISSION TO ADVERTISE FOR BIDS, JOB NO. 57-HP-16, GATES FOR CANOE SHED, WAILOA RIVER STATE PARK, HILO, HAWAII.

The project consists of the installation of three new 24-foot wide gates for the canoe shed which is utilized as a storage facility for park equipment. A 30-inch wide security screen will also be added along the top of the shed walls. Construction is estimated at \$16,000.

ACTION

Unanimously approved as submitted subject to approval by the Governor. (Yagi/Yamamoto)

ITEM E-4

APPROVAL OF MANAGEMENT AGREEMENT WITH MAKIKI ENVIRONMENTAL EDUCATION CENTER, INC. TO CONDUCT A PROGRAM IN MAKIKI-TANTALUS STATE RECREATION AREA, OAHU.

(See Page 2 for Action)

ITEM E-5

REQUEST FOR A PERMIT FOR A SPECIAL USE OF HEEIA STATE PARK FACILITIES, OAHU.

ACTION

It was moved by Mr. Yagi that the board:

1. Permit Mr. Louis Balasanos to use the Visitors Center Building on December 19, 1981 for private wedding reception purposes to include use and possession of alcoholic beverages.
2. Grant permission on the attached Special Permit form as executed by the Chairman and agreed to by the permittee.
3. Authorize the Chairman to grant permission for special use of the Visitor's Center Building including use and possession of alcoholic beverages, as the Board's authorized representative in future applications. This authorization is limited to non-profit uses.
4. Authorize the Chairman to designate a weekend each month to be set aside for use of the Visitor's Center Building for permitted programs open to the general public.

Before taking a vote on this item, Mr. Ono said that it had been called to his attention that there may be some safety problems relating to the area and, before we start renting out the facilities we should make sure that these hazards are taken care of. Also, said Mr. Ono, as recommended earlier, I would like to see the area used more for general public use rather than have it booked every weekend for private parties.

Mr. Yamamoto seconded and motion carried unanimously.

ITEM E-6

KAHANA STATE PARK PROGRAM ADVISORY COMMITTEE REPORT, OAHU.

(See Page 2 for Action)

ORAL

Mr. Hong had two items of concern:

1. Industrial-Zoned Land Along Nimitz Highway Next to Hart Street, Oahu

Mr. Hong said that he understood that State Parks had moved into the subject property without any authority, at least to his knowledge and he hoped that this property, which is vital and key industrial zoned property, will eventually be put up for some bid process. The area, said Mr. Hong, is quite large and there have been many inquiries to have the area put up for auction.

Mr. Sue said that State Parks is presently using the building to store archaeological artifacts.

In answer to Mr. Hong's question, Mr. Detor said that if DLNR is going to put the area up for lease it would be best to put the whole parcel up, which totals about two acres. The immediate problem, however, would be to cancel the permits inasmuch as there are presently about 4 or 5 apartments involved and we would have to get the tenants out.

Mr. Hong asked that some kind of proposal in that direction be made to the board by the next board meeting, or as soon thereafter as possible.

2. Cemetery Site at Diamond Head

Mr. Hong said that he had read where the VA and/or Senator Matsunaga have been eyeing Diamond Head as a possible cemetery site and asked if staff had received any communication regarding this matter.

Mr. Ono said that no formal request was ever received.

ITEM F-1

DOCUMENTS FOR CONSIDERATION

Item F-1-a

MANA RANCH COMPANY, LTD. Request for Consent to Issue Licenses for Use of Easement Covered by G.L. S-4679, Puukapu, Waimea, So. Kohala, Hawaii.

Mr. Detor asked that the tax map key listed under LOCATION be corrected to read: TMK 6-4-05: easement parcels 1 & 2 instead of 6-4-05: 1 & 2.

Item F-1-b

ROYAL RAINBOW RENT-A-CAR Application for Revocable Permit, Covering Tract D-2, Palaaau & Hoolehua, Molokai - \$235.50 monthly rental.

Royal Rainbow Rent-A-Car has applied for a revocable permit covering an area which is currently encumbered by Revocable Permit No. S-5515 to Inter Island Resorts, dba Islander U-Drive, Inc. The present permittee wishes to terminate R.P. S-5515 as of October 31, 1981.

Improvements on the area will be sold by Inter-Island Resorts to Royal Rainbow Rent-A-Car for the sum of \$36,000 under a Bill of Sale currently being negotiated by the respective parties.

Once a permit is cancelled, said Mr. Ono, isn't the present permittee supposed to take out all improvements, otherwise it reverts back to the State?

It can be sold with the Board's approval, said Mr. Detor.

Yes, said Mr. Ono, but isn't that an odd arrangement where the second permittee pays off the first permittee, who gets the benefit of that sale? After all, the permittee did understand that his tenancy was only for 30-days at a time. I am concerned that permittees are able to sell improvements and the State gets no compensation.

Mr. Ono asked that this item be deferred for further study.

Item F-1-c NORONA, INC. request for consent to Assign G.L. No. S-4201 Covering Lot 5 of the Hilo Industrial Development, Pohaku Street Section, Waiakea, So. Hilo, Hawaii.

Item F-1-d GARDEN ISLAND REPEATER ASSOCIATION request for Revocable Permit Covering Radio Repeater Site at Mt. Kahili, Koloa, Kauai - \$10.00 Monthly Rental.

Item F-1-e GASPRO, LTD. Request for Consent to Assign G.L. No. 3168 Covering Lot 35, Ocean View Lease Lots, Waiakea, So. Hilo, Hawaii.

ACTION Mr. Higashi moved for approval of Items F-1-a, F-1 c, F-1-d and F-1-e as submitted and as amended. Mr. Yamamoto seconded and motion carried unanimously.

Item F-1-b was deferred for further study.

ITEM F-2 WILLIAM DEBERNARDI, JR. REQUEST FOR RIGHT OF ENTRY TO OLD GOVERNMENT ROAD AT HONOKUA, SO. KONA, HAWAII.

The applicant's property, previously subdivided into seven lots, is being consolidated and resubdivided into the same number of lots with different configurations. As such, access to the subdivision does not have to be improved to County of Hawaii standards. The County, however, has instructed the applicant to obtain approval from the DLNR to utilize the old Government Road.

ACTION The Board, upon motion by Mr. Higashi and a second by Mr. Yagi, unanimously authorized the issuance of a right of entry to the applicant to the road in question, subject to the conditions listed in the submittal and any other terms and conditions as may be prescribed by the Chairman.

ITEM F-3 KOHALA CORPORATION REQUEST FOR ACCEPTANCE OF SURRENDER OF G.L. NO. S-4000, KOKOIKI, NO. KOHALA, HAWAII.

Kohala Corporation, successor to the interests of Kohala Sugar Company, has requested that it be permitted to surrender their lease inasmuch as the easement covered by the lease is no longer needed by the Corporation due to the closing of Kohala Sugar Company operations back in 1975.

ACTION The Board unanimously approved the surrender of G.L. No. S-4000 and authorized cancellation of same effective October 18, 1981. (Higashi/Yamamoto)

ITEM F-4

EVELYN HASHIZAKI REQUEST FOR EXTENSION OF TIME WITHIN WHICH TO SATISFY BUILDING REQUIREMENT, LOT 1, KURTISTOWN HOUSELOTS, OLAA, PUNA, HAWAII.

By letter dated October 5, 1981, Ms. Hashizaki has stated that Contractor Takeyuki Miyamura began work in July of 1981 and has constructed the foundation, floor, and a portion of the walls. Also, that the driveway was also completed.

Accordingly, said Mr. Detor, a fourth six-month extension of the building requirement as allowed by Chapter 171-48, HRS should afford Ms. Hashizaki the needed time to complete construction of her house.

ACTION

The Board unanimously granted Ms. Evelyn H. Hashizaki a fourth and final six-month extension of the building deadline requirement in accordance with Chapter 171-48, HRS. This extension is for the period October 6, 1981 to April 5, 1982. (Higashi/Yamamoto)

ITEM F-5

DAVIES HAMAKUA SUGAR COMPANY APPLICATION TO LEASE THE HONOKAIA MAUKA TRACT, HAMAKUA, HAWAII.

The land was formerly encumbered by G.L. No. 3273, held by Hamakua Sugar Company. Since the lease's holdover expired on March 2, 1971, the plantation has continued to cultivate sugar cane under Revocable Permit No. S-4685.

ACTION

Finding 1) the area in question to be an economic unit in terms of the use to which the area will be put; 2) it is impractical to exclude the waste areas and accordingly authorize inclusion of the same in the lease; and 3) that hunting is not feasible and will not become so during the term of the lease, Mr. Yagi moved to authorize the sale of a lease at public auction covering the subject area under the terms and conditions listed in the submittal and such other terms and conditions as may be prescribed by the Chairman. Mr. Yamamoto seconded and motion carried. Mr. Hong abstained from voting on this item.

ITEM F-6

COUNTY OF HAWAII REQUEST FOR ADDITIONAL LAND FOR LANDFILL, WAIAKEA, SO. HILO, HAWAII.

ACTION

The Board unanimously approved the issuance of a Direct Lease of the referenced 60 acres, more or less, to the County of Hawaii, Department of Public Works for sanitary landfill purposes, for a term of twenty years, subject to the terms and conditions listed in the submittal and, pending issuance of the direct lease, also granted a right of entry to the applicant for survey work, subject to the standard indemnity and hold-harmless clause. (Higashi/Yamamoto)

ITEM F-7

HAWAII ELECTRIC LIGHT COMPANY, INC. APPLICATION FOR ELECTRIC TRANSMISSION LINE EASEMENT, HONOKAA, HAMAKUA, HAWAII.

According to HELCO, the easement in question is needed to implement an agreement with the Davies Hamakua Sugar Company for purchase of additional biomass converted power. This will be transmitted from the Honokaa Mill to HELCO's Honokaa Switching Station. A pole line is needed to do this so what they would like to do is get a pole line easement from the State which would be used to serve this connection between the plantation where they produce this energy to the electric company.

Mr. Yagi moved for approval with a second by Mr. Yamamoto.

Mr. Higashi asked if there was any kind of agreement insofar as rates are concerned.

Mr. Detor did not have an answer.

Mr. Higashi said that he did not want to vote on this item until more information was received, specifically relating to the contract between the sugar company and HELCO.

ACTION

Mr. Higashi asked that this item be deferred until the next meeting in Kona at which time staff would supply the board with the information required. Accordingly, this item was deferred with approval from the Board and Messrs. Yagi and Yamamoto rescinded their earlier motion and second, respectively.

ITEM F-8

ANNETTE KAIDE REQUEST FOR DELETION OF ROAD RESERVATION CONTAINED IN GRANT NO. 4468 COVERING LOT 12, WAIPUNALEI HOMESTEADS, NO. HILO, HAWAII.

ACTION

Finding that the disposition of the road reserved in Land Patent Grant No. 4468 is not prejudicial to the best interest of the State of Hawaii, community or area in which the land is located, the Board, upon motion by Mr. Higashi and a second by Mr. Yamamoto, unanimously voted to authorize publication of the required notice of intended disposition and, pursuant to Section 171-57, HRS, authorized the deletion of the road reservation contained in Land Patent Grant No. 4468 and the issuance of appropriate documents for same subject to the terms and conditions listed in the submittal and any other terms and conditions as may be prescribed by the Chairman.

ITEM F-9

STAFF REQUEST FOR AUTHORIZATION TO CANCEL G.L. NO. S-4471, KAOHE III, HAMAKUA, HAWAII.

This lease was sold to Theresa B. Lau on August 28, 1976 for the bid rental of \$17,500 per annum. The term of the lease is for 35 years commencing on March 1, 1976 and expiring on February 28, 2011.

From the onset of the lease term, rental payments have been made late, resulting in the issuance of three Notices of Default. The third notice, dated July 31, 1981 and received by Valerie Lau on August 17, 1981, gave the lessee till October 15, 1981 to make full payment of delinquent rentals. As of October 20, 1981, the lessee made no attempt to make full or partial payment, and the account remains delinquent in the amount of \$37,000 covering the period September 1, 1979 through November 30, 1981.

Accordingly, staff's recommendation was to cancel the lease.

However, said Mr. Detor a memo dated November 5, 1981 (which was yesterday) was received from Len Bautista stating that he had received a call from Mrs. Valerie Lau, daughter of the lessee, requesting a two-week extension in which to make full payment of delinquent lease rentals, which amounts to \$37,000. According to Mrs. Lau, a check for \$4,375.00 was sent during the week of October 26-30 and yesterday, which was November 4th, another check for \$30,000 was mailed. To date, Mrs. Lau has calculated that she will be approximately \$4000 shy of making payment by November 6, which is today. They expect to ship their cattle on November 16 and with the money received expect to make up the shortage.

What she is really asking for is deferment to the next board meeting at which time they will be fully caught up. However, said Detor, we have not received either check to date.

ACTION

Mr. Higashi moved to authorize the Chairman to cancel G.L. No. S-4471, subject to the conditions listed in the submittal, if the two checks mentioned above are not received by the end of the working day on November 13, 1981. Also, the full balance is to be paid before the Board's next meeting on November 20, 1981, which will be held in Kona. Mr. Yagi seconded and motion carried unanimously.

ITEM F-10

ELIZA NAKOOKA REQUEST FOR PERMISSION TO CONSTRUCT NEW DWELLING ON LAND COVERED BY HOMESTEAD LEASE NO. 46, WAIOHULI-KEOKEA, KULA, MAUI.

ACTION

The Board unanimously approved Mrs. Eliza Nakooka's request to construct a new single-family dwelling on the premises in question subject to the Homesteader's continued compliance with all terms and conditions governing Homestead Lease No. 46 and subject to other terms and conditions as may be prescribed by the Chairman. (Yagi/Yamamoto)

ITEM F-11

SHICHIRO NAKAMURA APPLICATION TO PURCHASE HIGHWAY REMNANT K-31-A OF THE LUNALILO FREEWAY, FAP I-H1-1(23), PELE ST. TO KEEAUMOKU ST., HONOLULU, OAHU.

ACTION

Finding the subject parcel as unsuitable for development as a separate unit because of its size and shape and is a remnant by definition, the Board, upon motion by Mr. Hong and a second by Mr. Yagi, unanimously approved the direct sale of the subject remnant under the terms and conditions listed in the submittal and any other terms and conditions as may be prescribed by the Chairman.

ITEM F-12

STAFF RECOMMENDATION FOR RENEWAL OF LEASE FROM THE U.S. ARMY COVERING PORTION OF THE WAIANAE-KAI MILITARY RESERVATION, WAIANAE, OAHU.

ACTION

The lease provides for the use of Buildings T38 and T39 on a 4-acre site of the Army reservation by the Honolulu Community Action Program, which includes various Waianae community service oriented activities. The subject Army lease to the State of Hawaii will be expiring on December 31, 1981.

The Board unanimously authorized the department to obtain a renewal of the subject lease for an additional 5-year term beginning January 1, 1982 under the same terms and conditions of the use. (Hong/Yagi)

ITEM F-13

MILDRED LUM APPLICATION TO PURCHASE REMNANT PARCEL R-4 OF THE PALI HIGHWAY, FAP NO. BU-061-1(7), KUAKINI ST. TO COELHO WAY, HONOLULU, OAHU.

ACTION

Finding the subject parcel as unsuitable for development as a separate unit because of its size and shape and is a remnant by definition, the Board, upon motion by Mr. Hong and a second by Mr. Yagi, unanimously approved the direct sale of the subject remnant under the terms and conditions listed in the submittal and any other terms and conditions deemed necessary by the Chairman. (Hong/Yagi)

ITEM F-14

MARK DEVELOPMENT, INC. REQUEST FOR AMENDMENT OF PREVIOUS BOARD ACTION (9/11/81, AGENDA ITEM F-10) AUTHORIZING ISSUANCE OF LAND LICENSE, KEKAHA, KAUAI.

At its meeting of September 11, 1981, the Board authorized Mark Development, Inc. to remove 2349 cubic yards of additional sand from Kekaha Sugar Company's borrow site at Mana.

Mr. Watase, however, has informed DLNR that the 2349 cubic yards of sand is inadequate to meet the requirements and, therefore, has revised his request to ask instead for 8000 cubic yards of sand, which is a quantity deemed adequate to fill his needs.

ITEM F-15

MICHAEL J. K. CHING REQUEST FOR EXTENSION OF TIME WITHIN WHICH TO CURE DEFAULT, G.L. NO. S-4649, LAWAI, KAUAI.

Mr. Ching has had difficulty making his payments and has asked for additional time to cure his default. Staff feels that he is making a sincere effort in this direction.

Mr. Detor asked that the date listed under Recommendation A be corrected from October 5, 1981 to October 15, 1981.

ACTION

Upon motion by Mr. Yamamoto and a second by Mr. Hong, the Board unanimously voted to:

- A. Extend the cure of default period established in connection with G.L. NO. S-3649 from October 15, 1981 to November 30, 1981 with the understanding that the lessee shall pay all back rents due in full up to November 30, 1981, by the new deadline date.
- B. In the event the lessee fails to comply with Paragraph A. above, authorize the following:
 1. Cancellation of G.L. No. S-3649 effective December 1, 1981.
 2. Retention of all sums heretofore paid under G.L. No. S-3649 as liquidated damages.
 3. Demanding the payment of \$1,500.00 from Messrs. Francis W. Ching and Hallett H. Hammatt who are "sureties" under the Surety Bond dated March 27, 1981 by and between Michael J. K. Ching and Dorothy K. Ching and said gentlemen, which serves as security in lieu of the performance bond requirement contained in Paragraph 29 of said general lease.
 4. Request the State Attorney General and/or Coulters Collection Agency to collect all monies due the State of Hawaii under General Lease No. S-3649.

ITEM F-16

DEPARTMENT OF HEALTH REQUEST FOR ACQUISITION OF LEASE COVERING SUITE 308 OF THE HONOLULU FEDERAL SAVINGS & LOAN BUILDING, WAIPAHU, OAHU.

This request is for use of approximately 515.3 square feet of office space for the "Early Periodic Screening, Diagnosis and Treatment Services Program" at a monthly rental of \$474.08 commencing July 1980 and running through June 30, 1983.

ACTION

Unanimously approved as submitted subject to the review and approval of the lease agreement by the Office of the Attorney General. (Hong/Yamamoto)

ITEM F-17

DEPARTMENT OF HEALTH REQUEST FOR LEASE OF OFFICE SPACE AT 460 ENA ROAD, HONOLULU, OAHU.

This request is for use of approximately 1400 square feet of office space for the Waikiki Mental Health Clinic at a monthly rental of \$1,500.00 commencing November 1, 1981 and running through October 31, 1982.

ITEM F-18

OEQC (DEPARTMENT OF HEALTH) REQUEST FOR LEASE OF OFFICE SPACE IN TANI BUILDING, HONOLULU, OAHU.

This request is for use of 1900 square feet of office space for the Office of Environmental Quality Control at a monthly rental of \$1,235.00 commencing July 1, 1981 through June 30, 1982.

ACTION

Mr. Hong moved for approval of Items F-17 and F-18 as submitted, subject to the review and approval of the lease agreements by the Office of the Attorney General. Mr. Yagi seconded and motion carried unanimously.

With respect to Item F-17, Mr. Ono asked Mr. Detor to see if the DOH would be interested in moving the Mental Health Clinic into the St. Augustine Church building when same is ready for occupancy.

ITEM F-19

DEPARTMENT OF HEALTH REQUEST FOR LEASE OF OFFICE SPACE COVERING PORTION OF VETERAN'S ANNEX BUILDING, LIHUE, KAUAI.

This request is for use of 800 sq. ft. of office space for the Children's Mental Health Team at a rental rate of \$416.00 per month from October 1, 1981 to December 31, 1981 and \$457.60 per month from January 1, 1982 to December 31, 1982.

ACTION

Unanimously approved as submitted subject to the review and approval of the lease agreement by the Office of the Attorney General.

ITEM F-20

STAFF RECOMMENDATION TO ACCEPT DEDICATION OF ROADWAY AND TEMPORARY EASEMENT AT HOAEAE, EWA, OAHU.

ACTION

Mr. Yamamoto moved to accept the dedication of the subject roadway lot and temporary easement and approve and recommend to the Governor, issuance of an Executive Order setting aside roadway Lot 1, File Plan 1633, to the Department of Transportation, Highways Division for Kunia Road widening purposes. Mr. Yamamoto seconded and motion carried. Mr. Hong abstained from voting on this item.

ITEM F-21

ALBERT K. KAUI APPLICATION FOR UTILITY EASEMENT, KAPAA, KAUAI.

There is already a 20-ft.-wide non-exclusive easement for utility purposes in existence held by Richard and Clement Kauai. However, it is Albert Kauai's desire to secure his own easement rights, so as to be allowed to install his own water line and meter within the same right of way to provide himself with water service.

Various alternatives to permit installation of a water line to the Albert Kauai property have been discussed with the applicant and Mr. Clement Kauai. The consensus lead staff to process a separate easement in Albert Kauai's name.

ACTION

The Board, upon motion by Mr. Yamamoto and a second by Mr. Yagi, unanimously authorized the award of a non-exclusive easement for utility purposes 20 ft. wide to Albert Kauai under the terms and conditions listed in the submittal and also voted to grant Albert Kauai an immediate construction right of entry over the area covered by Grant of Easement No. S-4607 for purposes of installing a water meter and water pipeline, subject to the conditions listed in the submittal and any other terms required by the Chairman.

ITEM F-22

STAFF RECOMMENDATION FOR DISPOSITION OF ST. AUGUSTINE SCHOOL PROPERTY, WAIKIKI, HONOLULU, OAHU.

(See Page 3 for Action)

ADDED
ITEM F-23

BERNARD K. DUARTE REQUEST FOR EXTENSION OF TIME WITHIN WHICH TO CURE DEFAULT - GENERAL LEASE NO. S-4651, KAPAA, KAUAI.

Staff is aware that Mr. and Mrs. Duarte were involved in a business which suffered reverses and recently closed. Staff also feels that the lessee will make their account current if provided the additional time.

ACTION

The Board, upon motion by Mr. Yamamoto and a second by Mr. Yagi, unanimously voted to:

- A. Authorize the extension of the default deadline from October 31, 1981 to November 30, 1981, with the understanding that all rents due under General Lease No. S-4651 shall be paid in full by November 30, 1981.
- B. In the event the lessee fails to comply with Paragraph A above, authorize the following:
 1. Termination of G.L. No. S-4651 effective December 1, 1981.
 2. Retention of all sums heretofore paid under G.L. No. S-4651 as liquidated damages.
 3. The State Attorney General and/or Coulter's Collection Agency to collect all monies due the State of Hawaii under G.L. No. S-4651.
 4. The Chairman to take whatever actions necessary to carry out the intent of the Board.

ADDED
ITEM F-24

DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS REQUEST FOR LEASE OF OFFICE SPACE IN WAILUKU BUSINESS PLAZA, WAILUKU, MAUI.

This request is for use of 4000 sq. ft. of office space for the Wailuku Employment Service Office at month rental of \$5,400 commencing on October 1, 1981 and running through September 30, 1984.

ACTION

Unanimously approved as submitted, subject to the review and approval of the lease agreement by the Office of the Attorney General. (Yagi/Yamamoto)

ITEM H-1

CDUA FOR SUBDIVISION OF CONSERVATION LANDS AT KANEOHE, OAHU (DIAMOND BROKERS, INC.).

The applicant proposes to subdivide the parcel into two (2) saleable residential lots, to be identified as Lots 597-A and 597-B, containing 59,400 and 70,000 square feet, respectively.

The lot, as it exists right now, said Mr. Evans, has dual zoning. The mauka portion is zoned conservation and the makai portion is zoned urban. Although staff is recommending approval, staff is also saying that any houses to be erected are to be done in the urban zoned area and not in the conservation district.

Mr. Evans asked also that Condition No. 6 be deleted from staff's recommendations.

ACTION

Unanimously approved as submitted, and as amended, subject to the terms and conditions listed in the submittal and any other term and conditions which may be prescribed by the Chairman. (Hong/Yagi)

ITEM H-2

CDUA FOR MICROWAVE TOWER IMPROVEMENT USE AT KULANI, KAU, HAWAII.

(See Page 4 for Action)

Although Item H-2 was approved earlier, Mr. Evans asked that Condition No. 6 on page 5 be corrected to read ...during and after the construction. The words "of the dwelling" after the word "construction" are to be deleted.

ACTION

The Board unanimously approved an amendment to their earlier motion (shown on page 4) by including the above amendment to Condition No. 6. (Hong/Yagi)

ITEM H-3 CDUA FOR SINGLE FAMILY RESIDENTIAL AND ACCESSORY USE AT HAENA, KAUAI, TMK 5-9-5:01 (L. CHARLES STEVENS).

Mr. Evans called to the Board's attention that even though we have a policy for certain lots within the Haena area, this particular lot does not fall within that area affected by the policy.

What does occur here is that the lot itself is split where part of the lot is within the Resource Subzone and another part is within the Limited Subzone. However, after reviewing the application and comments from the consulting agencies, staff finds the proposed land use inside the Resource Subzone boundary to be consistent with its objective.

ACTION The Board unanimously approved this application for single-family residential and accessory use at TMK 5-9-05:01, Haena, Kauai, subject to the terms and conditions listed in the submittal. (Hong/Yagi)

ITEM H-4 CDUA FOR STORAGE FACILITY REPLACEMENT USE AT KALAUPAPA, KALAWAO, MOLOKAI, TMK 6-1-01:5 (DEPARTMENT OF TRANSPORTATION).

DOT would like to construct a maintenance and storage building for the benefit of the airport operation at approximately 50 feet west of the Kalaupapa Airport Terminal Building.

Mr. Evans asked that Condition No. 6 under Recommendation on page 4 be deleted.

ACTION Unanimously approved as submitted and as amended above, subject to the terms and conditions listed in the submittal and any other terms and conditions as may be deemed necessary by the Chairman. (Yagi/Yamamoto)

ITEM H-5 TEMPORARY VARIANCE FOR THE WAILUA RIVER HYDROPOWER STUDY TO CONDUCT SURVEYING AND EXPLORATORY ACTIVITIES WITHIN CONSERVATION DISTRICT AT LIHUE, KAUAI.

The Corps of Engineers is requesting a temporary variance and a right-of-entry permit for surveying and exploration over conservation lands and adjoining State lands leased to Lihue Plantation Co., Ltd. The purpose of the survey and exploration are to gather basic scientific data to prepare an environmental assessment and an engineering feasibility study of developing run-of-the-river hydropower from the Wailua River watershed.

Mr. Evans asked that Condition No. 7 under Recommendation be corrected by deleting the words "and after the construction of the dwelling" and adding the words "the project" after the word "during".

ACTION Unanimously approved as submitted and as amended above, subject to the terms and conditions listed in the submittal and any other terms and conditions as may be deemed necessary by the Chairman. (Yagi/Yamamoto)

ITEM H-6 TEMPORARY VARIANCE FOR INVESTIGATORY STUDIES FOR A PROPOSED ALENAIO STREAM FLOOD CONTROL PROJECT AT HILO, HAWAII.

The studies will include archaeological/cultural resources surveys, topographic, fish and wildlife studies, and in some areas, subsurface borings and foundation studies. Except for test borings, the studies will primarily be a walk-through surface reconnaissance by about three personnel; however, no borings or foundation studies will be conducted on conservation land.

Mr. Evans explained that staff's recommendation for approval has been split into two parts. What staff has tried to do is incorporate a number of required board approvals at the same time so that the applicant would not have to return to the board.

For example, we are recommending approval under the Conservation Regulation and we are recommending that they be given the one-year time frame that is allowed. However, they would also like to do some work that is on State land outside of the Conservation District and normally what would happen is that Land Management would come to the board for a right-of-entry. In conjunction with Land Management and with their concurrence, said Mr. Evans, we are also recommending in this submittal that on those non-conservation lands that the board authorize a right-of-entry to the Corps of Engineers under the same terms and conditions for the conservation district but on a longer time frame.

Because of concerns voiced by Mr. Higashi, Mr. Evans said that he would include a third condition under Recommendation B. stating that if any test borings take place it would have to be with the approval of the Board

ACTION Unanimously approved as submitted and as amended, subject to the terms and conditions listed in the submittal and any other terms and conditions as may be deemed necessary by the Chairman. (Higashi/Hong)

ITEM H-7 REQUEST FOR APPROVAL TO CONTRACT WITH THE RESEARCH CORPORATION OF THE UNIVERSITY OF HAWAII FOR CONTINUATION OF THE HAWAIIAN PRAWN AQUACULTURE RESEARCH PROGRAM.

Funding for this project will not exceed \$160,000 and is available to the DLNR from Act 1, SLH 1981. Matching funds of approximately \$80,000 will be provided by the University of Hawaii Sea Grant College Program. The term of the project will be November 16, 1981 to November 15, 1982.

ACTION The Board, upon motion by Mr. Yagi and a second by Mr. Yamamoto, unanimously voted to authorize the Chairman to negotiate and enter into a contract with the University of Hawaii for the subject project.

ITEM I-1 FILLING OF POSITION NO. 33269, CLERK TYPIST II, MAUI BRANCH.

ACTION Mr. Yagi asked that this item be deferred. The Board had no objection.

ITEM I-2 FILLING OF POSITION NO. 33270, CLERK TYPIST II, KAUAI BRANCH.

The Board unanimously approved the appointment of Vera Hirota to fill the Clerk-Typist II position on Kauai effective November 16, 1981. (Yamamoto/Higashi)

ITEM I-3 FILLING OF POSITION NO. 30182, SECRETARY II, OAHU.

ACTION The Board unanimously approved the appointment of Norine Oyasato to fill Position No. 30182, Secretary II, effective November 16, 1981. (Higashi/Yamamoto)

ITEM J-1 MODIFICATION NO. 7 TO LEASE NO. A-62-13, HONOLULU INTERNATIONAL AIRPORT, OAHU (CANADIAN PACIFIC AIR LINES, LIMITED).

The DOT and the Lessee mutually agree that a relocation of their VIP lounge is necessary and there is space available in the new Central Concourse for such purpose.

ACTION Unanimously approved as submitted. (Hong/Yagi)

ITEM J-2 RENEWAL OF REVOCABLE PERMITS, CONFORMING USE, AIRPORTS DIVISION.

ACTION Unanimously approved as submitted. (Hong/Yagi)

ITEM J-3 ISSUANCE OF REVOCABLE PERMIT, HARBORS DIVISION, CONTAINER FREIGHT STATION NO. 2, SAND ISLAND, HONOLULU, OAHU (MATSON NAVIGATION COMPANY).

The applicant is requesting use of 2040 sq. ft. of storage area for distressed cargo. Monthly rental is \$632.00.

ACTION Unanimously approved as submitted, subject to the conditions listed in the submittal. (Yagi/Hong)

ITEM J-4 ISSUANCE OF REVOCABLE PERMIT, HARBORS DIVISION, HILO HARBOR, HAWAII (HILO TRANSPORTATION & TERMINAL CO., INC.).

The applicant is requesting use of two parcels of land containing a total area of 1,485 sq. ft. for storage of straddler lifting beams and straddler parking. Monthly rental is \$159.00.

ACTION Unanimously approved as submitted, subject to the conditions listed in the submittal. (Hong/Yagi)

ITEM J-5 ISSUANCE OF REVOCABLE PERMIT, HARBORS DIVISION, PIER 2C, HONOLULU HARBOR, HONOLULU, OAHU (UAUKEWAI DIVING, SALVAGE & FISHING, INC.).

The applicant is requesting use of 601 sq. of land at Pier 2C for storage of equipment. Monthly rental is \$114.00.

ACTION Unanimously approved as submitted, subject to the conditions listed in the submittal. (Hong/Yagi)

ITEM J-6 ISSUANCE OF REVOCABLE PERMIT, HARBORS DIVISION, KAHULUI HARBOR, MAUI (BUREAU OF CUSTOMS, U.S. TREASURY DEPARTMENT).

The applicant is requesting use of 408 sq. ft. of land at Kahului Harbor for their customs office at a monthly rental of \$20.00.

ACTION Unanimously approved as submitted, subject to the conditions listed in the submittal. (Hong/Yagi)

ITEM J-7 ISSUANCE OF REVOCABLE PERMIT, HARBORS DIVISION, PIER 51A, SAND ISLAND, HONOLULU, OAHU (HONOLULU FUELING FACILITIES CORPORATION).

The applicant is requesting use of 276 sq. ft. parcel of land at Pier 51A for storage of oil hose at a monthly rental of \$52.00.

ACTION Unanimously approved as submitted, subject to the conditions listed in the submittal. (Hong/Yagi)

ITEM J-8 ISSUANCE OF REVOCABLE PERMIT, HARBORS DIVISION, PIER 39-1A, HONOLULU HARBOR, OAHU (FRASER'S BOILER SERVICE, INC.).

The applicant is requesting use of 2000 sq. ft. of open paved storage area for storage of equipment. Monthly rental is \$380.00.

ACTION Unanimously approved as submitted, subject to the conditions listed in the submittal. (Hong/Yagi)

ITEM J-9 ISSUANCE OF REVOCABLE PERMIT, HARBORS DIVISION, SUBDIVISION AT NAWILIWILI HARBOR, NAWILIWILI, KAUAI (KAUAI FENCE & ORNAMENTAL IRON WORKS).

The applicant is requesting use of 10,394 sq. ft. of land at Nawiliwili Harbor for storage yard for construction equipment and material. Monthly rental is \$416.00.

ACTION Unanimously approved as submitted, subject to the conditions listed in the submittal. (Yamamoto/Yagi)

ITEM J-10 ISSUANCE OF REVOCABLE PERMIT, HARBORS DIVISION, NAWILIWILI HARBOR, KAUAI (LUTHER H. BURNEY, DBA KAUAI LUAU).

The applicant is requesting use of 200 sq. ft. parcel of land at Nawiliwili Harbor for lunch wagon operation. Rental is \$60.00 per month or 5% of the gross income for the month, whichever is greater.

ACTION Unanimously approved as submitted, subject to the conditions listed in the submittal. (Yamamoto/Higashi)

ITEM J-11 CONTINUANCE OF REVOCABLE PERMITS, HARBORS DIVISION.
ITEM J-11 CONTINUANCE OF REVOCABLE PERMITS, HARBORS DIVISION.

ACTION Unanimously approved as submitted. (Hong/Yagi)

ITEM J-12 REQUEST FOR APPROVAL OF CONTINUANCE OF REVOCABLE PERMITS, HIGHWAYS DIVISION.


ACTION Unanimously approved as submitted. (Hong/Yagi)

ITEM J-13 APPROVAL OF CONSENT TO SUBLEASE PORTION OF THE PREMISES OF LEASE NO. H-71-7 BY EMPOUC, INC., OCEANIA FLOATING RESTAURANT, PIER 6, HONOLULU HARBOR, OAHU.

(See Page 4 for Action)

ADJOURNMENT: The meeting adjourned at 11:00 A.M.

Respectfully submitted,



LaVerne Tirrell
Secretary

APPROVED:



SUSUMU ONO
Chairman

It