

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

DATE: January 22, 1982
TIME: 9:00 A. M.
PLACE: State Office Building
Conference Room
3060 Eiwa Street
Lihue, Kauai

ROLL
CALL

The meeting of the Board of Land and Natural Resources was called to order by Chairman Susumu Ono at 9:00 A. M. The following were in attendance:

MEMBERS

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

Absent & Excused

Mr. J. Douglas Ing

STAFF

Mr. James Detor
Mr. Robert T. Chuck
Mr. Roy Sue
Mr. Sam Lee
Mr. Roger Evans
Mrs. Joan K. Moriyama

OTHERS

Dep. A. G. Dona L. Hanaike
Mr. D. Shito (Item F-22)
Mr. Kazu Hayashida (Items D-1 and D-2)
Mr. Peter Garcia

MINUTES

Mr. Hong moved to approved the minutes of December 4, 1981 as circulated. Mr. Higashi seconded and the motion was unanimously carried.

Since the minutes of December 18, 1981 were just distributed to the board members, Mr. Hong asked that they be deferred. The board had no objection to deferring the minutes of December 18, 1981.

Added
Item

Mr. Hong moved, seconded by Mr. Yagi, and the board unanimously voted to add Item F-1-d to the board agenda, as follows:

FIRST MORTGAGE (Oahu) - RODNEY H. FUKUI & IRIS T. FUKUI, husband and wife, mortgagor, to FEDERAL LAND BANK OF SACRAMENTO, Mortgagee - Lot 26, Waimanalo Agricultural Subdivision, Waimanalo - GL No. S-3766

The board took up the agenda in the following order to accommodate the people in the audience:

ITEM F-22 U. H. REQUEST FOR APPROVAL OF CONTINUANCE OF R. P. HELD BY
UNIVERSAL TELEVISION ("MAGNUM, P. I."), HONOLULU, OAHU (SUB-
MITTAL WAS DISTRIBUTED AT BOARD MEETING

This was a request from the University of Hawaii for approval of continuance of the permit to Universal Television, covering the studio facilities located on Kapiolani Community College campus at Fort Ruger.

At the December 18, 1981 meeting, the board, at the University's request, consented to the extension of the subject permit to January 31, 1982. We now have a request that it be continued beyond that date. The University is not using the particular area where the studios are located, so they want to allow the television people to continue.

There was a letter from Mr. Harold S. Masumoto attached to the board submittal. In addition, distributed to the board members this morning was a letter dated January 20, 1982 from Mr. Masumoto which was a follow-up on a previous memorandum. There were conditions imposed by the University, as follows:

1. That Universal Television will pay the sum of \$900,000 to the Research Corporation of the University of Hawaii to be used to construct temporary educational and related facilities for the community college. This agreed upon sum is payable within thirty days of a Conditional Use Permit for at least one year being obtained. (Mr. Detor said this Conditional Use Permit will come from the city.)
2. In addition, Universal is to continue to pay lease rental on the land at an amount to be determined by the Department of Land and Natural Resources. (At the present time the total lease rental is \$13,000 a month. Mr. Detor said some \$1100 comes to this department as land rental. The balance goes to the University because they own the improvements.)
3. The maximum extension be for a period not to exceed three years. This will end on December 31, 1984. (Mr. Detor reminded the board that this is not a three-year commitment. This permit is a month-to-month arrangement which has to be renewed by the board each year.)

Mr. Hong asked whether the University can exercise their right should they find a need for the property any time prior to the expiration time.

Mr. Detor said the fact that this is a month-to-month permit, yes, they can.

Mr. Higashi asked whether the temporary educational facilities will belong to the University. Mr. Detor said yes.

Mr. Ono said the Hawaii 5-0 studio will also revert back to the University for its use. Mr. Detor said that is correct.

Mr. Hong asked Mr. D. Seto from the University whether there is any reason why the information in the submittal was not given to the board members prior to this morning.

Mr. Seto could not think of any reason. He said it was just a matter of negotiating with Universal Television.

Mr. Hong said it would be helpful if the University, in the future, can submit matters to this board in more detail and prior to the day of the board meeting. The board members can then review them and be prepared with questions, he said. For some of the board members, he said this is the first time they had a chance to review what the details of the agreement and arrangements are. He asked Mr. Seto to carry the message back to Mr. Masumoto about submitting materials ahead of time to the board.

Mr. Seto said he will.

Mr. Yagi asked whether this is the same one which the administration and the board were criticized by the media and given adverse publicity.

Mr. Seto said this is the one and explained that originally the revocable permit expired on December 31 of last year. Because they had the directors' strike, they couldn't finish filming, so they requested a one-month extension from the University.

The University's position was that they needed the facilities for their educational programs. So what they then did was try to negotiate an exchange of facilities. What they had to do was agree to use the substandard facilities, which they are in right now, for another semester, which is until September of 1982, to permit them to continue using the facilities.

Mr. Higashi asked who is using the so-called substandard facilities.

Mr. Seto said the Kapiolani Community College.

Mr. Higashi asked what is the relationship with this and the building of the \$900,000 improvements for the University of Hawaii Research Corporation.

Mr. Seto said the Research Corporation is the vehicle for constructing the facilities. What they will do is actually own the facilities until the buildings are completed, and then they will turn them over to the University for their use.

Mr. Hong said the board has received copies of letters signed by Mr. Robert A. Harris, President of Universal Television, addressed to the Governor and to President Fujio Matsuda of the University of Hawaii, dealing with the agreement, and expressing regret on what had transpired. He asked that these be included in the record. He said he and Mr. Yagi were concerned with the coverage in the media that the state had been remiss and uncooperative.

Mr. Ono asked Mr. Detor whether the land rental will be subject to review annually like any other permit that the board reviews.

Mr. Detor said yes.

Mr. Higashi asked whether Universal will be making arrangements ahead of time to move out to carry on their program.

Mr. Seto couldn't answer that. He assumed that they will have made the necessary arrangements.

Mr. Higashi said he doesn't like to vote on a matter which says not to exceed three years and later on the board would have to reconsider that.

Mr. Seto said they have to leave that time reference in there in order for them to obtain the Conditional Use Permit from the city.

ACTION Mr. Hong moved to approve Item F-22, with the understanding that the letters from Mr. Harris of Universal Television be included as part of the official record. Mr. Yagi seconded and the motion was unanimously carried.

For the next two items, Items D-1 and D-2, Mr. Ono announced that Mr. Kazu Hayashida, Manager and Chief Engineer of the City and County of Honolulu Board of Water Supply, will sit with the board members and will be participating on these matters.

ITEM D-1 RESUBMITTAL - CAMPBELL ESTATE WATER USE PERMIT APPLICATION, PEARL HARBOR GROUND WATER CONTROL AREA (MAKAKILO WELL)

This was a resubmittal of a water use permit application for the Pearl Harbor Ground Water Control Area. Mr. Chuck said they have discussed this matter previously and staff was prepared to further discuss this matter.

The board authorized the drilling and testing of this Makakilo Well for exploration purposes. The quality of the well has been found to be little above potable at 260 mg/1 and a yield of about 1.5 mgd. Mr. Chuck said the plans are to turn this over to the Board of Water Supply, and they would mix it with other fresh water to bring the quality well within drinking range and to use it for potable purposes.

Since the Board of Water Supply will be maintaining and operating this well, Mr. Chuck said they have been in contact with them. As shown on the letter attached to the board submittal, Mr. Hayashida states that it is agreeable with the Board of Water Supply that this 1.5 mgd be authorized under the 5% allowance that is authorized by law, and which was also allocated by the Board of Land and Natural Resources in April of 1980, where certification of existing uses and preserve uses were made.

Mr. Chuck asked the board to add into the recommendation the following: "When subareas are established, the 1.5 mgd will be allocated from the Makakilo Well area." The purpose is that when they start compartmentalizing subareas in the Pearl Harbor area, it is a logical and natural thing that the 1.5 mgd that they are recommending approval today would come from where the Makakilo area is.

Mr. Ono said in effect we are actually borrowing part of the 5%.

Mr. Chuck said yes, from another area. However, he said it's been said that the whole area is considered to be 225 mgd, and when we get into subareas and when we get any different numbers, then this 1.5 mgd would come from the Makakilo area.

Mr. Hong said that's right, but as the chairman suggests, the 1.5 mgd that the Board of Water Supply is allowing from the Pearl Harbor basin, that allotment will return back to Pearl Harbor water basin because the 1.5 would have been granted from the new subzone.

Mr. Chuck said that will happen, except that it has been stated that the 225 mgd covers the whole designated area.

Mr. Hong asked whether that includes the new subzone that he is contemplating.

Mr. Chuck said when the new subzone is established, the 1.5 mgd that we are contemplating now would come from the Makakilo Well.

Mr. Ono said but you would have to return that allocated back to the original source.

Mr. Yagi said it becomes complicated if we add the additional recommendation suggested by Mr. Chuck. He said he would prefer to leave the recommendation as is. When the time comes, staff can make another recommendation then.

Mr. Hong said as far as he was concerned, the original recommendation is all right. He suggested that Mr. Chuck's additional recommendation be included as additional information to the board that this is what the staff is contemplating, when and if things happen, and not to be included as part of the recommendation.

Mr. Chuck suggested then that the minutes so reflect that intent, in passing this, and that the board will look at the specifics at the time the subareas are established.

Mr. Hayashida said he has no problem on this. When the designated areas are revised and Makakilo area is separated out of Pearl Harbor Area, then the Board of Water Supply will have its former allocation returned to the 1.5 mgd, which represents a portion of their 5% reserve.

Mr. Ono said the intent of the board should be spelled out that the board desires to preserve the Board of Water Supply's 77 million gallons for Pearl Harbor basin.

ACTION Mr. Hong moved to approve staff's recommendation as presented in the submittal and as discussed above. Mr. Yagi seconded and the motion was unanimously carried.

ITEM D-2 EXTENSION OF AMFAC PROPERTY'S WATER WITHDRAWAL AND USE PERMIT FOR WAIPAHU WELLS NO. 2400-05 AND 2400-06, PEARL HARBOR GROUND WATER CONTROL AREA

This was a request for an extension of one year of the permit which has been granted by the board to Amfac. It has been a lengthy process for Amfac to get their necessary approvals and the attached letter from the consultant explained the details. Mr. Chuck said this is reasonable and recommended that the board approve a twelve-month extension for these wells.

Mr. Hong asked whether these wells have already been allotted so it is merely an extension. Mr. Chuck said yes.

Mr. Higashi asked whether there has been any withdrawal. Mr. Chuck said no.

ACTION Unanimously approved as submitted. (Yagi/Yamamoto)

ITEM C-1 FILLING OF SECRETARY I POSITION NO. 10744, DIVISION OF FORESTRY, OAHU

ACTION Mr. Hong moved, seconded by Mr. Yamamoto, and the board unanimously approved the appointment of Mrs. Kathy S. Laoron to fill the vacant Secretary I position.

ITEM C-2 FILLING OF FORESTRY WORKER II, WB-04, POSITION NO. 2949, HAWAII

ACTION The board, on Mr. Higashi's motion and seconded by Mr. Hong, unanimously approved the appointment of Bruce B. Silva to fill Position No. 2949, Forestry Worker II.

ITEM E-1 APPROVAL TO ENGAGE THE SERVICES OF DR. DENNIS CHAI FOR A CONSULTANT SERVICES CONTRACT TO PREPARE A STATEWIDE GUIDE TO OUTDOOR RECREATION AND HERITAGE OPPORTUNITIES IN HAWAII AND TO PREPARE A STUDY ON THE RECREATION NEEDS OF HAWAII'S POPULATIONS

ACTION Unanimously approved as submitted. (Hong/Yagi)

ITEM E-2 AWARD OF CONTRACT - JOB NO. 46-OP-20, PHASE III, INCREMENT 2, AND FENCING, SAND ISLAND STATE PARK, HONOLULU, OAHU

ACTION The board, on Mr. Hong's motion and seconded by Mr. Yamamoto, unanimously approved to award the subject contract to Oahu Construction, Ltd., for the total bid sum of \$753,753.42.

ITEM E-3 APPROVAL OF EXTENSION TO STATE JUDICIARY'S USE OF KAMEHAMEHA V POST OFFICE BUILDING, HONOLULU, OAHU (SUBMITTAL WAS DISTRIBUTED AT BOARD MEETING)

ACTION Unanimously approved as submitted. (Hong/Yagi)

Mr. Ono said the Office of Hawaiian Affairs (OHA) has indicated interest in this area, so he asked Mr. Sue to keep Mr. Edwin Auld of OHA informed on what's happening on this particular item.

ITEM F-1 DOCUMENTS FOR CONSIDERATION

HAWAII

Item F-1-a REVOCABLE PERMIT

JULIO A. S. LEDO - portion of a government roadway at Kalaoa 1st, North Kona - for pasture - \$10.00 per month

Item F-1-b ASSIGNMENT OF LEASE

KAZUMI SHIGEZAWA, Assignor, to TIKI FARMS, INC., a proposed Hawaii corporation, Assignee - Lot 3, Keahole Agricultural Park, North Kona - GL No. S-4682

KAUAI

Item F-1-c SALE OF LEASEHOLD BY AGREEMENT OF SALE

WILLIAM ROBERT WARREN, unmarried, to MRS. ARDYS L. DAVENPORT, married, with Tenancy by the Severalty - Lots 8 and 37 of the Kokee Camp Site Lots, Waimea - GL No. S-4728

Mr. Detor pointed out to the board Recommendation No. 2 which states, "Consent is for the sale only and that assignment of the lease and consent thereof shall not be forthcoming until the agreement of sale has been satisfied." Mr. Detor explained the reason for this is that the present lessee is responsible for satisfying all of the terms and conditions of the lease until this agreement of sale transaction is fully completed.

Mr. Ono asked whether the new lessees on the Kokee Camp Sites are aware of the 1985 termination date.

Mr. Detor said they do. As a matter of fact the lessees have approached the staff with respect to "what's going to happen after 1985?" Obviously they want a new lease.

Mr. Detor said at the present time, the board cannot make any commitment because the law reads that a new lease cannot be sold prior to two years before the expiration of the present leases, so it will not be until late 1983 that the board will be in a position to make any kind of commitment.

Mr. Ono said just so long as the new people coming in are made fully aware that it is not an automatic thing.

OAHU

Added
Item F-1-d

FIRST MORTGAGE

RODNEY H. FUKUI & IRIS T. FUKUI, husband and wife, Mortgagor, to FEDERAL LAND BANK OF SACRAMENTO, Mortgagee - Lot 26, Waimanalo Agricultural Subdivision, Koolaupoko - GL No. S-3766

ACTION

The board, on Mr. Higashi's motion and seconded by Mr. Yamamoto, unanimously approved Item F-1 as submitted.

ITEM F-2

STAFF RECOMMENDATION FOR SCHEDULING OF PUBLIC HEARING FOR WITHDRAWAL OF CAMPING AREAS AND FACILITIES FROM VARIOUS FOREST RESERVES ON THE ISLAND OF HAWAII

This was a recommendation to the board that authorization be given to hold a public hearing on the Island of Hawaii for withdrawal of several areas from the forest reserves, and Mr. Libert Landgraf be designated as master for the hearing.

The Division of State Parks would like to sell concession contract covering the four areas listed in the submittal for these cabins. Mr. Detor said it was his understanding that this would be one concession covering all of the following four parcels:

1. Kilauea State Recreation Area, portion of TMK 1-9-05:9
2. Kalopa State Recreation Area, portion of TMK 4-4-14:1
3. Mauna Kea State Park--Pohakuloa Area, portion of TMK 4-4-16:3
4. Hapuna Beach State Park, Portion pf TMK 6-6-02:41

Before any of this can take place, Mr. Detor said it is necessary that these areas that are in the forest reserves (these apply to Nos. 1, 2 and 3 above) be withdrawn from the forest reserves.

Mr. Hong asked Mr. Sue whether this is the first phase of the park program to concession out certain areas. Mr. Sue said yes. Maui would be next. He said we don't have any concession on Oahu. They will have to look at it later on.

Mr. Hong said this is all the more reason why we need to look at Oahu because the bulk of the population is on Oahu.

Mr. Sue said at the December 18, 1981 meeting, the board was informed that the department was proposing to transmit to the legislature a concurrent resolution for request to develop, operate and maintain camping and cabin rental facilities in various state parks through a concession arrangement.

Mr. Detor said what we are going to the legislature for is authority to contract with a private party to actually build the concessions for parks that actually don't have the facilities. For this particular one we have the existing facilities. The state furnishes the facilities and the concessionaire runs it. So when you sell a concession, the concession covers the facilities that have been built by the state. He wondered whether in this case whether the new concessionaire can actually build additional cabins without going to the legislature. He knows the concessionaire can run the existing facilities without going to the legislature.

Mr. Ono suggested that we expand the resolution to make it a state-wide park system instead of just Oahu.

ACTION Unanimously approved as submitted. (Higashi/Hong)

ITEM F-3 STAFF RECOMMENDATION FOR AMENDMENT OF PREVIOUS BOARD ACTION (6/12/81 AGENDA ITEM F-12) AUTHORIZING PUBLIC AUCTION SALE OF A LEASE COVERING LAND AT WAIAKEA, SOUTH HILO, HAWAII

ACTION Unanimously approved as submitted. (Higashi/Hong)

ITEM F-4 HAWAII ELECTRIC LIGHT COMPANY, INC. AND HAWAIIAN TELEPHONE COMPANY APPLICATION POLE GUY AND ANCHOR EASEMENT, KEOPU 2ND, NORTH KONA, HAWAII

ACTION Unanimously approved as submitted. (Higashi/Yamamoto)

ITEM F-5 HUEHUE RANCH APPLICATION TO LEASE GOVERNMENT LAND AT HONUULA AND HIENALOLI, NORTH KONA, HAWAII

This was a recommendation for sale at public auction of a pasture lease covering some 3,000 acres of land in Kona. Mr. Detor said this area was formerly under a permit to a Mr. Ferreira, with whom we had problems and we cancelled the permit. This is also the same area that the Department of Agriculture has commissioned, with Land Board approval, a party to get in to get out the cattle. They made a loan on the project.

As far as the improvement requirements were concerned, Mr. Higashi asked whether it would be staff's recommendation or the recommendation of the applicant.

Mr. Detor said his staff, Herbert Yanamura, developed this.

Mr. Higashi said in lots of cases we have inputs from the applicant as to how much improvement they'll put in. He said there are lots of people who are interested in this particular parcel. He suggested that before the parcel is put up for auction that we review this and look at the actual plan.

Mr. Ono asked whether the terms and conditions recommended here were independently developed, or was it a joint effort with the applicant.

Mr. Detor said Mr. Yanamura worked with the applicant, but he didn't know how closely he worked with the applicant.

Mr. Ono said if we do that, knowing that there are other interested parties, the other people are not going to have their views included in the condition. It isn't so bad if there is only a single interested party, he said.

At this point, Mr. Yamamoto asked Mr. Detor to explain to him why it is taking so long to process rental reopenings on Kauai. He said there are lots of leases on Kauai that are affected by this and this is causing a great hardship on the lessees. He said he has received several complaints on this.

Mr. Detor admitted that that situation has existed, particularly on Kauai more than any place else because they have more leases. He said they have had problems with them in the past. First of all, we have to get independent appraisals and the state has to pay for it. We didn't have the money to pay for it at that time. Secondly, it was slow staff work.

Mr. Ono said this very question that Mr. Yamamoto is raising has been referred to the Attorney General's Office because of the hardship it is causing the lessees.

Mr. Higashi said they have a similar situation with the Hilo Industrial leases on the Big Island.

Mr. Hong asked Mr. Detor whether the reason they have not been able to bring them current is because they lack staff.

Mr. Detor said no. First of all, they didn't have the money at that time. The second part is slow staff work. However, he said it is going to improve now because it is being done at the district level rather than coming out of the Honolulu Office.

Mr. Ono suggested that we get a rough estimate of what the rental is going to be and send out a tentative bill and adjust the rental after the appraisal comes in.

Mr. Detor thought this was a good idea.

ACTION

Mr. Ono asked to defer Item F-5. He asked the staff to make one final check with the Department of Agriculture to make sure that whatever they have

been doing is all completed. It would be embarrassing, he said, if they are still engaged in some kind of activity and we auction off the parcel.

The board had no objection to deferring Item F-5.

ITEM F-6 CLEMENT ANDRADE APPLICATION TO PURCHASE ABANDONED ROAD
RIGHT-OF-WAY SEGMENT RESERVED IN GRANT 4497, PONAHAHAWAI, SOUTH
HILO, HAWAII

This was an application for deletion of a portion of a road right of way which runs through the private property. When the grant was originally let, it reserved the road.

ACTION Unanimously approved as submitted. (Hong/Higashi)

ITEM F-7 THE BANANA COMPANY APPLICATION TO LEASE PORTION OF THE
GOVERNMENT LAND OF KEONEPOKO, KEONEPOKO-IKI, PUNA, HAWAII

Mr. Ono asked whether we had any other request for this parcel.

Mr. Detor wasn't sure whether there was any other request.

ACTION Unanimously approved as submitted. (Higashi/Hong)

ITEM F-8 JAMES WELLER, JR. APPLICATION TO LEASE LOT 19, PANAEWA HOUSE
LOTS, 2ND SERIES, WAIAKEA, SOUTH HILO, HAWAII

ACTION Unanimously approved as submitted. (Higashi/Hong)

ITEM F-9 STAFF RECOMMENDATION FOR AMENDMENT OF PREVIOUS BOARD ACTION
(6/26/81, AGENDA ITEM F-14) AUTHORIZING ISSUANCE OF LEASE TO THE
GRACE BRETHREN CHURCH, COVERING AIRSPACE UNDER THE WAIMALU
VIADUCT, HONOLULU, OAHU

This was a recommendation for amendment to a previous submittal. Mr. Detor said they inadvertently omitted a rental reopening in that lease. Staff recommended that the board amend its action of June 26, 1981 under agenda Item F-14 to include the reopening of the rent at the end of the first fifteen years, then each 10-year period thereafter. It is a 55-year lease.

ACTION Unanimously approved as submitted. (Hong/Yamamoto)

ITEM F-10 STAFF RECOMMENDATION FOR CANCELLATION OF GENERAL LEASE NO.
S-3955, KAPAA, KAUAI

Mr. Detor asked to withdraw this item since the lessee has paid the back rent.

ACTION There was no objection by the board to withdraw Item F-10.

ITEM F-11 STAFF RECOMMENDATION FOR PUBLIC AUCTION SALE OF A LEASE COVER-
ING REMNANT B OF THE KAPAA RIVER REMNANTS, KAPAA HOMESTEADS,
4TH SERIES, KAPAA, KAUAI

ACTION Unanimously approved as submitted. (Yamamoto/Yagi)

STAFF RECOMMENDATION FOR PUBLIC AUCTION SALE OF LOT 128 AND IMPROVEMENTS (HOUSE) OF THE KEKAHA GARDENS SUBDIVISION, IN-CREMENT IV, KEKAHA, WAIMEA, KAUAI

ITEM F-12

This dealt with a house and lot that we are in the process of repurchasing at Kekaha Gardens Subdivision.

Mr. Detor asked the board to note that the upset price is at \$105,585.00, which was established by appraisal. The repurchase price is \$76,251.00. He said there is quite a difference. Mr. Detor said under the statutes, the board has the authority to lower the upset price to encourage bidding. He suggested that rather than putting it up at the \$105,585.00 as upset that we put it at a lower price.

Mr. Yamamoto asked, "at what price?"

Mr. Sam Lee said it would be more than fair to offer it at the price the state is repurchasing it, \$76,251.00.

Mr. Detor said he was convinced that even though we put it up at that price, bidding will take it up. He said even if it were to come in at that price, you still have not lost anything.

ACTION Mr. Yamamoto moved to approve Item F-12, as amended, at the upset price of \$76,251.00. Mr. Yagi seconded and the motion was unanimously carried.

SUBMITTAL - OFFICE OF THE GOVERNOR REQUEST FOR ACQUISITION OF LEASE FOR THE PROGRESSIVE NEIGHBORHOOD PROGRAM COVERING LOT 77A, NANAKULI RESIDENCE LOTS, NANAKULI, OAHU

ITEM F-13

This was a request from the Progressive Neighborhood Program for acquisition of a lease covering the land at Nanakuli. This is a lot and building owned by Hawaiian Homes Land.

This matter was deferred by the board. The reason for deferral was the board questioned why they are charging rental of \$1,740.00 per year, when most of the people who this program services are Hawaiian homesteaders.

Mr. Detor said we wrote to Hawaiian Homes pointing this out to them. They answered that they recognize that most of the people are Hawaiian homesteaders, however, there are others as well. Since this program is opened to other people and is not restricted, they felt that they should collect rent.

ACTION Unanimously approved as submitted. (Hong/Higashi)

RESUBMITTAL - DLIR REQUEST FOR APPROVAL OF RENEWAL OF LEASE COVERING ROOMS 101 THROUGH 105, 115, AND 116, 547 HALEKAUWILA STREET, HONOLULU, OAHU

ITEM F-14

Mr. Detor said this item was deferred because there were lots of mistakes in the earlier submittal.

ACTION Unanimously approved as submitted. (Hong/Yagi)

OAHU METROPOLITAN PLANNING ORGANIZATION REQUEST FOR RECON-
SIDERATION OF REQUEST FOR ACQUISITION OF LEASE COVERING SUITE
1164 BISHOP STREET, HONOLULU, OAHU

This request was denied at the last board meeting because the board felt that the rental was too high.

Mr. Detor distributed a letter from Ms. Cheryl D. Soon, Executive Director of Oahu Metropolitan Planning Organization, who was unable to be here today because she had to go to the mainland. The letter explains the rent and the reason why they have to be right in town.

Mr. Hong said he was not inclined to change his mind on the denial.

Mr. Higashi said one of the board's main objections was the hidden rent. At \$5.32 per square foot per year, this amounts to an additional 44¢ per square foot per month. He said some leases include utilities. This one doesn't.

Mr. Detor suggested that we defer this matter until the next meeting so Ms. Soon can be present.

Mr. Hong suggested that they look at Halekauwila Street or the Bethel-Pauahi Building.

Mr. Ono said he agrees with the board's argument. However, he didn't feel the board should just take a negative action without some alternatives for these agencies.

Mr. Hong said this came up before and the question is whether this department is supposed to seek out the alternate spaces. He said that is what we discussed with DAGS at one time.

Mr. Ono said if that is the problem, then we should go to DAGS and tell them that they have to do something. He said that is the problem. So partly, it is our fault, too.

Mr. Hong asked what are we supposed to do? Go out and find alternate spaces?

Mr. Ono said one of the things that we agreed is that when the request comes in, if there is a problem, sit down with DAGS and the affected agencies, and discuss it before it comes to the board.

Mr. Hong said he thought that is what they did when they met with DAGS.

Mr. Ono asked have we followed up with DAGS? What have we done?

Mr. Detor said not very much.

Mr. Ono said he would like the staff to follow up, too, to make sure DAGS follows up.

Mr. Hong said when they met with DAGS he didn't see any inclination that they were really geared up to it or had any inclination to go out and find alternate spaces for these agencies. So somewhere along the line we have

a problem in the State Government. He said nobody is responsible for going out and trying to get the best deal they can for all state agencies.

Mr. Ono said after this request was denied, what did we do with DAGS?

Mr. Detor said nothing with DAGS, but they contacted these people (Oahu Metropolitan Planning Organization).

Mr. Ono said if we hadn't followed up through the chain that we had agreed to use, he said he assumes part of the responsibility.

Mr. Hong said he wasn't holding it against them. The only thing that we are passing on is, is this rent that they are being charged a reasonable rent for a government agency? Who is responsible for going out to find more reasonable space? Whose job is it? Our department or DAGS?

Mr. Detor said it is hard for him to answer that because if you go by the letter of the law, the board has to approve any acquisitions of leases. On the other hand, DAGS is the department charged with furnishing government quarters, and they have to certify before any agency can go outside for office space. So he didn't know the answer as to who is really responsible.

Mr. Hong said if DAGS, in finding spaces, submits the requests to us, are we just a conduit to rubber stamp it, that whatever they submit to us is fine with us? If that is the case, he said, why even come to the board?

Mr. Yagi suggested that we approve this request, and work out a procedure with DAGS and inform them that hereafter if DAGS is not going to give us the satisfaction that we will not approve.

Mr. Hong asked the chairman, on this particular one since our department did not try to communicate with DAGS in regards to accommodating them, and agreed with Mr. Yagi that perhaps the board should approve this one. However, hereafter our department will be in communication with DAGS to bring this matter to some kind of a conclusion.

Mr. Ono said if it is going to be approved, it was his personal feeling that it should be approved reluctantly. He again stressed that he has no disagreement what's been said. At the same time we have to do something and correct that situation.

ACTION Mr. Hong said on that basis he will reluctantly move for approval. Mr. Yagi reluctantly seconded and the motion was unanimously carried.

Mr. Ono said this action was taken with the understanding that staff will follow up with DAGS and all of the requesting agencies henceforth, and nothing comes before the board without first touching basis with DAGS; and if the requesting agency comes in late with their request, that they have to have very good reason why the submission is late.

Mr. Hong suggested that we send a memo to the state agencies and let them know that we would like to have their submittal at least three months before the starting date.

Mr. Ono said either that or possibly a memo from the Governor himself informing all the state agencies to this effect.

ITEM F-16 HHA REQUEST FOR APPROVAL OF SUB-SUBLEASE COVERING ROOM 101-A OF THE FORMER OR&L DEPT BUILDING, HONOLULU, OAHU

ITEM F-17 DSS&H REQUEST FOR APPROVAL OF SUB-SUBLEASE COVERING ROOMS 201 AND 202 OF THE FORMER OR&L BUILDING, HONOLULU, OAHU

ACTION Mr. Hong moved to approve Items F-16 and F-27 as submitted. Mr. Higashi seconded the motion.

Mr. Ono asked how come the term on this goes to 1986. He thought there was a three-year limit.

Mr. Detor said there is, but because this is a lease held by Hawaii Housing Authority, it comes under a different category.

Mr. Ono asked Mr. Detor to check this out because he didn't want to start deviating just because it is a government agency.

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

ITEM F-18 REVIEW OF REVOCABLE PERMITS COVERING STATE LAND ON THE ISLAND ON OAHU

Since Mr. Ing was absent today, Mr. Hong asked to defer this matter until the next meeting on Oahu.

Mr. Detor said the only thing was that they were going to have the ones that would be up effective April 1. But he thought they can still make it.

Mr. Ono asked whether the annual renewal date for the permit coincides with the April 1 date, or is it December 31?

Mr. Detor said we are way past on this.

Mr. Ono suggested then that the board take action on the continuation of the permit and defer only on the rent portion.

Mr. Detor said the attorney general's office asked asked him to defer action on Revocable Permit No. S-5669 held by Equipment Repair Services, which is listed on page 8 of the Sand Island permits. He asked that this be withdrawn because that permit is in litigation.

ACTION Mr. Hong had no objection to that and moved to continue the permit, except Permit No. S-5669 which was withdrawn, and deferred approval of the rental until the next meeting. Mr. Yagi seconded and the motion was unanimously carried.

ITEM F-19 CITY AND COUNTY OF HONOLULU BY VTN PACIFIC, INC. APPLICATION FOR FLOWAGE EASEMENT, AIEA, EWA, OAHU

ACTION Unanimously approved as submitted. (Hong/Yamamoto)

Mr. Ono asked who is responsible for the maintenance and liability for this easement.

Mr. Detor said in this case it is going to be the city because they have agreed to accept it.

Mr. Ono said this should be made very specific in cases like this because they are going to turn to the state automatically.

ITEM F-20 HILTON HAWAIIAN VILLAGE HOTEL REQUEST FOR PERMISSION TO HOLD SUPERTeam COMPETITION ON DUKE KAHANAMOKU BEACH, HONOLULU, OAHU (SUBMITTAL WAS DISTRIBUTED AT BOARD MEETING)

ACTION Unanimously approved as submitted. (Hong/Higashi)

Mr. Ono suggested that Hawaiian Village Hotel have one contact person. He said we have to know that in advance otherwise there might be all kinds of problems, and that person should have the authority to say yes or no to some of our conditions.

ITEM F-21 PETER CALDWELL REQUEST FOR RIGHT OF ENTRY TO STATE LAND AT PIHONUA, SOUTH HILO, HAWAII (SUBMITTAL WAS DISTRIBUTED AT BOARD MEETING)

Mr. Higashi suggested that we insert a condition that the area be brought back to the original condition if it is damaged, or repair the easement. He said the language should read that our land agent should have the authority to make him restore if there is damage, or have them restore it to the original condition, or if there is no damage he can sign off.

Mr. Higashi said if there is damage he didn't want the county to do that.

ACTION Unanimously approved as amended above. (Higashi/Yagi)

(See pages 2 to 4 for Item F-22.)

ITEM G-1 FILLING OF ABSTRACTING ASSISTANT VI, POSITION NO. 8798

ITEM G-2 FILLING OF ABTRACTOR VI, POSITION NO. 138

ACTION The board, on Mr. Higashi's motion and seconded by Mr. Hong, unanimously approved the appointments of Jennie Yamauchi to Abstracting Assistant V, SR 13, and Janice Horimoto to Abstractor VI, SR 15.

ITEM H-1 REQUEST TO FILL VACANT INFORMATION SPECIALIST III POSITION, AQUACULTURE DEVELOPMENT PROGRAM

ACTION The board, on Mr. Hong's motion and seconded by Mr. Higashi, unanimously approved the appointment of Ms. Jane Sexton to the position of Information Specialist III.

ITEM H-2 APPROVAL TO PROCEED WITH A FINANCIAL AND COMPLIANCE AUDIT OF THE DEPARTMENT'S FEDERAL AID PROGRAMS

ACTION Unanimously approved as submitted. (Yagi/Yamamoto)

ITEM H-3 FILLING OF THE FISH & GAME ADMINISTRATOR'S POSITION

Mr. Ono said Mr. Henry Sakuda was the only applicant for the position.

Mr. Hong said not only that but Mr. Sakuda has considerable experience as a No. 2 man and lots of experience as a professional and an administrator.

ACTION Mr. Henry Sakuda was unanimously appointed to the Fish and Game Administrator's position, on motion by Mr. Yagi, seconded by Mr. Yamamoto.

ITEM H-4 CDUA FOR SUBDIVISION, WELL DRILLING, ROAD & SITE GRADING AT KAHUKU, KA'U, HAWAII

Mr. Evans recommended that the application be denied for the reasons stated in the submittal. He said his staff received a telephone call this morning from the applicant stating that we would have in our hand this morning a letter of withdrawal. Mr. Evans said we do not have that letter of withdrawal.

Mr. Evans further stated that if the applicant wishes to proceed with this subdivision that the more prudent approach would be to take this matter to the Land Use Commission for a change of zoning.

ACTION Unanimously approved staff's recommendation to deny. (Yagi/Yamamoto)

ITEM J-1 METERED TAXICAB SERVICES LICENSE AND AGREEMENT, KEAHOLE AIRPORT, HAWAII (KONA AIRPORT TAXI COMPANY, INC.)

Mr. Higashi said we have lots of problem at Kona Airport. The service is lousy. He asked whether with this new organization we are going to have improved services.

Mr. Garcia said this is what they are attempting to do. This is part of the reason they are going to a new operator.

Mr. Higashi said he hopes that the new people will conduct itself in a business-like fashion. He said if it does not work out we might as well just leave it open and let anybody who wants to pick up do it.

Mr. Garcia said the thing about having a particular company is that at least we can have control.

Mr. Higashi said if it doesn't work out, they have to look for alternatives.

ACTION Unanimously approved as submitted. (Higashi/Hong)

ITEM J-2 ADDENDUM NO. 4 TO LEASE NO. DOT-A-74-39, HONOLULU INTERNATIONAL AIRPORT, HONOLULU, OAHU (MAKAALA, INC.)

ACTION Unanimously approved as submitted. (Hong/Yagi)

ITEM J-3 MODIFICATION NO. 1 TO LEASE NO. DOT-A-80-22, HONOLULU INTERNATIONAL AIRPORT, OAHU (DFS NORTH AMERICA LIMITED)

ACTION Unanimously approved as submitted. (Hong/Yamamoto)

ITEM J-4 RENEWAL OF REVOCABLE PERMITS, CONFORMING USE, AIRPORTS DIVISION

ACTION Unanimously approved as submitted. (Hong/Yagi)

ITEM J-5 ISSUANCE OF REVOCABLE PERMIT, HARBORS DIVISION, KAWAIHAE HARBOR, KAWAIHAE, HAWAII (YOUNG BROTHERS, LTD.)

This item was deferred at the last board meeting because of lack of quorum.

ACTION Unanimously approved as submitted. (Yagi/Hong)

ITEM J-6 ISSUANCE OF REVOCABLE PERMIT, HARBORS DIVISION, KEWALO BASIN, OAHU (UNIVERSITY OF HAWAII AT MANOA, DEPARTMENT OF OCEAN ENGINEERING)

ACTION Unanimously approved as submitted. (Hong/Yamamoto)

ITEM J-7 ISSUANCE OF REVOCABLE PERMIT, HARBORS DIVISION, NAWILIWILI HARBOR, KAUAI (BILL RAPOZO'S TOWING)

ACTION Unanimously approved as submitted. (Yamamoto/Hong)

ITEM J-8 ISSUANCE OF REVOCABLE PERMIT, HARBORS DIVISION, NEAR KEEHI LAGOON, HONOLULU, OAHU (ROLLOFF SYSTEMS HAWAII, INC.)

ACTION Unanimously approved as submitted. (Hong/Yagi)

ITEM J-9 CONTINUANCE OF REVOCABLE PERMITS, HARBORS DIVISION, PERMIT NUMBER H-73-400, ETC.

ACTION Approved as submitted. (Yagi/Yamamoto)

Mr. Hong excused himself and did not vote on Permit No. H-78-692 to Davies Marine Agencies, Inc.

ITEM J-10 CONTINUANCE OF REVOCABLE PERMITS, HARBORS DIVISION, PERMIT NUMBER H-73-400, ETC.

ACTION Unanimously approved as submitted.

ITEM J-11 CONTINUANCE OF REVOCABLE PERMITS, HARBORS DIVISION, PERMIT NUMBER H-79-737, ETC.

ACTION Unanimously approved as submitted. (Hong/Yamamoto)

- - -

Mr. Yagi asked Mr. Garcia whether DOT has any say on the food prices and the schedule of hours at the airport concessions.

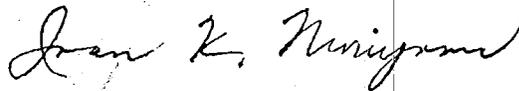
Mr. Garcia said they do have control on the food prices. It is within the contract. However, he didn't know for certain whether the schedule of hours was also included in the contract. He will check into that.

Mr. Yagi said he has received numerous complaints on these. He asked DOT to check into that.

Mr. Garcia said they are conducting this survey now. They have asked all of the districts that have restaurants to check the prices that have been approved by the airports division and review them.

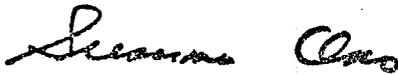
ADJOURNMENT: There was no further business and the meeting was adjourned at
10:45 A. M.

Respectfully submitted,



JOAN K. MORIYAMA
Secretary

APPROVED



SUSUMU ONO
Chairman

jkm