

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

DATE: June 10, 1982
TIME: 9:00 A. M.
PLACE: Kahului Library
Kamehameha & School Streets
Kahului, Maui

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. Roland Higashi
Mr. Thomas Yagi
Mr. J. Douglas Ing
Mr. Moses Kealoha
Mr. Susumu Ono

Absent & Excused
Mr. Takeo Yamamoto

STAFF

Mr. James Detor
Mr. Roger Evans
Mr. Henry Sakuda
Mr. Libert Landgraf
Mr. Robert Chuck
Mr. Roy Sue
Mr. Maurice Matsuzaki
Mr. John Corbin
Mr. Anthony Vierra
Mr. Eddie Ansai
Mr. Roger Pai
Mr. Dean Uchida
Mrs. LaVerne Tirrell

OTHERS

Mr. Johnson Wong, Deputy A. G.
Mr. Peter Garcia, Dept. of Transportation
Mr. Richard Miller and
Mr. Ralph Patterson (Item F-3)
Mr. Tom Sahara, Item F-25

MINUTES

The minutes of April 23, 1982 were approved as circulated. (Higashi/Ing)
Mr. Kealoha did not vote on this matter since he was not present at the April 23, 1982 meeting.

Added
Items

Upon motion by Mr. Higashi and a second by Mr. Ing, the board unanimously voted to add the following items to the board agenda:

Division of Water & Land Development

Item D-8 -- Filling of Engineer (Civil) I Position

Division of State Parks

Item E-8 -- Award of Construction Contract, Job No. 5-OP-41, Park Improvements, Kakaako Waterfront Park, Honolulu, Oahu.

Items on the Board Agenda were considered as follows in order to accommodate those people present at the meeting:

ITEM F-1-f

CONSENT TO ASSIGN AND MORTGAGE (UNDER SECOND MORTGAGE) GRANT OF EASEMENT AT KALAUAO, EWA, OAHU TO THE EPISCOPAL CHURCH IN HAWAII.

ACTION

Unanimously approved as submitted, subject to the approval of the Attorney General's Office. (Ing/Higashi)

ITEM F-3

THERMAL POWER COMPANY AND DILLINGHAM CORPORATION APPLICATION FOR GEOTHERMAL LEASE ON RESERVED LANDS AT KAPOHO AND HALAKAMAHINA, PUNA, HAWAII.

Mr. Detor explained that the Department of Land and Natural Resources has issued three geothermal leases and that this one we will be considering today will be the fourth commercial lease. He explained also that several land owners have assigned their geothermal rights to Thermal Power Company. The area we are talking about today, said Mr. Detor, involves approximately 267 acres. The terms and conditions listed are the same as the three previous leases and the zoning here is agriculture and not conservation.

Not recalling the specific conditions listed in the previous leases, Mr. Ono asked that, providing the board did approve this lease, what kind of liability might the State incur should something happen while these wells are being developed. We have had a lot of complaints about the noise, smell, etc. encountered from the Campbell development. I would like to know if the State can be held liable in the future because of the fact that we are entering into this lease.

Inasmuch as Mr. Detor was not sure whether or not the State could be held liable, Mr. Kealoha thought it best that this be referred to the office of the Attorney General.

Mr. Richard Miller, Land Manager with Thermal Power Company, in answer to Mr. Higashi's question, said that the location of future wells have not yet been identified. He explained that these locations would be identified after the testing of the first two wells. County permits would also be obtained after the testing of these wells. The number of wells to be located would depend upon the results of the test, which would probably be about the end of this year, said Mr. Miller.

Mr. Detor asked about the status of the first two wells. Mr. Miller said that information on the first well was already given to the State and that information on the second well would be given to the State, as required by regulation, as soon as it is completed.

When asked by Mr. Higashi as to the production of the well, Mr. Miller said that a report was submitted to the State in December and, although the report is public record, what the well produces is confidential information.

Mr. Ralph Patterson, Geothermal Manager for DILCO, explained that there are a number of techniques for mitigating hydrogen sulphur emission and they depend a lot on the type of power plant and the characteristics of the wells themselves. In the case of the first two wells, we have noticed differences in the initial testing from the HGPA well. We are not getting the same amount of H²S out of these wells. Whether this will continue or not I really don't know, said Mr. Patterson. But there are methods of completely eliminating the hydrogen sulphur by never allowing the well to come to the atmosphere.

Mr. Patterson explained that they are now in an exploratory and testing program. If these tests prove feasible and we decide to proceed with the applications and permits for a power plant, then we will determine at that time how many wells will be needed. If we are going to do a 25 megawatt plant, which is what the electric company has requested, then we would be talking about a total of about 8-9 wells to feed that 25 megawatt plant. But that would be a very rough guess.

Before awarding the lease I think the board should at least know how many wells you plan to drill, said Mr. Higashi.

It would take between six months to a year for this information to be available, said Mr. Patterson.

What would happen if this board deferred your request until you made an application to the County so that the board and the County can work simultaneously, asked Mr. Ono? I am sure that the county would also be interested in what this board is thinking regarding geothermal projects.

The reason we are making an application at this time, said Mr. Miller, is because we would like the flexibility to go to the county with information saying here is our leasehold and this is where we propose to drill the next well. Because of the location of the acreage, and in order to utilize and manage the state's resource properly, we would need that flexibility.

In light of the public's concern, I may want to hold some kind of a community meeting out there if there are a great amount of wells, said Mr. Higashi. I would think that if there are a lot of wells the impact would be major so to satisfy myself I would like to know how many wells you anticipate drilling.

Mr. Miller said that it would be difficult for him to address this question at this time since he does not know how many wells would be needed to meet the market. However, on an acreage basis -- the property is 267 acres -- I would say about 3 to 4 wells in this area.

Mr. Higashi asked if Mr. Miller would like to make this a part of the conditions.

Mr. Miller did not want this condition added mainly because that number of wells is only a guess and his geologist may not agree. We would drill as many wells as necessary to utilize any resources effectively, said Mr. Miller.

Mr. Kealoha called to their attention that two years ago DILCO brought in all their high power experts for the original application. Now, when we get to this point, just you two are here to take the heat. Since those two years have lapsed we have become more aware of geothermal, public involvement and what side effects we would have towards the geothermal drilling. So these questions we are asking I think really should have been answered by those people who applied two years ago. In all fairness to you, I feel that they may have been able to provide better answers.

That's possible, said Mr. Patterson. However, If the results of the tests show that there is a commercial resource, which is really a strong assumption at this point since we do not have any guarantee of this, the next step in this process would be to develop or have developed for us a reservoir report. This is where the test results are looked at by a reservoir geologist, or engineer, who has the expertise in this matter. We would then recommend that, say, for a 25 megawatt power plant, a certain number of wells be drilled in the leasehold. Whether it be 4, 6 or 8 wells, he would make the determination based on the test results

and he would also make some recommendations as to the location of those wells in order to best manage the resource. All this information would become part of an overall development plan which is required to be submitted to the State under the terms of the regulations and at that time we would know where these wells would have to be drilled and how many would be needed.

We expect to have the test completed by the end of this year and the reservoir report to be available within a month to six weeks after this test. We would then have a plan for development for commercial purposes. This would be different from what we are doing now, which is an exploration plan. If we do not have a lease on the parcels we are asking for today, we would be constrained to put the wells on the leasehold that we do have and we would have to drill wells in accordance with the surface boundaries rather than in accordance with the best utilization of the resource.

ACTION

Upon motion by Mr. Higashi and a second by Mr. Kealoha, the board voted to defer action on Item F-3 until receipt of further information. Mr. Ing disqualified himself from acting on this item.

Mr. Ono suggested that Messrs. Patterson and Miller get together with the DLNR staff to exchange basic kinds of information as requested by the board. If this information can be transmitted to the board, then the deferral may not be an indefinite deferral. The other thing is your application to the county. This board feels uneasy about a response like you don't know what kind of request you will be making to the county. I'm sure you're going to get the same kind of response from the county unless something more detailed and more definite is forthcoming to both this board and the county.

Mr. Patterson asked if the board was deferring action on this lease until the numbers and locations of the wells were made available.

At least anticipated numbers and locations, said Mr. Higashi.

ITEM F-25

UNIVERSITY OF HAWAII APPLICATION TO LEASE LAND FOR MID-LEVEL SUPPORT FACILITIES AT HALE POHAKU, KAOHE, HAMAKUA, HAWAII.

Several conditions were added at the time the board considered the CDUA. Were these incorporated into the lease, asked Mr. Ing?

Yes, said Mr. Detor.

Mr. Ono asked whether or not any revenue producing activities were taking place at this mid-level facility, e.g. rental, etc. to the residents.

Only to reimburse the cost of the redevelopment, said Mr. Sahara.

ACTION

Finding the subject area to be an economic unit in terms of the intended use and is now unsuitable for hunting nor will it become so during the term of the lease, the board, upon motion by Mr. Higashi and a second by Mr. Ing, unanimously authorized issuance of a lease for the subject 7.0-acre site to the University of Hawaii for the management, operation and maintenance of mid-level facilities at Hale Pohaku, subject to the terms and conditions listed in the submittal. The board also voted to: 1) amend its action of April 23, 1982 by granting to the U. H. and its assigns right of entry for construction purposes to the subject site subject to the conditions, as appropriate, under Recommendation "C" of the Agenda Item H-6 dated April 23, 1982; and 2) cancel R. P. S-5537 to the U. H. as of April 23, 1982.

Even if we don't expect any revenues, said Mr. Ono, it should be mentioned in the lease that any revenues generated should go back into the operation of the facility. Otherwise, years from now someone may ask why these revenues were not put into the state general fund.

ITEM J-14 CONSENT TO ASSIGNMENT OF LEASE NO. DOT-A-74-24, KAHULUI AIRPORT, MAUI (Y'S CAR RENTAL, INC. TO PACIFIC AUTO RENTAL CORP., DBA DOLLAR RENT-A-CAR SYSTEMS.

ITEM J-15 PARTIAL ASSIGNMENT OF LEASE NO. DOT-74-24, KAHULUI AIRPORT, MAUI (PACIFIC AUTO RENTAL CORP., DBA DOLLAR RENT-A-CAR TO ROYAL RAINBOW, INC., DBA RAINBOW RENT-A-CAR).

ACTION Upon motion by Mr. Yagi and a second by Mr. Higashi, the board unanimously approved Items J-14 and J-15, as submitted.

ITEM H-6 CDUA FOR SINGLE FAMILY RESIDENTIAL USE ON TWO ADJACENT LOTS AT KANEOHE, OAHU.

ACTION The board voted unanimously to have this item deferred to the next Oahu meeting scheduled for June 25, 1982. (Kealoha/Ing)

ITEM B-1 APPROVAL FOR AWARD OF CONTRACT - JOB NO. 7-QM-15, PUMPHOUSE REPLACEMENT, ANUENUE FISHERIES RESEARCH CENTER, KAPALAMA, OAHU.

ACTION The board, subject to allotment of funds by the Governor, unanimously voted to award the contract for the subject project to Anderson Pacific for their low bid of \$24,945.00. (Kealoha/Ing)

ITEM B-2 OUT-OF-STATE TRAVEL REQUEST, DIVISION OF AQUATIC RESOURCES' DIRECTOR AND A BOARD MEMBER.

This request is for travel to attend the annual conference of the Western Association of Fish and Wildlife Agencies to be held during the period July 18-22, 1982 at Las Vegas, Nevada.

ACTION Unanimously approved as submitted. (Ing/Kealoha)

ITEM B-3 APPROVAL TO RENEW AGREEMENT WITH THE UNIVERSITY OF HAWAII SEA GRANT COLLEGE PROGRAM TO CONTINUE SUPPORT FOR FRESHWATER PRAWN FARMING EXTENSION SERVICE (JUNE 1, 1982 to MAY 31, 1983).

ACTION Unanimously approved as submitted. (Kealoha/Ing)

ITEM C-1 OUT-OF-STATE TRAVEL REQUEST FOR TIMOTHY SUTTERFIELD.

This is an education and information training program sponsored by the Safari Club International Conservation Fund and is to be held in Jackson Hole, Wyoming from July 29 through August 7, 1982. The Safari Club will pay all tuition, board and room, and travel expenses from Honolulu to Wyoming and return.

ACTION Unanimously approved as submitted. (Ing/Kealoha)

ITEM C-2 RESUBMITTAL - ACCEPTANCE OF THE HAWAII WILDLIFE PLAN.

In view of concerns raised by the Hawaii Island Fish and Wildlife Advisory Committee, consideration of the Plan was deferred at both the March 12th and April 23, 1982 meetings. Since then, explained Mr. Landgraf, we have considered the critique of the Committee, as well as the Hawaii Island Archery Club Inc., and responded in detail.

I realize, said Mr. Ono, that this item has been deferred a couple of times, but would you have any objection if this plan were to be referred to the Animal Species Advisory Commission. Since the Commission is advisory to the board it may be advisable to have them look at the plan and give its recommendation to the board.

Mr. Landgraf thought that this would be very appropriate and had no objection.

How long will it take the Commission to submit their comments, asked Mr. Yagi?

Although they have not yet acted as a Commission, Mr. Ono said that many of the members had already had an opportunity to review the draft.

Mr. Landgraf said that he would immediately communicate with members of the Commission and, for those who had not seen the Plan, he would provide them with same so that they would be prepared to comment when the Commission does convene.

Mr. Higashi said that he had met with the Hawaii Island Fish and Wildlife Advisory Group members and they asked that he personally thank staff for their patience and for also considering their input. If possible, they would appreciate having a part in the implementation of the plan.

ACTION

This item was deferred so it could be referred to the Animal Species Advisory Commission for review and comment.

**ADDED
ITEM D-9**

It was moved, seconded and unanimously approved that Item D-9 be added to the agenda. (Higashi/Ing)

ITEM D-1

RESUBMITTAL - TERMS OF WATER WITHDRAWAL AND USE PERMITS

When this request was originally submitted to the board, DOWALD was asked to get an opinion from the Attorney General's office as to whether or not it would be alright to do this. The Ground Water Use Law specifies that permits may be issued up to a maximum of 50 years and allows for extension of the permit after one-half of the permit period has lapsed.

What happens to the allocations of water to the Board of Water Supply, military, etc. when you permit water withdrawal, asked Mr. Kealoha?

When the board designated those areas, said Mr. Chuck, the first thing the board did was establish "preserved" uses and that goes on by law for all times. The 77 mgd, for instance, that the Board of Water Supply got was 5%. It's a preserved use that goes on for all times unless the laws change or other actions are later taken.

This request, said Mr. Chuck, is for new permits of withdrawal from designated areas -- term to be established by the board. We are asking that the term be uniform, i.e. twenty years for this new withdrawal -- not preserved uses.

As to those withdrawals that have already been allowed and certified, is there any limitation on the term, asked Mr. Ing?

Not as we read the law, said Mr. Chuck. Unless they change the use and are no longer using it beneficially then the board has the right to take it back.

Once you issue water, you say that we can take it back, asked Mr. Kealoha?

If the user changes his use of water or is no longer using it beneficially, the law allows for that, said Mr. Chuck.

Is this under the preserved use, asked Mr. Wong? Because if you issue a water permit, the person now has a vested right which means that you have to compensate him if you want to take back the water under the permit system.

But the law that we are acting under, said Mr. Chuck, requires that all uses be beneficial uses always.

Yes, but this particular request is not based on the preserved use. This is being issued as a new water permit, said Mr. Wong.

Even then the use of this new water permit as we see it, remarked Mr. Chuck, must be beneficiary use or the board has the right to take some action on that permit.

When people come to us for development of a well, asked Mr. Ing, do you intend to use this document as a guide?

If it is within the designated area we intend to use this board action to recommend the period of time that the permit is valid, answered Mr. Chuck.

ACTION

It was moved by Mr. Ing that the board establish the terms of ground water withdrawal and use permits at 20 years from the date of issuance of the permit with a five-year board review to determine compliance with the provisions of the permit and that the development of the ground water source be completed within 24 months from the date of permit issuance for all permits issued by the board, subject to adjustments required by the board for any permit. Mr. Higashi seconded and motion carried unanimously.

ITEM D-2

RESUBMITTAL - THE KAMEHAMEHA SCHOOLS WATER WITHDRAWAL AND USE PERMIT APPLICATION, HONOLULU GROUND WATER CONTROL AREA.

ACTION

The board, upon motion by Mr. Kealoha and a second by Mr. Ing, unanimously approved the issuance of a Water Withdrawal and Use Permit to The Kamehameha Schools for 0.04 mgd, averaged annually, for domestic and irrigation uses. The duration of the permit to use the 0.4 mgd shall be twenty (20) years with a review every five years by the board to determine compliance with provisions of the permit. The applicant shall be subject to any special conditions and applicable laws, rules and regulations.

ITEM D-3

HONOLULU BOARD OF WATER SUPPLY USE PERMIT APPLICATION FOR MILILANI WELL NO. 6 (2859-02), PEARL HARBOR GROUND WATER CONTROL AREA.

This well no. 6 is already in being, said Mr. Chuck. What is being requested today by the Board of Water Supply is flexibility in their service. If their battery of wells, known as Mililani Wells I, for some reason go out they will be short in that area so they would like permission to use Mililani Well No. 6 only as a standby well which will not increase the pumpage from the Pearl Harbor Basin. We plan to monitor this, said Mr. Chuck.

In answer to Mr. Ing's question, Mr. Chuck said that this will not change their certified withdrawal amount.

ACTION

It was moved by Mr. Ing, seconded by Mr. Higashi that the board approve the issuance of a Water Use Permit to the Honolulu Board of Water Supply to utilize Mililani Well No. 6 as a standby well to provide source flexibility at Mililani Wells II station. The duration of the permit shall be twenty (20) years with a review every five years by the board to determine compliance with provisions of the permit. The applicant shall be subject to any special conditions and applicable laws, rules and regulations.

ITEM D-4

PERMISSION TO ENTER INTO AN AGREEMENT WITH THE WATER RESOURCES RESEARCH CENTER TO INSTALL A FLEXIBLE MEMBRANE TO IMPOUND COASTAL STREAMWATERS.

Because this subject area is within the conservation district, Mr. Chuck said that he has assured the Chairman that no work will be done in the field until the board approves the Cdua.

Where is the Cdua, asked Mr. Ing?

We have been working with the Water Resources Research Center to have them apply for a Cdua, said Mr. Chuck.

ACTION

The board, upon motion by Mr. Ing and a second by Mr. Higashi, unanimously voted to allow the department to enter into an agreement with the Water Resources Research Center to install a flexible membrane to impound coastal streamwaters.

ITEM D-5

PERMISSION TO CONDUCT A JOINT STUDY WITH U. H. WATER RESOURCES RESEARCH CENTER ON EVAPORATION IN HAWAII.

The Division of Water and Land Development wishes to enter into interagency agreement with the U.H. Water Resources Research Center to collect, analyze, and publish statewide evaporation data.

ACTION

Unanimously approved as submitted. (Ing/Higashi)

ITEM D-6

SOIL AND WATER CONSERVATION DISTRICT DIRECTORS

ACTION

The board, upon motion by Mr. Higashi and a second by Mr. Kealoha, unanimously voted to appoint and certify the following persons for the terms shown to serve as Directors of the respective Soil and Water Conservation Districts:

<u>DISTRICT</u>	<u>NAME</u>	<u>ELECTED/ APPOINTED</u>	<u>TERM</u>
Windward	Terril Takeshita, Nursery Farmer	Appointed	6/30/85
West Oahu	Austin Smith, Engineer, Waialua Sugar Company	Elected	6/30/85
Kau	Dale Anderson Macadamia Nut Farmer	Elected	6/30/85
East Kauai	Albert Morgani, Retired Farmer August Souza, Retired Farmer	Appointed Appointed	6/30/85
West Maui	George Brown, Real Estate Broker David Nobriga, Rancher Ian Swezey, Nursery Manager	Appointed Elected Elected	6/30/85 6/30/85 6/30/85
Puna	Karen M. Norris, Horticulturalist	Elected	6/30/85
Waiakea	Susumu Maeda, Retiree	Elected	6/30/85

ITEM D-7

APPROVAL FOR AWARD OF CONTRACT - JOB NO. 9-of-9, MAKIKI STREAM REALIGNMENT, HONOLULU, OAHU.

ACTION

The board, upon motion by Mr. Ing and a second by Mr. Kealoha, unanimously voted to award the construction contract on Schedules I & II of the subject project to Highway Construction Co., Ltd. for their low total sum bid of \$498,818.00 subject to the release of funds by the Governor, and also authorized the Chairman to negotiate and enter into a contract with a consultant for construction surveying services.

ADDED
ITEM D-8

FILLING OF ENGINEER (CIVIL) I POSITION.

ACTION

The board unanimously approved the appointment of Mr. Joseph Menor to Position No. 13173, Engineer (Civil) I, effective June 16, 1982. (Ing/Higashi)

ADDED
ITEM D-9

PERMISSION TO ENTER INTO A CONTRACT WITH HONOLULU BOARD OF WATER SUPPLY FOR THE DEVELOPMENT OF THE WAIMANALO WELL, KOOLAUPOKO, OAHU.

ACTION

Unanimously approved as submitted, subject to release of funds by the Governor. (Kealoha/Ing)

ITEM E-1

FILLING OF GROUNDSKEEPER I, POSITION NO. 11928, STATE CAPITOL GROUNDS, OAHU PARK SECTION.

ACTION

The board unanimously approved the appointment of Mr. Conrad Chadwick to fill the above position. (Ing/Higashi)

ITEM E-2

FILLING OF GROUNDSKEEPER I, POSITION NO. 21559, IOLANI PALACE GROUNDS, OAHU PARK SECTION.

ACTION

The board unanimously approved the appointment of Mr. Richard Kuaana, Jr., to fill the above position. (Kealoha/Ing)

ITEM E-3

AWARD OF CONSTRUCTION CONTRACT, JOB NO. 5-OP-38, COMFORT STATION, MAKIKI VALLEY AREA, TANTALUS STATE RECREATION AREA, HONOLULU, OAHU.

ACTION

The board, upon motion by Mr. Ing and a second by Mr. Higashi, unanimously awarded the Construction Contract for Job No. 5-OP-38, Comfort Station, Makiki Valley Area, Tantalus State Recreation Area to Mokihana Builders with a low total sum bid of \$42,625.00.

ITEM E-4

REQUEST TO OPERATE AN EDUCATIONAL/CULTURAL CENTER, HEEIA STATE PARK.

As I understand it, said Mr. Ing, the way they will get their funds is to rent the premises out on a periodic basis. However, Clause No. 13 of the lease says that the lessee shall not rent or sublet any portion of the premises. Therefore, this problem will have to be addressed since the lease is not designed to do what this organization wants to do eventually.

Mr. Sue said that he would check this out with the Attorney General's office.

We have also had problems, like in the case of Iolani Palace, where people wanted to use the premises and the group would not let them use it because of the nature or extent of the use so these people end up coming to the board to iron out their difficulties. Perhaps what we should do is add a clause in the lease which says that they won't unreasonably withhold letting the premises out to different organizations. Since this is a state park open to the general public, my concern is that they don't kapu the use of the park only to their friends.

The problem Mr. Ing mentioned should be clearly defined in the lease condition, said Mr. Kealoha.

ACTION

Mr. Ing moved for approval with an amendment to have the Attorney General's office review Clause No. 13 to make whatever corrections are necessary so the use won't be in conflict with the lease and also to consider putting in a clause wherein use of the premises will not be unreasonably withheld. Mr. Kealoha seconded and motion carried unanimously.

ITEM E-5

PERMISSION TO AMEND STATE OF HAWAII CONTRACT NO. 12689 WITH HAROLD MIYAMOTO AND ASSOCIATES, INC. CONCERNING THE PREPARATION OF DESIGNS AND PLANS FOR THE RECONSTRUCTION OF HANAIEI PIER, HANAIEI, KAUAI.

Why is the new fee so high, asked Mr. Yagi. I note that the consultant's fee has been raised from \$50,000 to \$100,000, and the design project fee from \$550,000 to \$1,200,000.

The contract estimate for renovation work, said Mr. Sue, is well over a million dollars. Until we can determine whether or not the piles can be replaced we won't know if we will go ahead with the work.

In answer to Mr. Kealoha's question, Mr. Sue said that we were keeping the pier for recreational fishing purposes.

ACTION

The board, upon motion by Mr. Higashi and a second by Mr. Ing, authorized the Chairman and a Member of the board to execute the contract amendment subject to the final approval as to form of the document by the Attorney General or authorized deputy attorney general. Mr. Yagi voted no.

ITEM E-6

APPROVAL TO ENGAGE THE SERVICES OF A CONSULTANT FOR KEALAKEKUA BAY STATE HISTORICAL PARK, HAWAII.

ACTION

Mr. Higashi moved for approval but asked that staff work out the direction we want to go. If we are going to appoint a committee, they should work together with the consultant. Motion carried unanimously with a second by Mr. Ing.

APPROVAL TO ENGAGE THE SERVICES OF A CONSULTANT TO PROVIDE RELOCATION ASSISTANCE FOR DISPLACED PERSONS IN CONNECTION WITH ACQUISITION FOR LANDS FOR STATE PARKS PROJECTS.

ITEM E-7

This department is responsible for providing relocation assistance for displaced persons in connection with acquisition of lands for state parks projects in conformance with the Federal Uniform Real Property Acquisition Act and State Relocation Act 166.

Department of Transportation and City & County have assisted us in the past, said Mr. Sue, but they have not advised that they are unable to provide our agency with services for relocation assistance due to a shortage of their relocation staff.

Is there a consultant available for such services, asked Mr. Yagi? Also, what criteria do you use for selecting this consultant.

Mr. Sue said that the consultant would need to have some background in relocation work and understand the federal and state laws in relocation assistance. He also has to appraise the value of the displaced property and integrate the affected families into something compatible to what they already have.

Instead of hiring a consultant for a one shot deal, Mr. Kealoha felt that a position should be created within the division for this job -- maybe he could work along with the department's appraiser.

ACTION

Deferred. Mr. Ono asked that Mr. Sue come back with some figures and some other options and make sure that the projects listed are actual projects that qualify for relocation assistance.

ITEM E-8 AWARD OF CONSTRUCTION CONTRACT, JOB NO. 5-OP-41, PARK IMPROVEMENTS, KAKAAKO WATERFRONT PARK, HONOLULU, OAHU, HAWAII.

ACTION Upon motion by Mr. Kealoha and a second by Mr. Ing, the board unanimously voted to award a construction contract for the basic bid and additive alternative 2 on Job No. 5-OP-41, park improvements to C. S. Onaga with bids of \$126,177.40 and \$17,197.00 or a total sum of \$143,374.40.

ITEM F-1 DOCUMENTS FOR CONSIDERATION

Item F-1-a ROBERT SHIOJI APPLICATION FOR REVOCABLE PERMIT, covering the former John M. Ross school site, Nanue, No. Hilo, Hawaii, containing 7.50 acres - TMK 3-2-01:6 - Rental: \$75.00 per month.

Mr. Detor asked that the commencement date be changed from June 1, 1982 to June 15, 1982.

Item F-1-b MAGNUS CONSTRUCTION, INC. APPLICATION FOR LAND LICENSE to extract 10,000 cubic yards of topsoil from State lands under G. L. S-4222 to Kekaha Sugar Company, Kekaha, Kauai - TMK 1-2-02:por. 1

Item F-1-c ISLAND HOLIDAYS, INC., DBA COCO PALMS RESORT HOTEL APPLICATION FOR REVOCABLE PERMIT, covering land at Wailua, Kauai, containing 470 sq. ft. - TMK 4-1-09:por. 19 - Rental: \$10.00 per month.

Item F-1-d OREN TSUNEZUMI REQUEST FOR CONSENT TO MORTGAGE - Lot 14, Paho Agriculture Park, Keonepoko Iki, Puna, Hawaii, containing 20.000 acres - G.L. S-4428 - TMK 1-5-116:14.

Item F-1-e ISAAC KANOA, JR. APPLICATION FOR REVOCABLE PERMIT, Keanae Homesteads, 1st Series, Hana, Maui, containing 0.458 acre - TMK 1-1-03:por. 28 - Rental: \$10.00 per month.

Item F-1-f See Page 2 for Action.

ITEM F-2 MILTON HAGIWARA APPLICATION FOR WATER PIPELINE EASEMENT, AHUALOA HOMESTEADS, 1ST SERIES, HAMAKUA, HAWAII.

ACTION The board, upon motion by Mr. Kealoha and a second by Mr. Yagi, unanimously authorized:

1. The direct sale of the easement described in the submittal to the applicant subject to the terms and conditions listed in the submittal; and
2. An immediate right-of-entry to the area in question for surveying and construction purposes subject to the standard indemnity and hold-harmless clause.

ITEM F-3 THERMAL POWER COMPANY AND DILLINGHAM CORPORATION APPLICATION FOR GEOTHERMAL LEASE ON RESERVED LANDS AT KAPOHO AND HALAKAMAHINA, PUNA, HAWAII.

ACTION See Page 4 for Action.

ITEM F-4 STAFF RECOMMENDATION FOR AMENDMENT OF PREVIOUS BOARD ACTION (10/23/81, AGENDA ITEM F-7) GRANTING RIGHT OF ENTRY FOR USE OF ROAD FURNISHING ACCESS TO LOT 2, BLOCK H, OLAA SUMMER LOTS, PUNA, HAWAII.

Mr. Detor stated that the above amendment was being recommended in order to clear up some aspects in relation to the County.

County of Hawaii's interpretation of staff's condition relative to the type or standard of road that the applicant must construct has, in this instance and in numerous others, proved to be a hardship on the applicant in that the County has been requiring that any road improvements be done to dedicable standards.

ACTION

It was moved by Mr. Higashi that the board amend its action of October 23, 1981 under agenda Item F-7 by deleting conditions A through E and replacing them with the new conditions listed in the submittal. Mr. Yagi seconded and motion carried unanimously.

ITEM F-5

HAWAII ELECTRIC LIGHT CO., INC. AND HAWAIIAN TELEPHONE COMPANY REQUEST FOR RIGHT OF ENTRY TO INSTALL ANCHORS WITHIN THE KEAHOLE AGRICULTURAL PARK, PHASE II, COMA 1ST, NO. KONA, HAWAII.

ACTION

The board unanimously authorized the issuance of right-of-entry to the applicants for the purposes discussed in the submittal, subject to the standard indemnity and hold-harmless clause and other terms and conditions as may be prescribed by the Chairman. (Higashi/Yagi)

ITEM F-6

LOUIS FERNANDEZ, JR., ET AL, APPLICATION FOR EASEMENT, KEALAHOU 3 & 4, MAKAWAO, MAUI.

ITEM F-7

EREHWON TRUST APPLICATION FOR EASEMENT, KEALAHOU 3 & 4, MAKAWAO, MAUI.

Mr. Detor asked that Items F-6 and F-7 be considered together inasmuch as they involve the same piece of land. These are easements that will run over state land under lease to the U. S. Postal Service.

ACTION

Mr. Yagi moved for approval of both Items F-6 and F-7 as submitted, subject to the terms and conditions listed in said submittals. Motion carried unanimously with a second by Mr. Kealoha.

ITEM F-8

DEPARTMENT OF TRANSPORTATION REQUEST FOR RIGHT OF ENTRY TO STATE LAND AT NAPILI 4 & 5, LAHAINA, MAUI.

ACTION

The board voted unanimously to authorize a right of entry to the Department of Transportation to Construction Parcel C-6 for a field office and laboratory site subject to the conditions listed in the submittal. (Yagi/Kealoha)

ITEM F-9

COUNTY OF MAUI REQUEST FOR RIGHT OF ENTRY FOR STREET IMPROVEMENT PROJECT, KAMEHAMEHA III SCHOOL SITE, LAHAINA, MAUI.

ACTION

The board unanimously approved the County of Maui's request for right of entry for street improvement project, subject to the terms and conditions listed in the submittal. (Yagi/Ing)

ITEM F-10

EDWARD YAMASHIRO APPLICATION TO PURCHASE RECLAIMED LAND, KANEOHE, KOOLAUPOKO, OAHU.

ACTION

Finding that the intended disposition is not prejudicial to the best interest of the state, community or area in which such reclaimed land is located, the board upon motion by Mr. Ing and a second by Mr. Yagi, voted unanimously to 1) authorize the publication of a Notice of Disposition as required by law, and 2) approve the direct sale of the subject reclaimed (filled) parcel to the applicants, subject to the terms and conditions listed in the submittal and such other terms and conditions as may be prescribed by the Chairman.

CITY AND COUNTY OF HONOLULU, BOARD OF WATER SUPPLY, REQUEST FOR WITHDRAWAL OF LAND FROM EXECUTIVE ORDER NO. 1529, AUWAIOLIMU, KEWALO-UKA & KALAWAHINE, HONOLULU, OAHU.

ITEM F-11

What will we use the land for after it has been withdrawn, asked Mr. Ing?

Mr. Detor said that he wasn't sure but had heard that it might be used for a community center. There are no firm plans. Several groups have expressed an interest in developing this area for community use.

Can we manage the area if we get it back for an indefinite period, asked Mr. Ono? It might be better to let the Board of Water Supply keep the area until we have definite plans to use said area, then we will not have to be responsible for maintenance.

ACTION

Deferred for further study.

ITEM F-12

DEPARTMENT OF TRANSPORTATION REQUEST FOR GRANT OF EASEMENT (TO THE U.S.A.) COVERING WATER AND FUEL LINES, FORT WEAVER ROAD REALIGNMENT, EWA, OAHU.

ACTION

The board, upon motion by Mr. Ing and a second by Mr. Kealoha, unanimously voted to:

1. Grant the United States of America a water line and fuel line easement crossing over highway designated parcels 53 and 57.
2. Accept a quitclaim from the Trustees under the Will and of the Estate of James Campbell, deceased, all easement rights in and to highway parcel 53.
3. Authorize the petition to the Land Court for the designation of a ten foot wide water line and twenty foot wide fuel line easement.
4. Subject to terms and conditions deemed necessary by the Chairman.

ITEM F-13

CITY AND COUNTY OF HONOLULU REQUEST FOR CONVEYANCE OF LAND REQUIRED FOR KAHULUU FLOOD CONTROL PROJECT, KAHALU, KOOLAUPOKO, OAHU.

ACTION

The board, upon motion by Mr. Kealoha and a second by Mr. Yagi, unanimously voted to:

1. Approve the conveyance in fee to the City and County of Honolulu the parcels listed in the submittal for the Kahaluu Flood Control, A-1 Channel Improvements, subject to the conditions listed in the submittal.
2. Grant the City and County of Honolulu, Department of Public Works, an immediate right of entry to the subject parcels for construction purposes subject to the terms and conditions listed in the submittal.

ITEM F-14

DARREL TANAKA REQUEST FOR EXTENSION OF TIME WITHIN WHICH TO SATISFY BUILDING REQUIREMENT, LOT 3-A, HANAPEPE TOWN LOTS, 1ST SERIES, HANAPEPE, KAUAI.

ACTION

The board unanimously approved an extension from July 25, 1982 up to January 24, 1983, of the construction deadline contained in SSA S-5551, subject to the vendee furnishing a building compliance bond in an amount of not less than \$5,000 guaranteeing completion of the residence by January 24, 1983; such bond to be posted within thirty days from notification of receipt of the extension.

GLEN MAKANEOLE REQUEST FOR EXTENSION OF TIME WITHIN WHICH TO SATISFY BUILDING REQUIREMENT, LOT 3-A, HANAPEPE TOWN LOTS, 1ST SERIES, HANAPEPE, KAUAI.

ITEM F-15

Mr. Detor explained that under the law we can only grant extensions six months at a time providing they post a bond, which, normally, is no problem. However, in this particular case, the home is 60% complete and the applicant is building it himself. In other instances you can combine it with the contractors cost but here the guy is building it himself and it is 60% complete so the guy would have a hard time getting a \$5,000 bond since he does not have a contractor's bond to combine it with. Accordingly, Mr. Detor asked that the bond requirement be waived.

ACTION

Mr. Higashi moved for approval of an extension from July 25, 1982 up to January 26, 1983 of the construction deadline contained in SSA S-5556, with the deletion of the bond requirement for this extension. However, if the subject residence is not completed by January 24, 1983 and the applicant comes in for another extension, the bond requirement would be put back. Mr. Yagi seconded and motion carried unanimously.

ITEM F-16

RESUBMITTAL - DEPARTMENT OF HEALTH REQUEST FOR APPROVAL OF RENTAL AGREEMENT COVERING OFFICE SPACE IN THE KUAKINI PROFESSIONAL PLAZA, KAILUA-KONA, HAWAII.

Mr. Detor said that this was earlier deferred because the question had come up as to why they are going on a month to month basis instead of getting a lease. The reason is that while the renovation is going on at Kona Hospital, this facility wants to occupy space in the Kuakini Professional Plaza. They will move back to the hospital when the renovation work is completed.

ACTION

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

ITEM F-17

DEPARTMENT OF HEALTH REQUEST FOR ACQUISITION OF LEASE COVERING ROOM 300 OF THE BETHEL-PAUAAHI BUILDING, HONOLULU, OAHU.

ITEM F-18

DEPARTMENT OF HEALTH REQUEST FOR ACQUISITION OF LEASE COVERING DWELLING AT 216 KOA STREET, WAHIAWA, OAHU.

ITEM F-19

DEPARTMENT OF EDUCATION REQUEST FOR ACQUISITION OF MONTH TO MONTH TENANCY COVERING LIBRARY SPACE AT NAALEHU, HAWAII.

ITEM F-20

DEPARTMENT OF REGULATORY SERVICES REQUEST FOR ACQUISITION OF OPERATING AGREEMENT AND RIGHT OF ENTRY COVERING SPACE IN THE POLICE MICROWAVE STATION AT SOUTH POINT, NAALEHU, HAWAII.

ITEM F-21

ATTORNEY GENERAL'S REQUEST FOR ACQUISITION OF LEASE COVERING SUITE 303, 305, 307, 309, 311, AND 313 OF THE BETHEL-PAUAAHI BUILDING, HONOLULU, OAHU.

ITEM F-22

DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS REQUEST FOR ACQUISITION OF LEASE COVERING SUITE 202 OF THE HONOLULU FEDERAL SAVINGS AND LOAN BUILDING, KANEOHE, OAHU.

ITEM F-23

DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS REQUEST FOR ACQUISITION OF LEASE COVERING SUITE 200 OF THE HONOLULU FEDERAL SAVINGS AND LOAN BUILDING, KANEOHE, OAHU.

ACTION

Mr. Kealoha moved for approval of Items F-17 to F-23 as submitted, subject to the review and approval of the lease documents by the Department of the Attorney General.

ITEM F-24

CONRAD LEHMANN REQUEST FOR RIGHT OF ENTRY TO CONDUCT ARCHAEOLOGICAL RECONNAISSANCE, PUUWAAWAA, NORTH KONA, HAWAII.

Mr. Detor explained that the Lehmann's are going to apply for an easement for access from the main road to their property at Kihola. However, before filing the CDUA they would like to make an archaeological survey so that they can determine their alignment. They are therefore requesting a right of entry so they can go in and look at the area and flag the alignment. They will then come in with a CDUA.

ACTION

Mr. Higashi moved for approval of a right of entry to the applicants to the area in question for purposes discussed in the submittal, subject to the terms and conditions listed in said submittal. Mr. Yagi seconded and motion carried unanimously.

ITEM F-25

UNIVERSITY OF HAWAII APPLICATION TO LEASE LAND FOR MID-LEVEL SUPPORT FACILITIES TO HALE POHAKU, KAOHE, HAMAKUA, HAWAII.

ACTION

See Page 4 for Action.

ITEM H-1

PERMISSION TO CONTRACT WITH THE UNIVERSITY OF HAWAII TO CONTINUE A RESEARCH PROJECT ON LOW TEMPERATURE STORAGE OF THE FRESHWATER PRAWN, MACROBRACHIUM ROSENBERGII.

ACTION

The board voted unanimously to authorize the Chairman to negotiate and enter into a contract with the University of Hawaii for the subject project subject to Governor's approval. (Yagi/Kealoha)

ITEM H-2

PERMISSION TO CONTRACT WITH THE RESEARCH CORPORATION OF THE UNIVERSITY OF HAWAII TO CARRY OUT A PROJECT ON BACKYARD AQUACULTURE SYSTEMS.

ACTION

The board voted unanimously to authorize the chairman to negotiate and enter into a contract with the University of Hawaii for the subject project, subject to Governor's approval. (Ing/Kealoha)

ITEM H-3

PERMISSION TO CONTRACT WITH THE RESEARCH CORPORATION OF THE UNIVERSITY OF HAWAII TO CONTINUE RESEARCH ON THE ECONOMICS OF BAITFISH PRODUCTION IN INTENSELY MANURED POLY-CULTURE SYSTEMS.

ACTION

The board, upon motion by Mr. Ing and a second by Mr. Higashi, voted unanimously to authorize the chairman to negotiate and enter into a contract with the Oceanic Institute for the subject project subject to Governor's approval.

ITEM H-4

PERMISSION TO CONTRACT WITH THE OCEANIC INSTITUTE TO CARRY OUT A PROJECT ON THE TECHNICAL AND ECONOMIC FEASIBILITY OF MARINE SHRIMP FARMING IN HAWAII.

ACTION

Upon motion by Mr. Ing and a second by Mr. Higashi, the board voted unanimously to authorize the chairman to negotiate and enter into a contract with the Oceanic Institute for the subject project subject to Governor's approval.

ITEM H-5

CDUA FOR THE INTERIM PAPAYA USE AND PILOT TREE FARMING OF THE HALEPUA'A SECTION OF THE NANAWALE FOREST RESERVE AT PUNA, HAWAII.

Mr. Evans asked that on Page 11, under Question 12, the word "encourages" after the word "eucalyptus" be changed to "discourages".

Also, at the time of application the owner was listed as S. L. FARMS, INC. whose president is Hakumasa Hamamoto. I cannot say at this time, said Mr. Evans, whether it is still the same owner.

Is the proposed use a conditional use because it is for commercial use, asked Mr. Ing?

No, said Mr. Evans. We treated the proposed use as a conditional use not because of the long term use, which is tree planting, but rather because of the short term use which was identified to us as papaya. Generally speaking, the growing and harvesting of forest products would be considered a permitted use in our resource subzone of the conservation district. However, because there was this interim use which was commercial papaya harvesting, we did not feel that papaya harvesting was a forest use and that is why we treated it as conditional rather than permitted use.

Instead of taking down the trees, Mr. Higashi asked whether it would be possible instead to use it as a buffer zone.

We have done this in all the areas of Panaewa and lower Waiakea. In this particular instance it would be very desirable and we had discussed this originally with the proposed operators because it is to their benefit since it acts as a eindbreaker, said Mr. Landgraf.

In answer to Mr. Higashi's request, Mr. Evans said that Condition No. 14 could be added wherein the Division of Forestry and Wildlife would establish a buffer zone in conjunction with the proposed operator as an aesthetic feature.

Inasmuch as the neighboring subdivision is a residential area, Mr. Higashi asked that the operators take every precaution in minimizing the dust and the debris during the bulldozing period.

Mr. Evans stated that this condition would be listed as No. 15 in the submittal.

Mr. Ono said that if this submittal is approved he will expect the Division of Forestry and Wildlife, with the help of the Conservation and Resources Enforcement staff, to police the activities that take place in this area because of the many questions and comments that were received at the public hearing as well as subsequent comments written to DLNR.

Besides DOCARE, said Mr. Landgraf, we do have a Resource Forester that can be assigned to that area during the development period.

There were a lot of comments at the public hearing about the toxicity of eucalyptus. Would you please comment on that, asked Mr. Ing?

The toxic elements that they are talking about is really the aromatic oil within the eucalyptus. These smells are all different inasmuch as some species have more aromatic oil than others. The toxicity really does not affect humans.

Mr. Higashi said that the type of trees to be planted after the papaya operation could be determined at a later date. It could be that it may be something that can be marketed down the road with the existing industry. Bio-energy may be outmoded at that time and maybe geothermal would be the supplemental energy. I do not feel that we should commit ourselves to one product at this time.

ACTION

Mr. Higahi moved for approval as amended, which is the addition of Condition Nos. 14 and 15, as mentioned above. Mr. Yagi seconded and motion carried unanimously.

ITEM H-6 CDUA FOR SINGLE FAMILY RESIDENTIAL USE ON TWO ADJACENT LOTS AT KANEOHE, OAHU.
ACTION See Page 5 for Action.

ITEM H-7 CDUA FOR ADDITIONAL PARKING FOR BOARD OF WATER SUPPLY KALIHI CORPORATION YARD AT HONOLULU, OAHU.
ACTION Unanimously approved as submitted, subject to the conditions listed in the submittal. (Kealoha/Yagi)

ITEM H-8 CDUA FOR ADDITIONAL LOADING DOCK AT PORT ALLEN BOAT RAMP AT KOLOA, KAUAI.
ACTION Unanimously approved as submitted, subject to the terms and conditions listed in the submittal. (Yagi/Ing)

ITEM I-1 AUTHORIZATION TO ESTABLISH A "CANINE CORPS" WITHIN THE DIVISION OF CONSERVATION AND RESOURCES ENFORCEMENT.
ACTION Unanimously approved as submitted. (Yagi/Ing)

ITEM I-2 APPOINTMENT OF LICENSE AGENT
ACTION The board unanimously approved the appointment of Nanko, Inc. as a license agent to sell hunting and fishing licenses. (Kealoha/Yagi)

ITEM J-1 MODIFICATION NO. 13 TO LEASE NO. DOT-A-73-35, HONOLULU INTERNATIONAL AIRPORT (WESTERN AIRLINES, INC.).
ACTION Mr. Higashi moved for approval as submitted. Mr. Yagi seconded and motion carried. Mr. Ing disqualified himself from acting on this item.

ITEM J-3 ADDENDUM NO. 5 TO LEASE NO. DOT-A-74-33, KEAHOLE AIRPORT, HAWAII (AIR HAWAII INTERNATIONAL, INC., DBA AMERICAN INTERNATIONAL RENT-A-CAR OF HAWAII).
ITEM J-2 ADDENDUM NO. 1 TO LEASE NO. DOT-A-81-18, KEAHOLE AIRPORT, HAWAII (TROPICAL RENT A CAR SYSTEMS, INC.)
Mr. Garcia asked that Item J-3 be considered before Item J-2.
ACTION Mr. Higashi moved for approval of both Items J-3 and J-2 as submitted. Motion carried unanimously with a second by Mr. Yagi.

ITEM J-4 RENEWAL OF REVOCABLE PERMITS, CONFORMING USE, AIRPORTS DIVISION.
ACTION Unanimously approved as submitted. (Ing/Higashi)

ITEM J-5 REQUEST FOR SALE OF A LEASE AT PUBLIC AUCTION, HARBORS DIVISION, HALEIWA SMALL BOAT HARBOR, HALEIWA, OAHU.
ACTION Unanimously approved as submitted. (Ing/Higashi)

ITEM J-6 USE OF HARBORS DIVISION FACILITIES, PIERS 9 AND 10 PASSENGER TERMINALS, HONOLULU, OAHU (HOOLAULIMA ANA NO EILEEN R. ANDERSON).
ACTION Unanimously approved as submitted. (Yagi/Kealoha)

ITEM J-7 CONTINUANCE OF 20 REVOCABLE PERMITS, HARBORS DIVISION.
ACTION Mr. Yagi moved for approval of Item J-7 as submitted. Mr. Kealoha seconded and motion carried. Mr. Ing disqualified himself from acting on this item.

ITEM J-8 CONTINUANCE OF 19 REVOCABLE PERMITS, HARBORS DIVISION.
ACTION Mr. Yagi moved for approval as submitted. Mr. Kealoha seconded and motion carried. Mr. Ing disqualified himself from acting on this item.

ITEM J-9

THIRD AMENDMENT TO LEASE NO. H-71-74, SAND ISLAND CONTAINER FACILITY, HONOLULU, OAHU (MATSON TERMINALS, INC.).

Mr. Garcia asked that the submittal be corrected by adding the words "A portion of" before Parcel II, Easement A..... in the fourth paragraph under Purpose and Remarks.

ACTION

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

ITEM J-10

CONSENT TO ASSIGNMENT OF HARBOR LEASE NO. H-71-4, SAND ISLAND, HONOLULU, OAHU (MATSON TERMINALS, INC. TO MATSON NAVIGATION CO., INC.).

ITEM J-11

SECOND AMENDMENT TO HARBOR LEASE NO. H-79-5 and SPECIAL FACILITY LEASE AGREEMENT, CONTAINER COMPLEX, SAND ISLAND, HONOLULU, OAHU (MATSON TERMINALS, INC.).

ITEM J-12

AMENDMENT NO. 2 TO AGREEMENT FOR THE DESIGN, CONSTRUCTION AND LEASE OF NEW SAND ISLAND CONTAINER TERMINAL FACILITIES, OAHU (MATSON TERMINALS, INC.).

ITEM J-13

THIRD AMENDMENT TO HARBOR LEASE AND SPECIAL FACILITY LEASE AGREEMENT (HARBOR LEASE NO. H-79-5), CONTAINER COMPLEX, SAND ISLAND, HONOLULU, OAHU (MATSON TERMINALS, INC.).

ACTION

Mr. Ing moved for approval of Items J-10 to J-13 as submitted. Motion carried unanimously with a second by Mr. Kealoha.

Will there be any loss of revenues should any of the above transactions not take place, asked Mr. Ono?

There will be no loss of revenue, said Mr. Garcia. In fact, we'll be picking up additional revenue and this is one of the reasons we did everything all at once instead of coming in piece meal. This just about completes Matson's move from Fort Armstrong to Sand Island. The only thing located at Fort Armstrong is the molasses plant and the pipeline.

ITEM J-14

CONSENT TO ASSIGNMENT OF LEASE NO. DOT-A-74-24, KAHULUI AIRPORT, MAUI (Y'S CAR RENTAL, INC. TO PACIFIC AUTO RENTAL CORP. DBA DOLLAR RENT-A-CAR SYSTEMS).

ITEM J-15

PART ASSIGNMENT OF LEASE NO. DOT-74-24, KAHULUI AIRPORT, MAUI (PACIFIC AUTO RENTAL CORP. DBA DOLLAR RENT-A-CAR TO ROYAL RAINBOW, INC. DBA RAINBOW RENT-A-CAR).

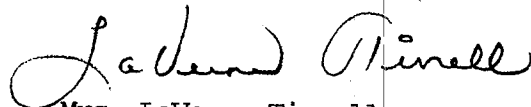
ACTION

See Page 5 for Action on both Items J-14 and J-15.

ADJOURNMENT:

The meeting adjourned at 11:50 A. M.

Respectfully submitted,



Mrs. LaVerne Tirrell
Secretary

APPROVED



SUSUMU ONO
Chairman

lt