

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

DATE: May 13, 1983
TIME: 9:00 A. M.
PLACE: DLNR Board Room
Kalanimoku Building
1151 Punchbowl Street
Honolulu, Hawaii

ROLL
CALL

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

MEMBERS

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

STAFF

Mr. James Detor
Mr. Roger Evans
Mr. Robert T. Chuck
Mr. Ralston Nagata
Mr. John Corbin
Mr. Henry Sakuda
Mr. Ronald Walker
Mr. Maurice Matsuzaki
Mr. Ronald Kama
Mrs. LaVerne Tirrell

OTHERS

Dep. A. G. Dona Hanaike
Mr. Melvin Ayau (Item E-1)
Mr. Derek Kashiro (Item E-2)
Mr. Steven Chang (Item F-1-i)
Mr. Dudley Childs and Mr. James Case
(Item F-12)
Mr. Masao Tanimoto and Major Robert Rodrigues
Item F-16)
Mr. Robert Kay (Item F-17)
Mr. Rod Smith (Item H-3)
Mr. Peter Garcia, Dept. of Transportation

Minutes

The minutes of February 24, 1983 and April 8, 1983, respectively, were unanimously approved as circulated. (Ing/Kealoha)

The board deviated from the printed agenda and considered the items as follows in order to accommodate those persons present at the meeting:

ITEM F-16

U.S. ARMY REQUEST FOR TEMPORARY RIGHT OF ENTRY TO FORMER PUUNENE AIRPORT FOR BIVOUAC AND STAGING AREA PURPOSES, PULEHUNUI, WAIKAPU, WAILUKU, MAUI.

According to the military, the area will be used as a bivouac site and possible staging area for their maintenance platoon in support of aerial gunnery operations on the island of Kahoolawe.

The area is presently leased to Alexander & Baldwin, Inc. under General Lease No. S-4197 for sugar cane purposes. No cane is grown on the area of the leased lands being requested so Alexander & Baldwin has indicated no objections to the temporary use of this area by the U. S. Army for the purposes described in the submittal. The old Airport runway is within the leased area. However, it is not in land use at the present time.

In answer to Mr. Yagi's question, Mr. Detor said that this operation would not interfere with the crop dusting operations in the area. However, he would coordinate with the company doing the crop dusting.

Referring to Condition No. 9, Mr. Kealoha asked that, should the board consider approval of this submittal, when would the rental rate be determined?

Mr. Detor said within a few days since staff does have some figures now, which, however, need to be reviewed by the Chairman.

Mr. Masao Tanimoto, Chief of the Real Estate Division, Corps of Engineers, asked if it was possible to meet on Monday with Mr. Detor to get some indication of the rental in order to set aside for this purpose. Mr. Ono thought it would be a good idea and said that he also would be interested in sitting in on this meeting in order to get this off the ground as soon as possible.

Mr. Ing asked how this area would be used in connection with the exercises on Kahoolawe?

Major Robert Rodrigues, Land Manager for the 25th Infantry Division, said that Kahoolawe Island is used as a training site for all services and during that time frame they intend to have aerial gunnery practice with some of their helicopters on Kahoolawe. However, Kahoolawe does not have living facilities so they stay on Maui and fly over two or three times a day to do their target practice.

In answer to Mr. Ono's question, Major Rodrigues said that no foreign forces would be participating in this training. It would only be Company D of the 25th Aviation Battalion.

ACTION

Mr. Yagi moved for approval as submitted, subject to the terms and conditions listed in the submittal. Mr. Yamamoto seconded and motion carried. Mr. Ing voted no.

ITEM H-2

REQUEST FOR MODIFICATION OF CONDITIONS OF A PREVIOUSLY AMENDED CDUA FOR NAP-OF-THE-EARTH TRAINING EXERCISES ON THE ISLAND OF OAHU.

When staff first analyzed the application, said Mr. Evans, they required reporting on a weekly basis as one of the conditions of use, which the board sustained. Another condition which the board sustained was that these activities be limited to weekdays only and no activities be allowed on weekends or holidays. The Army, however, has come back and asked that this be modified so that they do not have to report on a weekly basis. Staff has analyzed their request and feel that it would be appropriate at this time to change the reporting from a weekly requirement to a monthly requirement.

However, said Mr. Evans, insofar as the Army's request to allow them to function seven days a week, including the weekends and holidays, staff still retains its initial feeling that because of the wildlife habitat and because of the area's use by hunters, that the board retain the requirement that they not be allowed to operate on weekends or holidays.

ACTION

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

ITEM H-3

CDUA FOR THE INSTALLATION AND OPERATION OF A BRINE WATER DISCHARGE PIPE AT EWA, OAHU.

Mr. Rod Smith of Chevron U.S.A. Inc. said that they agreed with the conditions in the submittal. However, the only thing that they don't understand is Condition No. 4. which states in part that the applicant shall obtain appropriate authorization through the Division of Land Management. They thought they could go ahead with the project once the approval on the CDUA was obtained.

Mr. Evans explained that should the board approve this application that the applicant would go to the Division of Land Management to obtain a permit for the occupancy of the subject lands.

ACTION

Mr. Ing moved for approval as submitted. Motion carried unanimously with a second by Mr. Kealoha.

ITEM F-1-m

IKAZAKI, DEVENS, LO, YOUTH, AND NAKANO REQUEST FOR CONSENT TO ASSIGNMENT AND MORTGAGE, GENERAL LEASE NO. S-4126, LOT 19, SHAFTER FLATS INDUSTRIAL DEVELOPMENT, UNIT I, MOANALUA, HONOLULU, OAHU.

Mr. Detor explained that the firm that had this lease went into bankruptcy and was bid in by the law firm of Ikazaki, Lo, Youth, and Nakano. They now wish to assign the lease to David L. Rovens and Hisashi Tanaka as a follow-up of the court sale.

ACTION

Mr. Kealoha moved for approval as submitted. Mr. Yagi seconded and motion carried. Mr. Ing disqualified himself from voting on this item.

ITEM F-1-I

KAUAI MOUNTAIN TOURS, INC. APPLICATION FOR REVOCABLE PERMIT, PORTIONS OF KOKEE STATE PARK AND FOREST RESERVE, WAIMEA CANYON STATE PARK AND ALAKAI STATE FOREST MANAGEMENT AREA, WAIMEA, KAUAI.

This is a follow-up of a CDUA action approved earlier by the board.

The applicant proposes to conduct guided tours through Kokee State Park and Forest Reserve, Waimea Canyon State Park and Alakai State Forest Management Area.

Mr. Detor said that he was in receipt of a letter from the applicant's law firm which states in part that they do not feel that a permit is necessary. They feel that they do not need authorization to use the road to conduct tours and that the CDUA action in itself was sufficient to enable them to go ahead. The argument is that there are tour buses presently using the road and that these, even though they are back roads, they are still considered roads and as such, do not require a permit.

Mr. Detor explained that this has not been checked out with the Attorney General's office. All staff has done is follow-up with the CDUA action and one of the conditions was that the applicant come to the Division of Land Management for a permit. So staff's proposal is to go ahead and issue a permit and that a monthly rental rate would later be determined.

Mr. Ing said that if they don't get the permit then they won't fulfill the conditions of the CDUA. This would be in violation which means the CDUA would have to be revoked.

Mr. Steve Ching, representing Kauai Mountain Tours, said that the CDUA Condition No. 4 simply stated that the applicant shall obtain appropriate authorization through the Division of Land Management. Their position is that the authorization should be that a permit is not necessary because we are simply using established roads which are open to the public and not within in the definition of public lands. If you use "public lands", it requires a license, permit or a lease. Exempt from public lands are roads and streets. Our position, said Mr. Ching, is simply that these are roads and streets.

The authorization that we would request from Land Management to fulfill the requirements of the CDUA permit would be that the permit is not necessary. Of course, if the AG comes up with the opinion that these are not exempt roads and streets under statute and therefore would be construed as public lands, then we would request the appropriate permit authorization.

Mr. Detor said that the last paragraph of their letter stated that:

"We request a letter from the Division of Land Management, State Department of Land and Natural Resources confirming the fact that a permit, license, lease or a concession is not necessary in this case."

Mr. Yamamoto asked if this matter could be deferred until receipt of a study from the AG's office.

Mr. Ching said that, after receiving the CDUA permit, they went ahead and ordered their vehicles which was a substantial investment and they had anticipated starting the tour operation within the next month or two, so he would prefer that the process not be slowed down very much.

How about action subject to the attorney general's review, asked Mr. Ono?

Mr. Kealoha felt that maybe the board could approve the staff's recommendation then, if it is determined that the permit is not necessary, Condition No. 4 could be amended.

Mr. Detor explained that the use was approved under the CDUA arrangement, which is taking people around off the main roads. So the applicant is saying that the rental need not be paid inasmuch as these are public roads. The question is, however, are they in fact public roads and do you need a permit or not? If you don't then the appropriate arrangement is simply to go ahead.

ACTION

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

Item F-17

CORMAX CORPORATION REQUEST FOR EXTENSION OF TIME WITHIN WHICH TO SATISFY IMPROVEMENT REQUIREMENT, G. L. NO. S-4644, KALAUAO, EWA, OAHU.

One of the requirements of the lease was the Lessee, within three (3) years after the date of sale, complete the construction of improvements consisting of a commercial building or buildings containing not less than 50,000 sq. ft. of floor space and at a cost of not less than \$1,000,000.00. The deadline for this construction to be completed ends May 14, 1983.

Although the Lessee had originally anticipated completion of the development by the required date, economic conditions since the inception of the lease inhibited them from doing so. The Lessee now is requesting a two-year extension -- 6 months of time to complete financing and tenant subleasing arrangements and 18 months for the construction of the improvements.

Mr. Kay stated that they have done plans for soil work and engineering work and that they had attempted to finance the project several times. However, now that the interest rates are declining they are again attempting to finance the project. He felt that financing could be completed by August and construction plans brought to the board for review. As far as construction, Mr. Kay said that it would probably take the whole two-year period to complete construction.

At Mr. Ing's request, Mr. Kay said that a progress report could be submitted to the board in six months.

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

ITEM F-7 THEO. H. DAVIES & COMPANY, LTD. REQUEST FOR CONFIRMATION OF PERMITTED MERCANTILE USE, WAIAKEA, SO. HILO, HAWAII.

The applicant has reached an agreement to sell its property located at Waiakea, So. Hilo, Hawaii to K. Taniguchi, Ltd. To finalize the sale, the purchaser has requested that official written confirmation be obtained from the Board of Land and Natural Resources that the property can be used for mercantile operations. Such request is felt to be necessary since Land Patent Grant No. 8680, which comprises a portion of the land in question, contains the following language:

"The land may be used for the following business purposes:
Lumber Mill or factory and appurtenances thereto, including houses for employees, mercantile establishments, railroad tracks, side tracks and depots grounds"

Mr. Detor said the applicant would like to sell the property for supermarket purposes which staff views as an mercantile establishment and have so indicated this to the applicant. However, the purchaser would like to be assured that the operation of a supermarket is in fact O.K.

ACTION The board, upon motion by Mr. Yagi and a second by Mr. Yamamoto, voted to confirm the Chairman's response of February 10, 1983, and determined that mercantile use is permissible under Land Patent Grant No. 8680, subject to applicable County of Hawaii zoning requirements.

Mr. Ing disqualified himself from voting on this item.

ITEM F-10 HONOLULU POI CO., LTD. REQUEST FOR AUTHORIZATION TO CONSTRUCT EMPLOYEE DWELLING AND SEEDLING GREENHOUSE ON LOT 2-A, LALAMILO FARM LOTS, LALAMILO, SOUTH KOHALA, HAWAII.

Mr. Detor asked that the first line of the submittal where it reads, "At its meeting of September 12, 1983 " be corrected to read September 12, 1982.

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

ITEM E-1 PERMISSION TO NEGOTIATE WITH THE FRIENDS OF IOLANI PALACE, INC. AND EXECUTE DOCUMENT FOR A MANAGEMENT CONTRACT OF IOLANI PALACE AND BARRACKS, HONOLULU, OAHU.

Mr. Nagata said that exact figures are not available at the moment but it is anticipated to be approximately \$400,000, a reduction from the \$416,000 contracted for the current fiscal year.

Can the friends carry out the necessary activities at this funding level, asked Mr. Ono?

Mr. Ayau felt that they would be able to curtail some activities in order to stay within this budget.

Mr. Ing felt that the Board should review the rules and management contract, such to be provided by the next meeting. This need not be in a submittal form, just have the documents submitted to the board.

ACTION Unanimously approved as submitted, subject to necessary approvals by the Governor. (Yagi/Yamamoto)

ITEM E-2 APPROVAL OF GRANT-IN-AID FOR HAWAIIAN RAILWAY SOCIETY, INC., OAHU.

ACTION The board unanimously approved a grant-in-aid of \$25,000 to the Hawaiian Railway Society, Inc., subject to the Governor's release of funds.
(Ing/Kealoha)

ITEM F-12 FINANCE INVESTMENT CO., LTD. & INTER-ISLAND RESORTS, LTD. REQUEST FOR APPROVAL OF LAND TRUST AND HORIZONTAL PROPERTY REGIME, NANILOA HOTEL, WAIAKEA, SO. HILO, HAWAII.

Mr. Detor said that the firm has cited continual losses by the hotel over the past few years. The economic conditions have been pretty bad and they have given an option to a prospective purchaser who plans to expand the market for the hotel by selling time-share interests in the hotel room. In order to accomplish this, it would be necessary first of all for the State leases to be assigned to the American Trust Co., Trustee for the Land Trust with the hotel remaining as the beneficial. It would then form a condominium according to the Hawaii Revised Statutes. In this connection the consent of the fee owner, which is the state, is needed to sign the declaration. They would then form an association which would provide that the association would be responsible for collecting all rents, property taxes, etc. Staff, however, is recommending that the present lessee remain as being responsible for that rather than have the association do it. Then if the option is exercised, the Naniloa would sell its beneficial interest in the condominium owners to the purchaser, the American Trust Company remaining the legal owner of the leases. The new owner would then, on a time-share basis, sell 1/51st undivided interest in each of the condominium units to each of its purchasers. Under the provisions of this each purchaser would have the right to occupy their unit for one specific week of each calendar year and then the remaining week would be set aside for maintenance purposes.

Mr. Detor said that staff has asked the AG's office whether the terms of the lease would permit this. Although he has not yet received a written response, Mr. Detor said that he did talk to Deputy Attorneys Chelun Huang and Johnson Wong and they have indicated that there is no legal objection to this under the terms of the lease. Staff also contacted the Hawaii County Planning Department who have indicated that the present zoning of the properties is resort-hotel and secondly that a horizontal property regime time share is permissible under the zoning designation.

To sum up the actions that the Board is being requested to take would be:

1. Approve the assignment of these various leases to the American Trust Company as Trustee.
2. Approve the formation of the horizontal property regime covering all of the leased premises excepting one lease which is the lease that covers parking and landscaping. There is no structure there.

The terms and conditions listed in the submittal, which includes review and approval of the documents, and the time-sharing plans by the Attorney General's office, would be applicable in this case.

Mr. Yagi asked how the employees would be affected.

Mr. James Case explained that the Naniloa Hotel employees have a collective bargaining agreement with the ILWU. The Inter-Island Resorts would continue to be the manager of the hotel and the union agreement would continue. If occupancy should increase, as they hope, then this would really mean increased employment. The whole object is that this hotel has been running at about 35% occupancy and have lost \$1-1/2 million dollars in the last couple of years and pretty soon it will close down unless we can get more people into it. So it does not change the relationship between the manager and the hotel.

- ACTION The Board, upon motion by Mr. Yagi and a second by Mr. Yamamoto, unanimously voted to:
- A. Approve the assignment of General Lease Nos. 2480, 2481, 2610, 3268 and S-4253, as amended, to American Trust Company, Ltd., as trustee, pursuant to Section 171-36(5)(B), Hawaii Revised Statutes, and applicable provisions of Chapter 558, HRS, subject to the review and approval of all relevant documents by the State Attorney General, and such other terms and conditions as may be prescribed by the Chairman;
 - B. Approve the formation of a Horizontal Property Regime covering all of the leased premises, excepting General Lease No. S-4253, pursuant to applicable provisions of Chapter 514A, subject to the terms and conditions listed in the submittal.
- ITEM D-1 PERMISSION TO ADVERTISE FOR BIDS - JOB NO. 2-HW-18, REHABILITATION OF PUU PULEHU RESERVOIR AND PIPELINE, WAIMEA IRRIGATION SYSTEM, WAIMEA, HAWAII
- ACTION Unanimously approved as submitted. (Kealoha/Yamamoto)
- ITEM D-2 SOIL AND WATER CONSERVATION DISTRICT DIRECTOR
- ACTION The board unanimously approved the appointment of Mrs. JoLoyce Kaia and Mr. Robert Haskin of the terms ending June 30, 1985 to serve as Directors of the Hana Soil and Water Conservation District. (Yagi/Yamamoto)
- ITEM F-1 TRANSMITTAL OF DOCUMENTS FOR BOARD CONSIDERATION
- Item F-1-a APPLICATION FOR REVOCABLE PERMIT - by MASAICHI AJIMURA for Lot 15, Hanapepe Town Lots, Hanapepe, Waimea, Kauai, being TMK 1-9-05:38. Area: 10,114 sq. ft. Purpose: Home gardening. Monthly Rental: \$10.00
- Item F-1-b CONSENT TO ASSIGNMENT OF SUBLEASE, GENERAL LEASE NO. S-3662 - SHINICHI WAGATSUMA to LESLIE WAGATSUMA - Piionua Camp 3, Piionua, So. Hilo, Hawaii, being TMK 2-6-09:5. Area: 0.115 acre. Annual Rental: \$17.50
- Item F-1-c CONSENT TO ASSIGNMENT OF GENERAL LEASE NO. S-4823 - RUSSELL KUWAHARA to RUSSELL I. KUWAHARA and LAURA S. KUWAHARA - Lot 33, Paho Agricultural Park, being TMK 1-5-116:60. Area: 5.770 acres. Annual Rental: \$405.00 for the first 20 years, with renegotiation thereafter at 10-year intervals.
- Item F-1-d APPLICATION FOR REVOCABLE PERMIT - by DALEICO RANCH for land at Kamo, Kauai, Hawaii, being TMK: 9-3-03:35 & 36. Area: 3.14+ acres. Purpose: Pasture. Monthly Rental: \$10.00
- Item F-1-e APPLICATION FOR REVOCABLE PERMIT - by WALTER T. OKUMA for land at Lualualei, Waianae, Oahu, being TMK 8-7-01: por. 19. Area: 0.686 acres. Purpose: Agricultural-residence. Monthly Rental: \$54.00.
- Item F-1-f APPLICATION FOR REVOCABLE PERMIT - by RICHARD KAPIKO for lands at Waiohuli-Keokea, Kula, Maui, being TMK 2-2-04:63. Area: 19.51 acres. Purpose: Pasture. Monthly Rental: \$10.00
- Item F-1-g CONSENT TO ASSIGNMENT OF GENERAL LEASE NO. S-4763 - CHARLES J. M. WILLOCKS to ONO NUT FARMS, INC. - Lot 16, Panaewa Agricultural Park, Waikeke, So. Hilo, Hawaii, being TMK 2-2-56:42. Area: 20.025 acres. Annual Rental: \$2,000 first 20 years, with renegotiations at the expiration of the 20th, 30th, 40th and 50th years of the lease term. Additional rental to be computed at 3-1/2 percent of gross proceeds. The excess, if any, of the value so derived over the basic annual lease rental shall constitute the additional rent.

Item F-1-h APPLICATION FOR REVOCABLE PERMIT - by MRS. LAKI TUAOLO AND MR. FULU M. TUAOLO for lands at Waimanalo, Oahu, being TMK 4-1-10:26.

The subject area is presently encumbered under R.P. S-4913 issued to Mr. Mike Tuaolo who passed away sometime in 1980 and the applicants are his widow and son, respectively.

Item F-1-i (See Page 4 for Action)

Item F-1-j CONSENT TO ASSIGN GENERAL LEASE NO. S-3674 - WILLIAM E. FERNANDES to WILLIAM KIMO FERNANDES and LEHUA FERNANDES SALLING - Lot 25, Wailua Rice & Kula Lots, Wailua, Kauai, being TMK 4-2-03:5. Area: 4.406 acres. Annual Rental: \$1,000.00.

Item F-1-k APPLICATION FOR REVOCABLE PERMIT - by HAWAII PAINTING & WALLCOVERING, INC. for Lot 229, Sand Island, Honolulu, Oahu, being TMK 1-5-41. Area: 10,900 sq. ft. Purpose: Storage. Monthly Rental: \$654.00.

Item F-1-l APPLICATION FOR REVOCABLE PERMIT - by HONOLULU WELDING, INC. for Lot 231, Sand Island, Honolulu, Oahu, being TMK 1-5-41. Area: 36,000 sq. ft. Purpose: Welding business and storage. Monthly Rental: \$2,160.00.

Item F-1-m REQUEST FOR ASSIGNMENT AND MORTGAGE, GENERAL LEASE NO. S-4126 - IKAZAKI, DEVENS, LO, YOUTH, AND NAKANO to DAVID L. ROVENS AND HISASHI TANAKA, Lot 19, Shafter Flats Industrial Development, Unit I, Moanalua, Oahu.

(See Page 3 for Action)

ACTION Mr. Kealoha moved for approval of Items F-1-A, B, C, D, E, F, G, H, J, K, & L as submitted. Mr. Yagi seconded and motion carried unanimously.

ITEM F-2 CLIFFORD NAGAO APPLICATION FOR PIPELINE EASEMENT, OLAA HOMESTEAD RESERVATION LOTS, PUNA, HAWAII.

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

1. Authorize the direct sale of the easement described in the submittal to the applicant subject to the terms and conditions listed in said submittal.
2. Authorize an immediate construction right-of-entry to the area in question subject to the standard indemnity and hold-harmless clause.

ITEM F-3 STAFF RECOMMENDATION FOR CANCELLATION OF GENERAL LEASE NO. S-4641 COVERING LOT 88 OF THE KAAPAHU HOMESTEADS, KAAPAHU, HAMAKUA, HAWAII.

ACTION Upon motion by Mr. Kealoha and a second by Mr. Yamamoto, the board voted unanimously to:

1. Authorize the cancellation of General Lease No. S-4641 in the manner prescribed by law;
2. Authorize the retention of all sums heretofore paid under General Lease No. S-4641 as liquidated damages;
3. Terminate all rights and obligations of the lessee effective April 30, 1983;
4. Authorize the Attorney General's Office and/or Coulter's Collection Agency to collect all monies due the State of Hawaii under G.L. No. S-4641.
5. Authorize the Chairman to prescribe any other terms and conditions to carry out the intent of the Board.

ITEM F-4	<p>GEORGE DAVIS AND HENRY HOOK APPLICATION TO PURCHASE ABANDONED RAILROAD RIGHT-OF-WAY SEGMENTS, KAAHUHU HOMESTEADS, NO. KOHALA, HAWAII.</p>
ACTION	<p>Finding the subject area to be physically unsuitable for development as a separate unit because of its size and shape and by definition is a remnant, the board, upon motion by Mr. Kealoha and a second by Mr. Yamamoto, unanimously approved the direct sale of the remnant to the applicants subject to the terms and conditions listed in the submittal.</p>
ITEM F-5	<p>HAWAIIAN HOMES COMMISSION REQUEST FOR CANCELLATION OF EXECUTIVE ORDER NO. 1841, GENERAL LYMAN FIELD, WAIAKEA, SO. HILO, HAWAII.</p>
ACTION	<p>Based on the Judgement rendered by the Third Circuit Court on Civil No. 6122 dated September 24, 1980, the board, upon motion by Mr. Yagi and a second by Mr. Ing, voted to approve and recommend to the Governor issuance of an executive order to cancel Governor's Executive Order No. 1841 to facilitate the return of 91.58 acres to the jurisdiction of the Hawaiian Homes Commission.</p>
ITEM F-6	<p>COUNTY OF HAWAII APPLICATION FOR LEASE COVERING THE FORMER PEPEKEO SCHOOL SCHOOL LOTS, KUALIMANO, SO. HILO, HAWAII.</p>
ACTION	<p>Unanimously approved as submitted, subject to the terms and conditions listed in said submittal. (Yagi/Ing)</p>
ITEM F-7	<p>THEO H. DAVIES & COMPANY, LTD. REQUEST FOR CONFIRMATION OF PERMITTED MERCANTILE USE, WAIAKEA, SO. HILO, HAWAII.</p>
	<p>(See Page 5 for Action)</p>
ITEM F-8	<p>FRANCIS OUYE REQUEST FOR EXTENSION OF TIME WITHIN WHICH TO SATISFY BUILDING REQUIREMENT, LOT 60, UNIVERSITY HEIGHTS, 3RD INCREMENT, WAIAKEA, SO. HILO, HAWAII.</p>
ACTION	<p>The board voted unanimously to grant Mr. Francis Ouye an extension of six (6) months to November 8, 1983, in which to meet the building requirements set forth in Special Sale Agreement No. S-5566. (Yagi/Ing)</p>
ITEM F-9	<p>BISHOP TRUST CO., LTD. REQUEST FOR DELETION OF RESERVATIONS IN LAND PATENT GRANT NO. 4940, KAMAILI HOMESTEADS, PUNA, HAWAII.</p>
	<p>Bishop Trust Co., Ltd., Trustee under Land Trust No. 61-1111 has requested that certain reservations under L.P. Grant No. 4940 which was issued in March 5, 1906 be deleted. The Grant in question contains the following clause:</p>
	<p>"The Lessor herein, on behalf of the Territory of Hawaii, reserves the right to take any fifty foot strips, across this Lot for Roads, also the right to quarry rock, or reserve a portion of this Lot for a quarry, for Road building purposes, whenever the same may be required; and to take same, without compensation, if from unimproved land. All present Trails crossing this Lot are reserved for the use of the Public."</p>
	<p>Staff has no objection to the applicant's request. However, due to the concerns voiced within the last few years by trail preservation groups, staff recommends that the reservation for trails not be disposed of at this time since the department continues to support these groups whenever possible.</p>
ACTION	<p>Finding that disposition of the reserved rights and reservations (except the reservation for trails) contained in Land Patent Grant No. 4940 is not prejudicial to the best interest of the State, community or area in which the land is situated, the board, upon motion by Mr. Yagi and a second by Mr. Yamamoto, voted unanimously to authorize the direct sale of the reserved rights and reservations (except the reservation for trails) to the applicant pursuant to Section 171-57, H.R.S.</p>

- ITEM F-10 HONOLULU POI CO., LTD. REQUEST FOR AUTHORIZATION TO CONSTRUCT EMPLOYEE DWELLING AND SEEDLING GREENHOUSE ON LOT 2-A, LALAMILO FARM LOTS, LALAMILO, SO. KOHALA, HAWAII.
- (See Page 5 for Action.)
- ITEM F-11 BOBBIE'S STEAK & LOBSTER APPLICATION FOR EASEMENT COVERING PORTIONS OF THE KANAHEA FISH POND, WAIAKEA, SO. HILO, HAWAII.
- Mr. Detor asked that the term listed in the submittal be changed to forty forty (40) years instead of twenty (20) years.
- ACTION The board voted unanimously to authorize the direct sale of the easement described in the submittal for a period of forty (40) years, commencing on date of approval, subject to the terms and conditions listed in the submittal. (Kealoha/Ing)
- ITEM F-12 FINANCE INVESTMENT CO., LTD. & INTER-ISLAND RESORTS, LTD. REQUEST FOR APPROVAL OF LAND TRUST AND HORIZONTAL PROPERTY REGIME, NANILOA HOTEL, WAIAKEA, SO. HILO, HAWAII.
- (See Page 7 for Action)
- ITEM F-13 STAFF RECOMMENDATION FOR PUBLIC AUCTION SALE OF A LEASE COVERING LAND AT WAKIU, HANA, MAUI.
- ACTION Mr. Yagi asked that this item be deferred. He said that the Pohaku Organization of Hana may want to utilize this area for farming.
- ITEM F-14 STAFF RECOMMENDATION FOR PUBLIC AUCTION SALE OF A LEASE COVERING PORTIONS OF THE GOVERNMENT LANDS OF HONOMAELE, KAWELA, AND KAELEKU, HANA, MAUI.
- ACTION Finding the subject area to be an economic unit in terms of the intended use the board unanimously approved the public auction sale of the subject area for pasture purposes under the terms and conditions listed in the submittal. Finding also that the area will become suitable for hunting during the terms of the lease, the board also voted unanimously to reserve the hunting rights in favor of the general public; provided, that no hunting, private or public, shall be permitted on the premises except under the written permission of the Division of Forestry and Wildlife. (Yagi/Yamamoto)
- ITEM F-15 JOHN BAILEY APPLICATION FOR WATER TRANSMISSION LINE EASEMENT, WAIAKOA, MAKAWAO, MAUI.
- ACTION Finding the area in question to be an economic unit in terms of the intended use, the board, upon motion by Mr. Kealoha and a second by Mr. Yamamoto, unanimously approved the direct sale of the subject easement to John and Gordean Bailey under the terms and conditions listed in the submittal and also authorized the granting of a right of entry to the applicant covering the subject area for the purposes described in the submittal, subject to the terms and conditions listed in said submittal.
- ITEM F-16 U. S. ARMY REQUEST FOR TEMPORARY RIGHT OF ENTRY TO FORMER PUUNENE AIRPORT FOR BIVOUAC AND STAGING AREA PURPOSES, PULEHUNUI, WAIKAPU, WAILUKU, MAUI.
- (See Page 2 for Action)
- ITEM F-17 CORMAX CORP. REQUEST FOR EXTENSION OF TIME WITHIN WHICH TO SATISFY IMPROVEMENT REQUIREMENT, G. L. NO. S-4644, KALAUAO, EWA, OAHU.
- (See Page 5 for Action)

ITEM F-18	ROYAL CONTRACTING CO., LTD. REQUEST FOR RIGHT OF ENTRY TO STATE LAND AT KAHALA HEIGHTS, HONOLULU, OAHU.
ACTION	The board unanimously approved a right of entry to the premises in question to Royal Contracting Company, Ltd. for storage yard purposes, subject to the terms and conditions listed in the submittal. (Ing/Kealoha)
ITEM F-19	GERTRUDE PAK CHONG REQUEST FOR EXTENSION OF LEASE TERM AND CONSENT TO MORTGAGE, GENERAL LEASE NO. S-3782, LOT 48, WAIMANALO AGRICULTURAL SUBDIVISION, WAIMANALO, OAHU.
ACTION	Mr. Detor explained to the board that Legislation was passed allowing for extension of lease terms in order for the lessee to get mortgage financing. The bank will not loan any money if an extension is not granted.
ITEM F-20	OLOKELE SUGAR COMPANY APPLICATION TO LEASE SECTIONS A, B, C, AND D OF THE HANAPEPE GOVERNMENT LANDS, HANAPEPE, WAIMEA, KAUAI.
ACTION	Finding the subject area to be of minimum size for an economic operation in terms of its intended uses and therefore constitutes an economic unit, and finding also that it is impractical to exclude the waste land from the land to be leased, the board, upon motion by Mr. Yamamoto and a second by Mr. Kealoha, unanimously authorized the sale of a lease at public auction covering the area described in the submittal, subject to those terms and conditions listed in said submittal.
ITEM F-21	STAFF RECOMMENDATION FOR SALE OF A LEASE COVERING LOT 24 OF THE HANAPEPE RICE AND KULA LOTS, HANAPEPE, KAUAI.
ACTION	<p>Mr. Detor asked that Item F-21 be amended as follows:</p> <ol style="list-style-type: none"> 1. Specific Use: General Agricultural - Employee Residential 2. Conditions 15. and 16. under "RECOMMENDATION" be deleted. <p>Finding the area to be an economic unit in terms of the intended use and also that the area is not suitable for hunting nor will become so during the term of this lease, the board, upon motion by Mr. Yamamoto and a second by Mr. Ing, unanimously authorized the sale of a lease covering the above-described area at public auction subject to the terms and conditions listed in the submittal and as amended above.</p>
ITEM F-22	DEPARTMENT OF HEALTH REQUEST FOR AMENDMENT OF LEASE FOR THE WAIANAE MENTAL HEALTH CLINIC, WAIANAE, OAHU.
ACTION	<p>The amendment will allow the liability insurance provision currently part of the lease agreement to be deleted since the State of Hawaii is self-insured.</p> <p>Unanimously approved as submitted. (Ing/Yamamoto)</p>

- ITEM F-23 ATTORNEY GENERAL REQUEST FOR APPROVAL OF RENEWAL OF LEASE COVERING THE 5th FLOOR OF THE CAPITAL INVESTMNET BLDG., HONOLULU, OAHU.
- ACTION Unanimously approved as submitted. (Ing/Kealoha)
- ITEM F-24 DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS REQUEST FOR ACQUISITION OF LEASE COVERING ROOM 202 OF CHINATOWN CULTURAL PLAZA COMPLEX, HONOLULU, OAHU
- ACTION Unanimously approved as submitted, subject to the review and approval of the lease agreement by the Office of the Attorney General. (Ing/Kealoha)
- ITEM Z-1 RESULTS OF THE AUCTION SALE OF GOVERNMENT LEASES HELD ON APRIL 28, 1983, ON THE ISLAND OF KAUAI.
- Mr. Detor reported to the board the results of the above auction sale.
- ITEM H 1 CDUA FOR TARO PLANTING AT KEANAE, MAUI. (ISAAC A. KANOA)
- ACTION The board unanimously approved the applicant's request to utilize State-owned property at TMK: 1-1-02:7 at Keanae, Maui, for the production of taro and an easement for water diversion subject to the conditions listed in the submittal. (Yagi/Yamamoto)
- ITEM H-2 REQUEST FOR MODIFICATION OF CONDITIONS OF A PREVIOUSLY AMENDED CDUA FOR NAP-OF-THE-EARTH TRAINING EXERCISES ON THE ISLAND OF OAHU.
- (See Page 2 for Action)
- ITEM H-3 CDUA FOR THE INSTALLATION AND OPERATION OF A BRINE WATER DISCHARGE PIPE AT PIPE AT EWA, OAHU.
- (See Page 3 for Action)
- ITEM H-4 REQUEST FOR PUBLIC HEARING - HA-1535, HA-1554, HA-1556, HA-1567
- ACTION The board, upon motion by Mr. Yagi and a second by Mr. Ing, unanimously approved scheduling of the following hearings and authorized the Chairman to prepare and forward the hearing notice to the applicant and other affected persons:
- | <u>CDUA</u> | <u>APPLICANT</u> | <u>LOCATION</u> | <u>RATIONALE</u> |
|-------------|-----------------------------|----------------------------------|------------------|
| HA 1535 | Mauna Lani Resort, Inc. | Kalahuihua'a, So. Kohala, Hawaii | Commercial |
| HA 1556 | Rock Island Riders | Various | Protective |
| HA 1554 | Hilo Electric Light Company | Various | Protective |
| HA 1567 | Richfield of Hawaii. | Kapoho, Hawaii | Commercial |
- ITEM H-5 REQUEST FOR APPROVAL TO CONTRACT WITH THE UNIVERSITY OF HAWAII TO CARRY OUT RESEARCH AND DEVELOPMENT OF A LOW-COST, LOW-ENERGY FLOATING FISH REARING ENCLOSURE FOR HAWAIIAN WATERS.
- ACTION Unanimously approved as submitted, subject to Governor's approval. (Yagi/Ing)
- ITEM J-1 APPLICATION FOR ISSUANCE OF REVOCABLE PERMITS NOS. 3737, 3744, and 3699, AIRPORTS DIVISION.
- ACTION Unanimously approved as submitted. (Ing/Yagi)

ITEM J-2	PUBLIC AUCTION OF LAND, GROUND TRANSPORTATION BASEYARD AREA, KAHULUI AIRPORT, OAHU.
ACTION	Unanimously approved as submitted. (Yagi/Ing)
ITEM J-3	RESUBMITTAL OF MODIFICATION NO. 19 TO LEASE NO. A-62-19, HONOLULU INTERNATIONAL AIRPORT, OAHU (UNITED AIR LINES, INC.)
ACTION	Unanimously approved as submitted. (Ing/Kealoha)
ITEM J-4	MODIFICATION NO. 21 TO LEASE A-62-19, HONOLULU INTERNATIONAL AIRPORT, OAHU (UNITED AIR LINES, INC.)
ACTION	Unanimously approved as submitted. (Ing/Kealoha)
ITEM J-5	MODIFICATION NO. 10 TO LEASE NO. A-62-14, HONOLULU INTERNATIONAL AIRPORT, OAHU (JAPAN AIR LINES CO., LTD.)
ACTION	Unanimously approved as submitted. (Ing/Kealoha)
ITEM J-6	APPLICATION FOR ISSUANCE OF A REVOCABLE PERMIT, GENERAL LYMAN FIELD, HAWAII (HAWAII COUNTY DEPT. OF WATER SUPPLY)
ACTION	Unanimously approved as submitted. (Yagi/Yamamoto)
ITEM J-7	APPLICATION FOR ISSUANCE OF REVOCABLE PERMITS NOS. 3741 AND 3743, AIRPORTS DIVISION.
ACTION	Unanimously approved as submitted. (Yagi/Yamamoto)
ITEM J-8	REVISION OF RENTAL RENEWAL OF REVOCABLE PERMITS, AIRPORTS DIVISION.
ACTION	Mr. Garcia asked that Permit No. 3551 to Leis Extraordinaire International, Inc. be withdrawn inasmuch as they are delinquent in their rental payments. Unanimously approved as amended. (Kealoha/Ing)
ITEM J-9	RENEWAL OF REVOCABLE PERMITS, CONFORMING USE, AIRPORTS DIVISION.
ACTION	Unanimously approved as submitted. (Ing/Kealoha)
ITEM J-10	ISSUANCE OF NEGOTIATED LEASE, HARBORS DIVISION, PIER 1, TRANSIT SHED, PORT OF HILO, HILO, HAWAII (HILO TRANSPORTATION AND TERMINAL CO., INC.)
ACTION	Unanimously approved as submitted. (Yagi/Yamamoto)
ITEM J-11	SALE OF A LEASE BY PUBLIC AUCTION, HARBORS DIVISION, ALA WAI SMALL BOAT HARBOR, HONOLULU, OAHU.
ACTION	Mr. Garcia asked that Exhibit "A", Paragraph B. be amended as follows: B. The LESSEE shall be allowed to install vending machines for the purpose of selling soft drinks, cigarettes, candies, sandwiches and other similar items. In addition, the LESSEE shall be allowed <u>convenience store</u> to sell fishing gear, batteries, sparkplugs, <u>packaged or canned foods</u> , packaged ice, packaged soft drinks, packaged beer and wine, and fishing and boat equipment and supplies normally incidentally to the operation of this type of facility. Unanimously approved as amended, subject to the terms and conditions listed in the submittal. (Kealoha/Ing)

- ITEM J-12 REQUEST FOR APPROVAL OF ISSUANCE OF REVOCABLE PERMIT NO. HY-82-696, HIGHWAYS DIVISION, OAHU (LOUISE PEBRIA).
ACTION Unanimously approved as submitted. (Ing/Kealoha)
- ITEM J-13 FIRST AMENDMENT TO RESTATED LEASE NO. H-68-1, FORT ARMSTRONG CONTAINER FACILITY, HONOLULU, OAHU (MATSON TERMINALS, INC.)
ACTION Unanimously approved as submitted. (Ing/Kealoha)
- ITEM J-14 ISSUANCE OF REVOCABLE PERMIT, HARBORS DIVISION, KEWALO BASIN, HONOLULU, OAHU (FRED KNIGHT AND LOUIS AGARD DBA ISLAND CHARTERS, INC.)
ACTION Unanimously approved as submitted. (Ing/Kealoha)
- ITEM J-15 ISSUANCE OF REVOCABLE PERMIT, HARBORS DIVISION, PIERS 2, 7, 8-12, 13-15, 17, 18-22, 23-29, 31-34, 35-36, AND 39-40, HONOLULU HARBOR, AND KEWALO BASIN, HONOLULU, OAHU (HAROLD B. HICKS, JR., DBA KE-AU-KAI SPORT FISHING).
ACTION Unanimously approved as submitted. (Yagi/Yamamoto)
- ITEM J-16 ISSUANCE OF REVOCABLE PERMIT, HARBORS DIVISION, KEWALO BASIN, HONOLULU, OAHU (7A, INC.)
ACTION Unanimously approved as submitted. (Yagi/Yamamoto)
- ITEM J-17 ISSUANCE OF REVOCABLE PERMIT, HARBORS DIVISION, PIER 23, HONOLULU, OAHU (CARNATION CO., MILLING DIV.)
ACTION Unanimously approved as submitted. (Ing/Kealoha)
- ITEM J-18 REQUEST FOR APPROVAL OF CONTINUANCE OF REVOCABLE PERMITS, HIGHWAYS DIVISION.
ACTION Unanimously approved as submitted. (Yamamoto/Yagi)
- ITEM J-19 REQUEST FOR APPROVAL OF ISSUANCE OF REVOCABLE PERMIT NO. HY-83-698, HIGHWAYS DIVISION, HANAMAULU-AHUKINI CUTOFF ROAD, KAUAI (LIHUE PLANTATION CO., AMFAC SUGAR.
ACTION Unanimously approved as submitted. (Yamamoto/Yagi)
- ADJOURNMENT There being no further business, the meeting adjourned at 11:15 A. M.

Respectfully submitted,

John K. Moriyama

Jm LaVerne Tirrell
Secretary

APPROVED

S. Ono
SUSUMO ONO
Chairman

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