

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

DATE: December 16, 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 9:05 A.M. The following were present:

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

STAFF Mr. James Detor
Mr. Roger Evans
Mr. Herbert Yanamura
Mr. Wayne Hirata
Mr. Bob Chuck
Mr. Libert Landgraf
Mr. Ralston Nagata
Mr. John Corbin
Mr. Archie Viela
Ms. Patricia Edwards
Mrs. LaVerne Tirrell

OTHERS Deputy A.G. Edwin Watson and
Bill Tam
Judge Norito Kawakami and
Mr. John J. Lowrey (Item H-1)
Dr. Harold Masumoto (Item H-5)
Mrs. Kunitake (Item E-3)
Mrs. Kinau Kamalii (Added Item E-5)
Mr. Robert Kahuanui (Item F-1-b)
Mr. Kent Keith (Items F-1-j & H-2)
Mr. Cummins (Item F-3)
Mr. Gordon Cran (Item F-22)
Mrs. Marchant (Item H-3)
Mr. Roger Corial (Item H-4)
Mr. Peter Garcia, DOT

Service Awards were presented by the board to the following employees:

10-years Service

Ms. Sharon Arruda, Division of Forestry
Mr. Wayne Souza, Division of State Parks & Historic Sites

20-years Service

Ms. Nobuko Nishimura, Division of Aquatic Resources
Mr. Shinso Matsukawa, Division of State Parks

30-years Service

Mr. Stanley Shim, Division of Aquatic Resources
Ms. Kiwako Emura, Administration

Added
Items

Mr. Ing moved for the following items to be added to the agenda:

Water & Land Development

Item D-4 Ratification of Administrative Rules 13-167, Relating to the Protection of Instream Uses of Water, Windward Oahu.

State Parks

Item E-5 Approval of Special Use Permit for Use of the Hotel Street Mall at the Queen Lili'uokalani Statue.

Administration

Item H-7 Request for Public Hearing for Use of Land within Conservation District for Commercial/Subdivision/Protective Subzone Use.

Land Management

Item F-23 Staff Recommendation for Amendment of Previous Board Action Authorizing Award of Leases at Maunalaha Valley, Honolulu, Oahu.

Mr. Yamamoto seconded and motion carried unanimously.

ITEM H-1

RESUBMITTAL OF A CDUA FOR A TEN FOOT WIDE WATERLINE EASEMENT AT WAILEA BAY, PUAKO, HAWAII (CATHERINE W. LOWREY).

In answer to Mr. Ono's question, Judge Kawakami stated that he had no comment to make regarding the conditions listed in the submittal.

Mr. Higashi said that in previous discussions with some of the landowners it was said that if the pipeline goes in they may try to put together some money to build some comfort stations down at the beach. Mr. Higashi asked if Judge Kawakami could pursue this discussion.

Judge Kawakami explained that under the plan which was submitted and which has been discussed, all residents except one would be contributing to this. He, I understand, had some discussion with someone about the comfort stations. However, I don't know what's become of that since it was never discussed with the local residents before his discussion with the staff on Hawaii.

ACTION

Mr. Higashi moved for approval as submitted, subject to the terms and conditions listed in the submittal. Mr. Ing seconded and motion carried unanimously.

ITEM H-5

REVIEW OF THE MAUNA KEA PLAN, AS IT RELATED TO OVERHEAD POWERLINES AND THE PAVING OF THE SUMMIT ROAD.

Mr. Evans asked that Page 6, second from the bottom paragraph, on the third line where it reads Exhibit "E", that it be corrected to read Exhibit "C". On the following line Exhibit "F" should read "D" and throughout the submittal "F" should read "D" and "D" should read "E". The same holds true on Page 7 wherever it would appear.

Mr. Evans explained that this is not a conservation application per se, but to bring to the board's attention that there is in process two separate CDUA's that relate to proposed work and improvements on Mauna Kea. As a part of the CDUA review, staff took a look at the Mauna Kea Plan and found that both of those applications, if considered in light of the Mauna Kea Plan as it presently exists, both would be inconsistent with the plan. As such, staff felt that it was time to hold a review of the Mauna Kea Plan.

Mr. Detor said that he wasn't sure and that there is some doubt as to who actually owned the business.

Mr. Kahuanui explained that at the time he was operating the aquabikes it was owned by a man who brought the bike to Hawaii. I was working for him at the time I got the citation. However, a few weeks after that I did buy the bikes from him.

At that time, asked Mr. Kealoha, were you aware of the fact that a permit was required?

Mr. Kahuanui said that at the time he was working for this man he did not know about the permit.

Mr. Kahuanui said that he and his brother, Richard Coleman, were requesting a permit to operate on the Duke Kahanamoku Beach. They would like to operate a beach concession stand to rent aquabikes to the public and are asking for 7500 sq. ft. of beach for operations and storage to commence on December 19, 1983. He said that they did have tax clearances from both the City and State and a comprehensive personal liability insurance policy would be issued should they be issued a permit.

Mr. Kahuanui asked that they be allowed to operate until such time that a long term policy concerning the beach situation is settled. They would like the opportunity to recover some of their investments during these busy holidays.

Mr. Kahuanui presented some very informative and interesting visual aids regarding the existing beach situation and also gave a brief background of his family, and of his qualification and that of his brother as qualified lifeguards, licensed surf instructors and outrigger canoe captains. Mr. Kahuanui said that he graduated from Brigham Young University and the University of Hawaii majoring in business and minoring in Interior Decorating. He did not wish for the board to make a decision without at least some supportive information about the issue.

Do you plan to set up a booth to do your sales work, asked Mr. Higashi?

Mr. Kahuanui said that they would comply with whatever the board wished -- whether to have or not have a booth.

Because Mr. Kahuanui mentioned the unfairness of the present set-up, Mr. Ono asked if he was aware of the kind of chaotic situation that existed before things were set up the way they are at present. Don't you agree that the present set-up is more orderly and systematic?

I do agree that it is, said Mr. Kahuanui. What I feel is unfair is that I would like to be able to operate, until the situation is settled, like the other two permittees, Messrs. Conley and Aikau.

When do you think the long-range beach policy will be ready to come before the board, asked Mr. Yagi?

Mr. Detor said that, hopefully, before the first quarter of 1984.

Mr. Ing explained to Mr. Kahuanui that we are now in the process of overhauling the situation at the beach and are trying to decide whether to open up new areas on the beach on a bid basis or continue the old permits. If we take action on your permit and you get set up in whatever you're doing now and then we decide to go to bid on that area or not allow operations in that area at all, we will be creating problems for you and for us by doing so. I understand your sense of urgency and I think you

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made an excellent presentation. No doubt you're well qualified to operate on the beach but issuing you a permit now will not solve our long term problems. We want to take a look at the whole beach and assess what types of concession and where they can be located and then come back with some kind of overall plan. That doesn't help you in the meantime, but I think the board is at a point of taking action in the near future. If it is determined that we are not going to take action for something in excess of six months, then I think maybe we should reconsider your permit.

Is there any possibility of at least a temporary permit at this time, asked Mr. Kahuanui?

Not at this time, said Mr. Ing?

I think because of your presentation, said Mr. Kealoha, you have given us a better idea of how we should set standards or critiques on certain types of operation. Certainly, it's going to help the board in its consideration.

If I come back to the board in another six months or so, said Mr. Kahuanui, it will not be for the area I am requesting now, which is a terrible area. I will probably be looking for something more. I tried to remedy the problem by just renting aquabikes and finding a spot that wouldn't create a problem and try to comply to every situation from a letter which I received denying my request. If we're getting into a situation where we will have to reconsider and talk about later, then I would like to come in with a request for a full beach concession.

I agree that you made a good presentation -- with all of the information that is required. But this board has had a bad experience dealing with permittees and we had a hard time cleaning that beach up. We think we now have reasonable control of the area and to keep on adding permittees now, we may be -- no reflection on you -- going back to the situation that was kind of chaotic and this is what we are trying to avoid, said Mr. Ono.

ACTION

Mr. Ing moved for approval of staff's recommendation to deny this request. Mr. Kealoha seconded and motion carried unanimously.

ITEM F-22

GORDON CRAN REQUEST FOR WAIVER OF RENT, REVOCABLE PERMIT NO. S-5491, KAPAPALA, KAU, HAWAII.

Revocable Permit S-5491, covering some 38,600 acres of land at Kau, Hawaii, is held jointly by Kau Sugar Company, Richard Smart and Gordon Cran and covers numerous parcels for sugar cane cultivation and pasture purposes and generates rental of \$8,388 per month.

Mr. Cran, dba Kapapala Ranch, controls roughly 32,600 acres out of the total permit area and pays the State \$4,921 per month as his share of the rent.

An earthquake on the Big Island on November 16, 1983 damaged the ranch water system. Since the quake, Mr. Cran has had to haul water to the ranch for his 2,600 head of cattle as well as for domestic use. It is estimated that hauling costs of \$300 per day are being incurred even with borrowed equipment and volunteer drivers.

Mr. Cran did not have earthquake insurance and the estimated cost for rebuilding the water system is approximately \$57,671.00. There are also many other repairs to be made.

Staff is requesting that Mr. Cran be given a waiver of six month. Mr. Detor explained that this follows the practice that was established when Hurricane Iwa hit Kauai. The maximum waivers given were for six months. While this will not entirely make up for his loss it will definitely help.

Weren't there some legal questions pending on this, asked Mr. Ono?

There is a suit pending, said Mr. Detor, where someone hit a cow coming off the premises. However, I thought it was Mr. Cran's cow but apparently it isn't, it belongs to Parker Ranch so I don't know how it affects this particular suit. What I was going to recommend is that if the board does approve the waiver that it be made subject to review by the Attorney General's office.

Mr. Higashi said that he would really like to see this area go up for public auction on a long term lease and, as the general practice has been, all the improvements made within the first year or two be applied to the rent. It will equate to the same thing if he has to do any improvements.

ACTION

Mr. Higashi moved for approval as submitted, subject to the terms and conditions listed in the submittal and subject also to:

1. Clarification of insurance.
2. Attorney General's approval; and
3. Staff's pursual of a public auction.

When asked by Mr. Ono if he had any comments on the recommendation, Mr. Cran said he had none except to say that he wanted to be at the meeting so he would not lose by default.

Mr. Kealoha seconded and motion carried unanimously.

ITEM C-3

RESUBMITTAL OF TERMINATION OF TIMBER (LAND) LICENSE NO. S-49 WITH HAWAIIAN TIMBER PRODUCTS, INC.

Mr. Glennon D. Mueller, President, Hawaiian Timber Products, Inc. has requested termination of the license, without prejudice, for the basic reason that there isn't any money to finance his product and market development work for Eucalyptus Robusta. The license was scheduled to expire on December 31, 1985.

Mr. Landgraf asked that staff's recommendation be amended by adding the words "without prejudice" at the end of the first paragraph, since this termination is by mutual agreement.

ACTION

Mr. Higashi moved for the board to terminate License S-49 with Hawaiian Timber Products, Inc., without prejudice and that the State waive the \$16,667 penalty and that no further penalty be assessed for 1984 and 1985.

Mr. Higashi said his reason is that he feels that timber is still a viable industry in the State and he hopes that in the event someone else might want to come in, the board would have some compassion to the industry. Hopefully, said Mr. Higashi, this company may come back.

On those stumpage that they don't cut and they still have to pay according to the contractor's agreement, is that their money or is that paid by the performance bond from the insurance company, asked Mr. Kealoha?

Mr. Landgraf said that the money comes out of their own pocket.

If the License is terminated, the company closes down, and they cannot pay the monthly expenses, will the performance bond then cover the \$16,667 asked Mr. Watson?

No, said Mr. Landgraf. He said that in 1968 the board waived the bond provision so they have no bond. The board's rationale at that time was based on this company's past performance and the fact that they were up front in paying their bills. So they asked for a waiver and the board granted their request.

Since we had an agreement, is it legally possible for the board to waive the \$16,667 penalty, asked Mr. Ono?

Mr. Higashi amended his motion by adding "subject to Attorney General's approval." Mr. Yamamoto seconded and motion carried unanimously.

ITEM F-10

RESUBMITTAL - STAFF RECOMMENDATION FOR AMENDMENT TO PREVIOUS BOARD ACTION FOR LAVA DIVERSION BARRIER EASEMENT AT KAOHE 5, HAMAKUA, HAWAII.

Even though the board already approved the easement, the reason we are back today, said Mr. Deter, is because the particular terms and conditions were not spelled out.

In answer to the board's question, Mr. Evans said that we do not have construction plans for the Lava Barrier.

Mr. Ono said that it's kind of hard to act on an easement not knowing what the plans are going to look like.

The difficulty that we would have, said Mr. Evans, is that depending upon the amount of money available, that would in large measure determine the physical dimensions of the lava barrier itself and the physical dimensions of the lava barrier would then be transposed onto the ground. As to the exact area, they would need for the easement, and because staff has not had an opportunity to review those plans, we cannot give land management at this time any definitive amount of square feet required.

ACTION

Mr. Higashi moved to disapprove the final disposition until such time as all terms and conditions of the CDUA have been accepted. Motion carried with a second by Mr. Yagi. Mr. Kealoha voted no.

ITEM H-4

RESUBMITTAL OF A CDUA FOR SUBZONE BOUNDARY AMENDMENT AND A SINGLE FAMILY RESIDENCE AT LANIKAI, OAHU (MR. & MRS. RALPH ENGELSTAD).

Following staff's analysis, said Mr. Evans, this submittal was sent to a representative of the applicant who did appear before the board at the last board meeting on Kauai. The board, however, did not take action at that time. It was deferred until this morning's meeting. Subsequent to that, Counsel for the applicant had an opportunity to meet with staff and that meeting resulted in the transmittal letter before the board this morning.

Basically, under discussion at yesterday's meeting, said Mr. Evans, was a technical report which was issued by Dames & Moore, and staff. In terms of substance of the report, staff had no strong objections to what the report says. But one thing that was brought out at the meeting was that the concerns of the public really should be made a part of the report. Staff has, in its analysis, indicated that there were concerns expressed by the community basically that integrity of the conservation district would be violated by the urban encroachment. Staff also suggested that the property has a history of unsteady terrain and flooding. A petition of over 120 people was received opposing the project.

Mr. Evans asked for one change in staff's recommendation. We do recommend denial of the application and two reasons are listed:

1. That the construction of the proposed structure may pose potential hazard to nearby residents; and
2. That the proposed use is in conflict with the objectives of the subzone.

Staff's thinking was that the proposed use would be inconsistent and incompatible with the conservation district. However, after yesterday's discussion with counsel, we feel rather than it being implicit in our recommendation, that it should be explicit. So staff would like to add a third rationale as follows:

3. That in our view the proposed use is incompatible with the purpose and intent of the conservation district.

Also in our discussion, the counsel did raise the concern that the surrounding area is, in their view, largely urban. Populated by houses, there are urban amenities and that being the case we did suggest one alternative to the applicant would be to approach the Land Use Commission for possible rezoning.

Another area that came up as it related to the technical report by Dames & Moore were certain kinds of statements that were made such as specifically a statement that the design runoff through the lot would be decreased from 21.7 c.f to 9.6 c.f. We asked if that particular figure for purposes of discussion could be guaranteed and counsel indicated that they felt at a minimum, a decrease to this type of action could occur and the discussion did involve taking such kinds of guarantees to the community and allowing the community to basically react to the letter which is presented to the board this morning. The letter guarantees certain things (basically six), that would be made by the applicant. Staff felt that that might be another alternative approach for the applicant to take.

Mr. Roger Corial, representing Jack Schweigert, Legal Counsel for the applicant, verified that the board did in fact have Mr. Schweigert's December 15, 1983 letter.

Mr. Corial introduced the applicant, Mr. Ralph Engelstad, Engelstad's contractor Mr. Robert Otake, and Mr. Masunobu Fujioka, the hydrologist -- in the event the board had any questions in these areas.

Mr. Corial presented to the board captioned photographs of the subject area for their review and which he very briefly explained. After his presentation he remarked that any other questions the board may have other than about the photographs could probably best be answered by Messrs. Engelstad, Otake and Fujioka.

Since the board already had a public hearing on this matter, Mr. Ono felt that any questions that needed to be asked were already asked. However, there may be some questions regarding the December 15, 1983 letter. Although it might be kind of difficult to review the letter in such a short time and react to it.

Mr. Evans, have you had a chance to read this letter, asked Mr. Kealoha?

Mr. Evans said that he had received the letter this morning and had only read it through one time. In terms of providing the board any analysis, it would be difficult to do given only a time frame from this morning.

Do you have any other reservations or considerations regarding this letter that would affect staff's recommendation, asked Mr. Kealoha?

Mr. Evans answered no.

ACTION

Mr. Kealoha moved for approval of staff's recommendation to deny this application. Motion carried with a second by Mr. Higashi. Mr. Ing was disqualified from voting on this item and Mr. Yagi voted no.

ITEM H-3

RESUBMITTAL OF A CDUA FOR A THREE LOT SUBDIVISION AND CONSTRUCTION OF A TWO BEDROOM DUPLEX AT TANTALUS, OAHU (MESSRS. ROBERT MARCHANT AND THOMAS PERKINS).

Has there been any changes in this submittal since the first time it was submitted, asked Mr. Kealoha?

There is no change in the submittal or in staff's recommendation, said Mr. Evans. However, in getting back to the applicants, they have said that they would like to propose a few changes, based upon staff's recommendation to the board.

When would the board get involved in looking at the counter-proposal, asked Mr. Ono? I see nothing in the submittal.

Mr. Evans said that the board could allow the applicant's to submit their own proposal, or allow the staff to completely review and present it to the board along with staff's recommendation. Staff, however, is not ready at this point to present any recommendation or analysis on the counter proposal.

I'm not looking for a detailed analysis, said Mr. Ono. I was just wondering at what point did you plan to transmit the counter-proposal to the board inasmuch as we are almost up to the 180-day deadline.

Mrs. Marchant explained that they did ask for a delay at the last meeting and, after that, did submit a letter to DLNR with their proposal. We also talked to Mr. Hayashida at the Board of Water Supply and he suggested that perhaps a temporary well could be placed on the lot and used by our family until the land reverted to the State. This way the State would have control over the numbers of people who would be living on the property and putting a burden on the environment. Then we came up with the idea of conveying that third lot to the State. I talked to Messrs. Detor and Landgraf and they thought it was a great idea even though there is nothing in writing. We hoped that it would take away the problem of setting precedence on Tantalus. The reason we came up with the subdivision is because we knew that it was a one house, one lot situation. The original proposal was to have three lots and an extra house.

I think the lateness of this alternate solution really prevents us from taking action and analyzing it now. However, I don't think there is anything preventing you from resubmitting. We will have to take action on this one now. Then, if you submit a new proposal, not saying that we are going to grant it but it will give us an opportunity to analyze it, said Mr. Ono.

When we do submit a new proposal, said Mrs. Marchant, should we have a vehicle for conveyance already.

Mr. Ono said that he did not think she had to go that far. Just submit what you intend to do and the latest position of the Board of Water Supply. We will then have staff look at your suggested approach.

Mrs. Perkins, one of the other owners of the property, wanted to respond to Mr. Kealoha's earlier question regarding the difference of this submittal to the earlier submittal. She said that the one major difference is that we are now asking for a temporary structure instead of a permanent structure -- it would be only for our lifetime.

ACTION

Mr. Ing moved for approval of staff's recommendation to deny. Mr. Kealoha seconded and motion carried unanimously.

ADDED
ITEM E-5

APPROVAL OF SPECIAL USE PERMIT FOR USE OF THE HOTEL STREET MALL AT THE
QUEEN LILI'UOKALANI STATUE.

The Kaulana Na Pua Institute, Inc. requests a special use permit for use of the Hotel Street Mall around Queen Lili'uokalani's Statue on Tuesday, January 17, 1984. Mr. Nagata said that this group plans to dovetail their activities with another group and so would probably need to extend the hours that were originally requested.

Mr. Nagata asked, therefore, that the submittal be amended by changing the hours from 6:30 p.m. to 9:00 p.m.

In answer to Mr. Kealoha's questions, Mrs. Kamalii said that they have not yet been in touch with the Friends of Iolani Palace. They had first wanted to get the approval of our board then get in touch with the Friends.

Was notice of this event given to the Friends of Iolani Palace, asked Mr. Yagi?

Mr. Nagata said no, inasmuch as the actual request did not come in till about the middle of this week and there was no intention at that time to utilize the Grounds area that might affect Iolani Palace except for the use of parking and driveway areas which comes under DAGS.

Who will be coordinating with DAGS, asked Mr. Ono? Will we be in touch with DAGS?

As far as I know, Mrs. Kamalii was advised to speak to DAGS inasmuch as they wanted to use the Capitol steps which is not under our jurisdiction, said Mr. Nagata. Under the permit they would have to coordinate with DAGS completely.

Mrs. Kamalii said that she had no problem working with DAGS.

ACTION

Mr. Ing moved for approval as amended, subject to the terms and conditions listed in the submittal. Mr. Kealoha seconded and motion carried unanimously.

ITEM F-3

ROGER CRANDLEMIRE APPLICATION FOR ROAD AND UTILITY EASEMENT, PUUKAPU
HOMESTEADS, 2ND SERIES, WAIMEA, SO. KOHALA, HAWAII.

ACTION

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

1. The direct sale of the above-described easement to the applicant under the terms and conditions listed in the submittal; and,
2. The issuance of an immediate construction right-of-entry to the applicant subject to the standard indemnity and hold-harmless clause.

Mr. Ono asked Mr. Cummins from Austin, Tsutsumi & Associates (who are providing the engineering and surveying work for the project), whether or not he had had a chance to look at staff's recommendation. Mr. Cummins said no, so Mr. Ono asked him to take a few minutes to go over the conditions so the board could get his reaction.

After reviewing the recommendations, Mr. Cummins said that he had no objections or questions.

ITEM F-1-j

NATURAL ENERGY LABORATORY OF HAWAII (NELH) REQUEST FOR CONSENT TO SUBLEASE, KEAHOLE AIRPORT, KONA, HAWAII.

ACTION

Mr. Higash moved that the board consent to the entering into of a sublease between NELH and Hawaii Abalone Farms and the amending of the Master Lease, the terms and conditions of both to be brought back to the board for final approval, subject also to the following:

1. Concurrence of the State Department of Transportation and approval of the Governor.
2. Review and approval of the sublease agreement by the Office of the Attorney General.
3. Such other terms and conditions as may be prescribed by the Chairman.

Mr. Ing seconded and motion carried unanimously.

ITEM H-2

RESUBMITTAL OF A REQUEST TO RESCIND PREVIOUS BOARD ACTION RELATING TO THE ESTABLISHMENT OF A PERMIT SYSTEM FOR COMMERCIAL FILMING ON STATE LANDS.

On March 13, 1981 the board approved a request to establish a Permit System for Commercial Filming on State and Conservation District lands.

The sustained recommendation consisted of six parts, number A through F.

Subsequent to the board acting on this in 1981, in order to reduce the amount of red tape involved in the permitting process, the Legislature, in 1983 passed a "one-stop" permitting process action for the film industry and designated DPED as the Central Agency to coordinate Film Permit activities in the State. This Act further required DPED to consult with affected agencies and, by agreement with those agencies, allows them to issue permits for filming process.

Staff, therefore, feels that Sections B, D, E and F are now more appropriately within the functional responsibility of the DPED and no longer needed requirements of our department.

Mr. Kent Keith stated that DPED could not support staff's recommendation inasmuch as they do not interpret the Act in the same manner and are involved in a little different process at the moment. The way we understand the act as it was passed, it does mandate DPED to be the central coordinating agency for permits and we are very serious about that so we have set up an office for that purpose and we are trying to be the central intake point.

The language of Act 52 does not require us to issue any permit and in fact I believe we cannot issue any permits for any other agencies because no other agencies jurisdiction has been superceded. Instead of adding one more permit to all the ones that still exist, we would rather be the facilitator that goes from agency to agency on behalf of the applicant and obtains permits and issues to the applicant a letter of approval or a letter which lists the permits which have been obtained. So our role, as we see it, is to facilitate and we may be before the board in the near future with a recommendation as to how we might cooperate better and faster for the benefit of the public. But we do not want to be involved in setting policy for State lands as the items would require it if you were in favor of staff's recommendation. We believe that we do not have any jurisdiction to act upon conservation district lands. We do not believe that Act 52 gave us any jurisdiction so we want to work with DLNR to cooperate and facilitate and we will be sending to State agencies a packet which is now being prepared and ask people to sign off. We feel that this is premature or misleading at this time.

If there is no urgency to this, said Mr. Ing, I recommend that we refer this to the Attorney General's Office

Deputy A.G. Ed Watson said that he has been advised by his office that the Act does not authorize them to act on behalf of the land board but merely to coordinate permits that need board approval.

Was that a formal written opinion, asked Mr. Ono?

Mr. Watson said that this was through a phone conversation, he has never seen it in writing.

Mr. Watson asked Mr. Keith if he would put in a formal request to have the Act interpreted.

Maybe we should defer this and get a written opinion interpreting the Act, said Mr. Ing.

ACTION

Deferred until DPED has a chance to put together their package and put it back on the agenda at that time.

ITEM E-3

REQUEST TO NEGOTIATE WITH CITIZENS FOR KEALAKEHE AND OLD KONA AIRPORT FOR THE MANAGEMENT OF THE EVENTS PAVILION AT THE OLD KONA AIRPORT STATE PARK.

Mr. Nagata asked that the name of the applicant be changed from Citizens of Kealakehe and Old Kona Airport Park to Friends of Old Kona Airport State Park.

Mr. Ono said that if this is on a permit arrangement and the Friends collect fees, does the money still have to go into the General Fund? Can you check that out?

ACTION

Mr. Higashi moved for the board to authorize the Chairman and a member of the board to negotiate a one year lease, that may be extended by the board, to the Friends of Old Kona Airport State Park. Mr. Kealoha seconded and motion carried unanimously.

Mr. Ono asked that Mrs. Kunitake and her group continue to work very closely with the Division of State Parks to work out any necessary details.

ITEM E-2

APPROVAL OF REQUEST BY THE FRIENDS OF IOLANI PALACE TO ESTABLISH PAYMENT FOR FLAG RAISING AND TO LIMIT PHOTOGRAPHY, MOTION PICTURE, AND SOUND RECORDINGS WITHIN IOLANI PALACE.

The Friends requested a basic charge of \$50.00 be required for both raising and lowering of the flag. If only lowering of the flag is required then the charge would be \$25.00.

Also, the Friends have experienced substantial interruption and delays in completing tightly scheduled tours as a result of attempts to record docent talks and/or take both still photographs and motion pictures of the Palace interiors and it appears that restrictions are appropriate provided that photographs (i.e. color slides) of significant interior views and close-ups of selected artifacts are made available for the touring public to purchase at reasonable cost.

ACTION

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

1. Determine that a standard payment of \$50.00 be charged for raising and lowering the State Flag from the Palace's rooftop flagpole when requested for hours the Palace staff is not on duty. This charge shall be only \$25.00 to cover the cost of lowering when the flag is left flying beyond the hours the Palace is open;

2. Approve revision to the guidelines Paragraph "G. Photography" to paragraph "G. Non-Commercial Photography and Sound Recording. When interior Palace photographs or written information for talks presented during tours are available to the touring public gratis or at reasonable cost, still photography, motion pictures, and sound recording within the Palace are prohibited unless a written permit is obtained from the board or its authorized representative subject to terms and conditions set by the board; and
3. Approve the sale of such photographs and/or written information as may be necessary to implement paragraph G as revised.

REQUEST FOR APPROVAL OF A PROPOSED MEMORANDUM OF AGREEMENT BETWEEN THE U. S. AIR FORCE AND THE DEPARTMENT OF LAND AND NATURAL RESOURCES REGARDING ACCESS TO RECREATION AREAS THROUGH KAENA POINT SATELLITE TRACKING STATION, OAHU.

ITEM C-1

ACTION

The board unanimously approved the Memorandum of Agreement between the U. S. Air Force, and the Department of Land and Natural Resources and also authorized the Chairperson and a member of the board to sign it, and any future revisions, subject to approval by the Office of the Attorney General. (Yagi/Yamamoto)

TERMINATION OF TIMBER (LAND) LICENSE TO PACIFIC FOREST PRODUCTS, INC. FOR THE HARVESTING OF FOREST PRODUCTS FROM THE WAIAKEA FOREST RESERVE, ISLAND OF HAWAII.

ITEM C-2

Mr. Landgraf said that his testimony for Item C-2 would also relate to Item C-4. Item C-2 is for a license at Waiakea, while Item C-4 is for a license at Makawao, Maui.

Mr. Landgraf stated that the board authorized the issuance of a License to Pacific Forest Products Inc. December 3, 1982. It was issued on May 23, 1983. They had 120 days to start operation. They did not. They had 60 days to remedy the situation (default) but failed to do anything.

Mr. Higashi asked whether the \$15,000 compliance bond which was withheld to cover administrative and any other expenses should be forfeited. Since they did not comply, rather than cover administrative expenses shouldn't it be forfeited to the State?

Deputy A.G. Watson asked Mr. Landgraf whether the insurance company had been informed of the default.

Mr. Landgraf said yes. The insurance company did issue a certificate for the insurance and for the bond but we have just been informed this morning, said Mr. Landgraf, by the insurance company that the insurance policies for the \$1 million was assigned and the policy was issued (a policy number was given us). The policy for the \$5 million additional was issued and we have a policy number for that also. However, because the company filed no financial information with the insurance and bonding company, the bond was not issued and there is no bond.

Wasn't that bond supposed to be submitted with this proposal, asked Mr. Higashi?

The Certificate that was sent to our department stated that a bond was being issued.

Did the insurance company say that they were going to issue a bond, asked Mr. Watson?

Yes, said Mr. Landgraf. I have the original copy of the Certificate from the insurance company.

I would like to amend our recommendation that, instead of terminating the license, that we be authorized to renegotiate another timber license. There is a harvester in Hilo now harvesting on private land and supplying woodchips to Puna Sugar and Hilo Coast processing for bio-energy for the power plant and generators and they have expressed interest to pick this up if it is terminated on December 20, 1983.

Because this request is for termination and because a bond is involved, Mr. Yagi said that he would rather see Mr. Landgraf's request come in as a separate submittal.

Clarification, said Mr. Ono, what are we going to do with the \$15,000?

Mr. Higashi felt that we should amend Condition No. 2 and refer it to the Attorney General's office to process and make an attempt to collect the \$15,000 bond.

I need clarification, said Mr. Watson. You are only seeking to recover against the bond if it is recoverable but nothing against the lessee? Mr. Watson said that he would prefer it to read that attempt be made to recover on the bond and forget about administrative costs because the bond does not cover administrative costs.

ACTION Mr. Higashi moved for approval of Items C-2 and C-4, as amended. Mr. Yagi seconded and motion carried unanimously.

ITEM C-3 RESUBMITTAL OF TERMINATION OF TIMBER (LAND) LICENSE NO. S-49 WITH HAWAIIAN PRODUCTS, INC.

(See Page 6 for Action.)

ITEM C-4 TERMINATION OF TIMBER (LAND) LICENSE TO PACIFIC FOREST PRODUCTS, INC. FOR THE HARVESTING OF FOREST PRODUCTS FROM THE MAKAWAO AND KOOLAU FOREST RESERVES, ISLAND OF MAUI.

ACTION Approved as amended. (Higashi/Yagi)

(See Comments with Item C-2 above)

ITEM D-1 PERMISSION TO ADVERTISE FOR BIDS - JOB NO. 3-9W-47, IMPROVEMENTS TO KUALAPUU RESERVOIR, MOLOKAI IRRIGATION PROJECT, MOLOKAI, HAWAII.

Mr. Chuck asked to amend Item D-1 by inserting the words "intake improvements" on line 3 and take out the words "fabricating a metal screen box over the reservoir outlet line" and add the words "Operating Budget funds" after the word "from" of the second paragraph.

ACTION Mr. Ing moved for approval with the above amendments. Mr. Kealoha seconded and motion carried unanimously.

ITEM D-2 AUTHORIZE THE CHAIRPERSON TO EXECUTE AMENDMENT NO. 1 TO PROJECT AGREEMENT NO. 59-9251-3-33, WAIMANALO WATERSHED PROJECT, WAIMANALO, CITY AND COUNTY OF HONOLULU.

Mr. Chuck explained that this amendment is merely asking for an extension of 90 days to enable them to take their contract time from December 29, 1983 to March 28, 1984.

ACTION Unanimously approved as submitted. (Yagi/Higashi)

ITEM D-3

SOIL AND WATER CONSERVATION DISTRICT DIRECTORS.

ACTON

Upon motion by Mr. Higashi and a second by Mr. Yagi, the board voted unanimously to certify the appointment of 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 to End</u>
West Kauai	Antone Silva Nursery owner	Appointed	6/30/85
Puna	Lynne Shiigi Produce company employee	Elected	6/30/85

ADDED
ITEM D-4

RATIFICATION OF ADMINISTRATIVE RULES 13-167, RELATING TO THE PROTECTION OF INSTREAM USES OF WATER, WINDWARD OAHU.

Mr. Chuck stated that the Attorney General's office had suggested two points of clarification. They referred to the following:

1. Section 13-167-20 Permit required.

The permit requirement is clarified to apply only to projects which have not obtained prior agency permits or have not started on the effective date of this chapter.

2. Section 13-167-22 Criteria for ruling on application.

This section permits channel alterations to take place if it is clear that overriding considerations of the public interest will be served. By inserting a new paragraph (c) this overriding consideration of public interest will be considered for all of the provisions of Section 13-167-22.

ACTION

Mr. Yagi moved to ratify the two points of clarification presented in the submittal involving Sections 13-167-20 and 13-167-22 of the Administrative Rules, Chapter 167, Title 13, Protection of Instream Uses of Water, Windward Oahu, adopted by the Board on November 18, 1983. Motion carried with a second by Mr. Kealoha. Mr. Ing opposed.

ITEM E-1

APPROVAL OF SPECIAL USE PERMIT FOR USE OF THE IOLANI PALACE GROUNDS.

ACTION

The board unanimously approved issuance of a special use permit to The Sovereignty Day for Hawaiian Committee for use of the Iolani Palace grounds on January 15, 1984 subject to those conditions listed in the submittal. (Ing/Kealoha)

APPROVAL OF REQUESTS BY FRIENDS OF IOLANI PALACE TO ESTABLISH PAYMENT FOR FLAG RAISING AND TO LIMIT PHOTOGRAPHY, MOTION PICTURE, AND SOUND RECORDINGS WITHIN IOLANI PALACE.

ITEM E-2

(See Page 12 for Action.)

REQUEST TO NEGOTIATE WITH CITIZENS FOR KEALAKEHE AND OLD KONA AIRPORT PARK FOR THE MANAGEMENT OF THE EVENTS PAVILION AT THE OLD KONA AIRPORT STATE PARK.

ITEM E-3

(See Page 12 for Action.)

ITEM E-4

FILLING OF EIGHT (8) POSITIONS FOR THE LAPAKAHI STATE HISTORICAL PARK.

ACTION

Unanimously approved as submitted. (Ing/Yamamoto)

ADDED
ITEM E-5

APPROVAL OF SPECIAL USE PERMIT FOR USE OF THE HOTEL STREET MALL AT THE QUEEN LILI'OKALANI STATUE.

(See Page 10 for Action.)

ITEM F-1

DOCUMENTS FOR CONSIDERATION

Item F-1-a

P.M. AUTO REPAIR, INC. application for REVOCABLE PERMIT, Sand Island, Oahu. Lot 124A, Sand Island, Oahu, TMK: 1-5-41, containing 19,800 sq. ft. Rental: \$1188.00 per mo.

Mr. Detor asked to amend Condition No. 3 by changing the present language to the following:

3. Granger Pacific, Inc. will remove the structures previously constructed on Lot 123 if requested to do so by the new permittee.

Item F-1-b

RICHARD COLEMAN & ROBERT KAHUANUI application for REVOCABLE PERMIT, Duke Kahanamoku Beach, Honolulu, Oahu, TMK: 2-3-37:por. 21, containing 7,500+ sq. ft. Rental: To be determined by appraisal.

(See Page 5 for Action.)

Item F-1-c

GEORGE K. ESPIRITO application for REVOCABLE PERMIT covering Lot 10, Block 29, Auwaiolimu Lots, Honolulu, Oahu, TMK: 2-2-13:14, containing 9,675+ sq. ft. Rental: \$122.00 per mo.

Item F-1-d

MILES F. SULLIVAN, TRUSTEE FOR THE SULLIVAN FAMILY TRUST, request for TO MORTGAGE GRANT OF EASEMENT NO. S-26994, Puako, Lalamilo, So. Kohala, Hawaii, TMK: 6-9-02:5, containing 2,074 sq. ft.

Item F-1-e

KIYOICHI YAMAGUCHI, AS TRUSTEE IN DISSOLUTION OF YAMAGUCHI ENTERPRISES, INC. request to ASSIGN GENERAL LEASE NO. S-4417 to JASON HASHIMOTO, covering Lot 3, Keonepoko Iki Farm Lots (Pahoa Ag Park), TMK: 1-5-116:30, containing 10.000 acres. Rental: \$280.00 for the first 20 yrs. with renegotiation thereafter at 10 year intervals.

Item F-1-f

JASON HASHIMOTO request to CONSENT TO MORTGAGE, GENERAL LEASE NO. S-4417 covering Lot 3, Pahoa Agricultural Park, Keonepoko Iki, Puna, Hawaii. Amount of Mortgage: \$100,000.00

Item F-1-g

HANA RANCH, INC. request for consent to ASSIGN GRANT OF EASEMENT, LAND OFFICE DEED NO. S-27045, Kipahulu, Hana, Maui, TMK 1-6-05:por. 2 and 22, TMK: 1-6-02:por. 9 and TMK 1-5-11:por. 7, containing a total area of 17,872 sq. ft.

Item F-1-h

RKU ENTERPRISES, INC. request for consent to FIVE SUBLEASES, GENERAL LEASE NO. S-4573 to various sublessors, covering Lot 23 of the Hanapepe Business Lots, Hanapepe, Kauai, containing 42,522 sq. ft. Lease Rent: \$6,400 per annum.

Is the lessee current in his rental, asked Mr. Ing?

Mr. Detor said that just this morning he got a copy of a Notice of Default which was served on the lessee by Sam Lee of our Kauai Land Office. The lease rental was due at the end of November. I told Sam I was going to ask for deferment unless the rental is paid. Sam called back again to say that rental was taken care of today. Maybe what we should do in this particular case is make it subject to them clearing up the back rental, even though Sam has said that they did pay.

- Item F-1-i RKU ENTERPRISES, INC. request for consent to SUBLEASE, GENERAL LEASE NO. S-3977, Hanapepe, Kauai, containing 6,873 sq. ft.
- Because of the amount of rental being charged the sublessor, staff is recommending that the annual lease rent for G.L. No. S-3977 be revised upward from \$248.00 to \$533.00.
- Item F-1-j NATURAL ENERGY LABORATORY OF HAWAII (NELH) request for consent to SUBLEASE Keahole Airport, Kona, Hawaii.
- (See Page 11 for Action.)
- Item F-1-k STANLEY SKUROW application for REVOCABLE PERMIT, portion of govt. land at Kaloii and Kanaio, Makawao, Maui, being TMK: 2-1-03:por. 50, containing 22,400 sq. ft. for waterline and access easement purposes. Rental: \$10.00 per mo.
- ACTION Unless otherwise noted, Mr. Ing moved for approval of Items F-1-a, c, d, e, f, g, h, i & k as submitted. Mr. Kealoha seconded and motion carried unanimously.
- Item F-1-h is subject to clearing of delinquent rental.
- ITEM F-2 MINORU NAKAMURA, ET AL, APPLICATION TO PURCHASE ABANDONED RAILROAD RIGHT OF WAY SEGMENT, WAIAKEA, SO. HILO, HAWAII.
- ACTION 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. Higashi and a second by Mr. Yagi, unanimously approved the direct sale of the remnant to the applicants subject to the terms and conditions listed in the submittal.
- ITEM F-3 ROGER CRANDLEMIRE APPLICATION FOR ROAD AND UTILITY EASEMENT, PUUKAPU HOMESTEADS, 2ND SERIES, WAIMEA, SO. KOHALA, HAWAII.
- (See Page 10 for Action.)
- ITEM F-4 MRS. NOBUKO KAWASAKI REQUEST FOR AUTHORIZATION TO CONSTRUCT AN ADDITIONAL DWELLING ON LOT 21 OF THE LALAMILO FARM LOTS, LALAMILO, SO. KOHALA, HAWAII.
- ACTION Mr. Higashi moved for the board to accept the master plan submitted by the applicant and permit the construction of new greenhouses (3), a new warehouse (1), and employee dwelling on Lot 21, Lalamilo Farm Lots, subject to the terms and conditions listed in the submittal. Mr. Yamamoto seconded and motion carried unanimously.
- ITEM F-5 BOTEILHO ENTERPRISES HAWAII, INC. APPLICATION TO LEASE PORTION OF THE GOVERNMENT LAND OF OPIHIPAU & HUKIAA, SO. KOHALA, HAWAII.
- Boteilho Enterprises, holder of G. L. No. S-4478 and paying an annual rental of \$112,000, supplies nearly one-third of the milk supply for the island of Hawaii. He also operated his dairy on land formerly owned by Kukaiauu Ranch. Kukaiauu Ranch recently sold this land and as a condition of the sale, Boteilho Hawaii was given notice to vacate the premises by December 15, 1983.
- Boteilho would, therefore, like to relocate his dairy and has requested a lease covering the State land in Kohala which was formerly leased to Hawaii Biogenics.
- Mr. Detor asked that the requested area be changed from 414.12 acres to 590 acres.

ACTION Finding the area in question to be an economic unit in terms of the intended use and also that the lease proposed herein to be supportive of and foster competition in the dairy industry on Hawaii, the board, upon motion by Mr. Higashi and a second by Mr. Yamamoto, unanimously authorized direct issuance of a negotiated lease to the applicant pursuant to Section 171-59(b), HRS, subject to the terms and conditions listed in the submittal and with correction of the area from 414.12 acres to 590 acres.

ITEM F-6 THEO H. DAVIES & CO., LTD. REQUEST FOR CONSENT TO ASSIGNMENT OF SIXTEEN GENERAL LEASES AND ELEVEN REVOCABLE PERMITS, HAMAKUA, HAWAII.

ACTION Mr. Yagi moved for approval of the assignment of the general leases, as listed in the submittal, to Hamakua Sugar Company, Inc. and to the mortgage of said leases by and between Hamakua Sugar Company, Inc., a Hawaii Corporation, as mortgagor, and the Federal Land Bank of Sacramento, as mortgagee, subject to the terms and conditions listed in said submittal. Motion carried with a second by Mr. Kealoha.

Mr. Ing was disqualified from taking any action on this item.

ITEM F-7 THOMAS KAWANO REQUEST FOR WAIVER OF REPURCHASE OPTION, LOT 10, LALAMILO FARM LOTS, WAIMEA, SO. KOHALA, HAWAII.

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

1. Consent to the use and rental of a portion of Lot 10 of the Lalamilo Farm Lots for vegetable-processing and sales operations and approve the submission of a special permit application for said use by the applicant to the County of Hawaii;
2. For this instance only, waive the exercise of the reacquisition condition of Land Patent Grant No. S-13934 as stated in the submittal;
3. Authorize the Chairperson to prescribe any other terms and conditions deemed necessary to maintain the intent and purposes of the conditions contained in Land Patent Grant No. S-13934.

ITEM F-8 ALFRED NOBRIGA REQUEST FOR AMENDMENT OF PREVIOUS BOARD ACTION AUTHORIZING ISSUANCE OF REVOCABLE PERMIT COVERING LOT 17, PANAWEA FARM LOTS, WAIAKEA, SOUTH HILO, HAWAII.

ACTION The board voted unanimously to amend its action of October 8, 1982 to authorize the issuance of a Revocable Permit to Mr. Alfred J. Nobriga covering the subject premises with a commencement date of January 1, 1984. All other terms and conditions of the subject October 8, 1982 Board action under Agenda Item F-1-g shall remain unchanged. (Higashi/Yamamoto)

ITEM F-9 HAWAIIAN TELEPHONE CO. APPLICATION FOR EASEMENT, PUUWAAWAA, NO. KONA, HAWAII.

ACTION The board unanimously authorized the direct sale of the subject easement to the applicant subject to the terms and conditions listed in the submittal and also authorized the issuance of an immediate construction right of entry to the applicants subject to the standard indemnity and hold-harmless clause. (Higashi/Yamamoto)

ITEM F-10 RESUBMITTAL - STAFF RECOMMENDATION FOR AMENDMENT TO PREVIOUS BOARD ACTION FOR LAVA DIVERSION BARRIER EASEMENT AT KAOHE 5, HAMAKUA, HAWAII.

(See Page 7 for Action.)

ITEM F-11	COUNTY OF MAUI REQUEST FOR WITHDRAWAL OF AHAINO TANK SITE FROM EXECUTIVE ORDER NO. 806, KUPEKE-KAILIULA, MOLOKAI.
ACTION	Unanimously approved as submitted. (Yagi/Yamamoto)
ITEM F-12	HUI MEA HANA O HAWAII REQUEST FOR REDUCTION IN AREA AND RENTAL, REVOCABLE PERMIT S-5282, WAIMANALO, OAHU.
ACTION	Being that the revenue from this permit goes to the Department of Hawaiian Home Lands, Mr. Kealoha asked that this item be deferred until we have had a chance to check this out with said department. Deferred.
ITEM F-13	JAMES LAU, ET AL, APPLICATION TO PURCHASE HIGHWAY REMNANT PARCEL A-11-A OF THE LUNALILO FREEWAY, FASP NO. F-59(2), HONOLULU, OAHU.
ACTION	Unanimously approved, subject to the terms and conditions listed in the submittal. (Kealoha/Higashi)
ITEM F-14	CITY & COUNTY OF HONOLULU REQUEST FOR DRAINAGE EASEMENT, ALA WAI CANAL, HONOLULU, OAHU.
ACTION	Upon motion by Mr. Kealoha and a second by Mr. Yamamoto, the board unanimously voted to grant the City and County of Honolulu, Department of Public Works a perpetual non-exclusive drainage easement covering the area described in the submittal together with an immediate right of entry to the subject easement area for construction of the drainage facilities, subject to the terms and conditions listed in the submittal.
ITEM F-15	DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES REQUEST FOR EXECUTIVE ORDER SETTING ASIDE LAND FOR MULTI-AGENCY COMPLEX, LIHUE, KAUAI.
ACTION	Unanimously approved as submitted. (Yamamoto/Yagi)
ITEM F-16	STAFF RECOMMENDATION FOR CONTINUANCE OF REVOCABLE PERMITS COVERING STATE LANDS ON THE ISLAND OF HAWAII.
ITEM F-17	STAFF RECOMMENDATION FOR CONTINUANCE OF REVOCABLE PERMITS COVERING STATE LANDS ON THE ISLAND OF MOLOKAI.
ITEM F-18	STAFF RECOMMENDATION FOR CONTINUANCE OF REVOCABLE PERMITS COVERING STATE LANDS ON THE ISLAND OF OAHU.
ITEM F-19	STAFF RECOMMENDATION FOR CONTINUANCE OF REVOCABLE PERMITS COVERING STATE LANDS ON THE ISLAND OF KAUAI.
	<p>As part of its annual revocable permit review process, the board, at its meeting of December 17, 1982, approved the continuation of all revocable permits covering State lands on the island of Hawaii on a month-to-month basis for another year with no change in existing rental rates.</p> <p>Since the board's 1982 action, economic conditions have been on the upswing and prospects for continued improvement are good. Inflation has continued, but at a lower rate than in the past. Taking these factors into consideration, said Mr. Detor, it is staff's feeling that a modest rental increase of four percent is in order, commencing March 1, 1984.</p>

In the case of the Sand Island permits the board, at its April 23, 1982 meeting voted to raise the monthly rentals for Sand Island permittees to six cents per sq. ft. for open area and 12 cents per sq. ft. for covered areas, effective July 1, 1982. Subsequently, at its meeting of March 24, 1983, the board agreed to fix the rate for open areas at 6 cents per sq. ft. per month until June 10, 1985. Therefore, said Mr. Detor, these permits and the Maunalaha permits are not being included in this 4% increase.

Mr. Yagi said that he would prefer to see this 4% increase start from July 1, 1984 for a one-year period, rather than from March 1, 1984. Being that you have based the rentals on inflation, it should be noted that a lot of people with permits are having their own problems with inflation. My request to have rental start from July 1st would at least give the permittees a six-month reprieve instead of only three months.

If these lots were appraised and a rental set, generally, would it be within the range of what's being suggested, asked Mr. Ono?

Depending on the area, some rentals may have been appraised higher and some lower, said Mr. Wayne Hirata, so he really couldn't answer Mr. Ono's question.

What would help the board, said Mr. Ono, is for each island to have a series of bench marks so at least we can peg them to something. When we get the annual recommendations it is hard to say whether we are in the ball park -- too high, or too low.

Mr. Ing moved for approval as submitted and Mr. Kealoha seconded. Messrs. Yagi, Yamamoto and Higashi voted no. Motion died for lack of a majority vote.

Mr. Yagi then moved that the submittal be approved with the new rental commencing July 1, 1984 instead of March 1, 1984. Mr. Higashi seconded. Messrs. Ono, Kealoha and Ing voted no and motion died for lack of a majority vote.

Considering the small nature of the interest and the fact that it's only going to be in effect, technically, nine months of the next calendar year, you're really looking in the area of 3% or less increase, said Mr. Ing.

What was the percentage of the last rental increase on Sand Island, asked Mr. Ono?

About 33%, said Mr. Detor.

DOT will soon be coming in with their permits for the board's review, said Mr. Ono, and our action, whether to increase or decrease, will have to be consistent.

Mr. Higashi moved to divide the question in such a way that one question will handle consideration of reapproving the annual revocable permits and the second question would be in the amount of the rent. Mr. Yamamoto seconded. Messrs. Kealoha, Ing and Ono voted no. Motion again died for lack of a majority vote.

Mr. Higashi said that he would hate to see a situation where there is no lease.

Mr. Detor said that staff would like very much to get an o.k. on at least continuance of the permits.

Mr. Kealoha suggested that this item be deferred to the end of the agenda. (See Page 25 for Action.)

ITEM F-20	DEPARTMENT OF SOCIAL SERVICES AND HOUSING REQUEST FOR APPROVAL OF RENEWAL OF LEASE COVERING ROOMS 311 and 314, PEARL CITY BUSINESS PLAZA BUILDING, PEARL CITY, OAHU.
ACTION	Unanimously approved as submitted, subject to review and approval of the lease agreement by the Office of the Attorney General. (Ing/Kealoha)
ITEM F-21	DEPARTMENT OF HAWAIIAN HOME LANDS REQUEST FOR APPROVAL OF AMENDMENT OF LEASE COVERING OFFICE SPACE AT 550 HALEKAUWILA STREET, HONOLULU, OAHU.
ACTION	Unanimously approved as submitted. (Higashi/Kealoha)
ITEM F-22	J. GORDON CRAN REQUEST FOR WAIVER OF RENT, REVOCABLE PERMIT NO. S-5491, KAPAPALA, KAU, HAWAII.
	(See Page 6 for Action.)
ITEM G-1	FILLING OF LAND COURT DOCUMENT RECEIVING CLERK I, POSITION NO. 33257, OAHU.
ACTION	The board unanimously approved the appointment of Patricia Kimura to Position No. 33257, Land Court Document Receiving Clerk I. (Ing/Higashi)
ITEM H-1	RESUBMITTAL OF A CDUA FOR A TEN FOOT WIDE WATERLINE EASEMENT AT WAILEA BAY, PUAKO, HAWAII.
	(See Page 2 for Action.)
ITEM H-2	RESUBMITTAL OF A REQUEST TO RESCIND PREVIOUS BOARD ACTION RELATING TO THE ESTABLISHMENT OF A PERMIT SYSTEM FOR COMMERCIAL FILMING ON STATE LAND.
	(See Page 12 for Action.)
ITEM H-3	RESUBMITTAL OF A CDUA FOR A THREE LOT SUBDIVISION AND CONSTRUCTION OF A BEDROOM DUPLEX AT TANTALUS, OAHU.
	(See Page 9 for Action.)
ITEM H-4	RESUBMITTAL OF A CDUA FOR SUBZONE BOUNDARY AMENDMENT AND A SINGLE FAMILY RESIDENCE AT LANIKAI, OAHU.
	(See Page 9 for Action.)
ITEM H-5	REVIEW OF THE MAUNA KEA PLAN, AS IT RELATES TO OVERHEAD POWERLINES AND THE PAVING OF THE SUMMIT ROAD.
	(See Page 3 for Action.)
ITEM H-6	PERMISSION TO CONTRACT WITH THE UNIVERSITY OF HAWAII COLLEGE OF TROPICAL AGRICULTURE AND HUMAN RESOURCES TO CARRY OUT A PROJECT IN PRAWN AQUACULTURAL ENGINEERING.
ACTION	Mr. Ing moved for the board to authorize the Chairperson to negotiate and subject to the Governor's approval, enter into a contract with the University of Hawaii College of Tropical Agriculture and Human Resources for the subject project. Motion carried unanimously with a second by Mr. Kealoha.

ADDED
ITEM H-7

REQUEST FOR PUBLIC HEARING FOR USE OF LAND WITHIN CONSERVATION DISTRICT
FOR COMMERCIAL/SUBDIVISION/PROTECTIVE SUBZONE USE.

Mr. Evans said that he had a request from the Attorney General's Office to ask the board verbally to add on another public hearing. The specific issue relates to a special zone request at Milolii on the Big Island. The basic premise is to resolve the things that have happened subsequent to the 1926 lava flow in the area which did displace a number of individuals.

The A.G.'s office has tentatively settled on a course of action which would be, rather than go through a CDUA per se, they would go through a process but it would be for a subzone which our rules and laws does provide for. The thinking is, if possible, they would like to have a public hearing as soon as possible in that process. There has been some thought on that though - of holding the public hearing in Kona. We have not, in terms of staff come to any kind of particular locale. We do recall in the past where the board has asked us to locate down in the areas where the things actually occurred. That is why we are hesitant to say that just because we are going to Kona we ought to automatically have it there.

So you're going to amend the submittal to include that, asked Mr. Ing?

To include the request for the board approval for the special subzone public hearing with the location to be worked out with the chairman, said Mr. Evans.

ACTION

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

The Kalua Koi hearing, asked Mr. Ono, your recommendation is to hold it on Molokai?

Yes, said Mr. Evans.

The reason I asked is because originally I saw a document holding the hearing on Maui.

The next scheduled public hearing in Kona, said Roger, will be January 26, 1984.

Is the Milolii hearing intended to be tied into that visit, asked Mr. Ono?

Not necessarily, said Roger. If it's the case that presently the location for the Milolii hearing is to be held in Kona, then we feel that we might have enough time to get the notice out. If on the other hand the board or the chairman elects to go to a location other than Kona, then it would be at a different time.

What kind of time constraint do we face, asked Mr. Ono?

On a public hearing for the special subzone, we do know that the legislation expires at the end of 1984. It has been expressed by the AG's office that there is a degree of expediting the ball. The extent of that we are not really sure of at this time. We proposed only to subdivide the land into the leases. It will be up to the individual lessees to build their own houses.

I would like to get some kind of idea as to whether we will have enough time to hold two public hearings -- one for Hawaiian Electric and another visit for the Milolii. It's not so much the location I'm concerned about but when, said Mr. Ono.

In other words, if we go to Kona in January, we may not be back there again until June, in which case only six months would be left, said Mr. Ing.

One alternative available, is perhaps the board may desire to have the Milolii hearing earlier in the day.

Mr. Evans said that we will schedule the Milolii hearing for January 26, 1984, 6 p.m., at Captain Cook and at the same time take up the HELCO application.

ACTION	Mr. Ing moved for approval as amended. Mr. Kealoha seconded and motion carried unanimously.
<u>ITEM J-1</u>	<u>LEASE-CONCESSION, MAIN TERMINAL AND INTER-ISLAND TERMINAL, HONOLULU INTERNATIONAL AIRPORT, OAHU (STEPHEN OTSUKI, DBA S. O. ENTERPRISES).</u>
ACTION	Mr. Ing moved for denial of the above request. Mr. Kealoha seconded and motion carried unanimously.
<u>ITEM J-2</u>	<u>LEASE HOLDOVER, KAHULUI AIRPORT, MAUI (MAUI INDEPENDENT TAXI ASSOCIATES, INC., (MITA)).</u>
ACTION	Unanimously approved as submitted. (Higashi/Ing)
<u>ITEM J-3</u>	<u>LEASE HOLDOVER, GENERAL LYMAN FIELD, HAWAII (HILO AIRPORT TAXI ASSOCIATION, INC. (HATA)).</u>
ACTION	Unanimously approved as submitted. (Higashi/Kealoha)
<u>ITEM J-4</u>	<u>CONSENT TO SUBLEASE, HONOLULU INTERNATIONAL AIRPORT, OAHU (LANI BIRD, INC. DBA SCENIC AIR TOUR, HAWAII - RAINBOW ISLANDS CARGO, INC.)</u>
ACTION	Unanimously approved as submitted. (Ing/Kealoha)
<u>ITEM J-5</u>	<u>APPLICATION FOR ISSUANCE OF REVOCABLE PERMIT NO. 3814, KAHULUI AIRPORT, MAUI (ROBERT'S HAWAII RENT-A-CAR SYSTEMS, INC.)</u>
ACTION	Mr. Kealoha moved for approval. Motion carried with a second by Mr. Higashi. Mr. Ing was disqualified from voting on this item.
<u>ITEM J-6</u>	<u>APPLICATION FOR ISSUANCE OF REVOCABLE PERMIT NOS. 3817, 3818, and 3819, AIRPORTS DIVISION.</u>
ACTION	Mr. Higashi moved for approval. Mr. Kealoha seconded and motion carried. Mr. Ing was disqualified from voting on this item.
<u>ITEM J-7</u>	<u>APPLICATION FOR ISSUANCE OF REVOCABLE PERMIT NO. 3816, KAHULUI AIRPORT, MAUI (HAWAIIAN AIRLINES, INC.).</u>
ACTION	Unanimously approved as submitted. (Higashi/Kealoha)
<u>ITEM J-8</u>	<u>RENEWAL OF REVOCABLE PERMITS, CONFORMING USE, AIRPORTS DIVISION.</u>
ACTION	Mr. Kealoha moved for approval. Motion carried with a second by Mr. Higashi. Mr. Ing was disqualified from voting on this item.
<u>ITEM J-9</u>	<u>FIRST AMENDMENT TO RESTATED AND AMENDED HARBOR LEASE AND SPECIAL FACILITY LEASE AGREEMENT (HARBOR LEASE NO. H-79-5, SAND ISLAND CONTAINER FACILITY, OAHU (MATSON TERMINALS, INC.).</u>
ACTION	This amendment would revise Matson's annual rental downward from \$508,698.00 to \$495,070.00 and eliminate Easement K from the area covered under the Lease. Unanimously approved as submitted. (Ing/Kealoha)

<u>ITEM J-10</u>	ISSUANCE OF REVOCABLE PERMIT, HARBORS DIVISION, KEAUHOU SMALL BOAT HARBOR, KEAUHOU, HAWAII (MALIA KAI ROWING CRAFTS).
ACTION	Unanimously approved as submitted. (Higashi/Yamamoto)
<u>ITEM J-11</u>	ISSUANCE OF REVOCABLE PERMIT, HARBORS DIVISION, KEEHI LAGOON SMALL BOAT HARBOR, HONOLULU, OAHU (LAWRENCE F. RODAMER).
ACTION	Unanimously approved as submitted. (Ing/Higashi)
<u>ITEM J-12</u>	ISSUANCE OF REVOCABLE PERMIT, HARBORS DIVISION, PIER 8, HONOLULU HARBOR, OAHU (MARINE ELECTRICAL DESIGN).
ACTION	Unanimously approved as submitted. (Yagi/Yamamoto)
<u>ITEM J-13</u>	ISSUANCE OF REVOCABLE PERMIT, HARBORS DIVISION, PIER 7, HONOLULU HARBOR, OAHU (HAWAII MARITIME CENTER).
ACTION	Unanimously approved. (Ing/Kealoha)
<u>ITEM J-14</u>	CONTINUANCE OF REVOCABLE PERMITS,, HARBORS DIVISION.
ACTION	Unanimously approved as submitted. (Yagi/Yamamoto)
<u>ITEM J-15</u>	ISSUANCE OF REVOCABLE PERMIT, HARBORS DIVISION, PIER 8, HONOLULU HARBOR, OAHU (VIP CRUISES).
ACTION	Unanimously approved as submitted. (Ing/Kealoha)
<u>ITEM J-16</u>	ISSUANCE OF REVOCABLE PERMIT, HARBORS DIVISION, PIER 8, HONOLULU HARBOR, OAHU (HOKUNANI CRUISES).
ACTION	Unanimously approved (Ing/Kealoha)
<u>ITEM J-17</u>	ISSUANCE OF REVOCABLE PERMIT, HARBORS DIVISION, PIER 8, HONOLULU HARBOR, OAHU (APCOA INC.).
ACTION	Mr. Kealoha moved for approval. Motion carried with a second by Mr. Yagi. Mr. Ing was disqualified from voting on this item.
<u>ITEM J-18</u>	ISSUANCE OF REVOCABLE PERMIT, HARBORS DIVISION, NAWILIWILI HARBOR, KAUAI (U. S. COAST GUARD).
ACTION	Unanimously approved as submitted. (Yamamoto/Yagi)
<u>RESOLUTIONS</u>	Mr. Ing moved that the following Resolutions, acknowledging the retirement of certain employees of the department, be adopted by the board: Mr. Roy Sue, Division of State Parks Mr. Tadao Okimoto, Division of State Parks Mr. Tamotsu Takekawa, Administration Mr. Higashi seconded and motion carried unanimously. The board adopted also, a Resolution recognizing Mr. Thomas Yagi's retirement from the ILWU. (Ing/Kealoha)
Recess:	Meeting recessed at 1:25 p.m.
Reconvene:	Meeting reconvened at 1:35 p.m.

ADDED
ITEM F-23

STAFF RECOMMENDATION FOR AMENDMENT OF PREVIOUS BOARD ACTION AUTHORIZING AWARDING OF LEASES AT MAUNALAHA VALLEY, HONOLULU, OAHU.

At the December 2, 1983 meeting on Kauai, the board, said Mr. Detor, approved adding several names to the list of leases, two changes in name and some typo errors.

Mr. Detor asked that the board further amend that submittal by adding the name of Arnold P. Spencer to that list. Mr. Detor explained that Mr. Spencer qualifies to occupy the land under Act 225. Also, said Mr. Detor, I would like to amend the number of lots from 29 to 30.

ACTION
unanimously

Mr. Ing moved for approval of the above amendments. Motion carried with a second by Mr. Kealoha.

ITEM F-16

STAFF RECOMMENDATION FOR CONTINUANCE OF REVOCABLE PERMITS COVERING STATE LANDS ON THE ISLAND OF HAWAII.

ITEM F-17

STAFF RECOMMENDATION FOR CONTINUANCE OF REVOCABLE PERMITS COVERING STATE LANDS ON THE ISLANDS OF MAUI AND MOLOKAI.

ITEM F-18

STAFF RECOMMENDATION FOR CONTINUANCE OF REVOCABLE PERMITS COVERING STATE LANDS ON THE ISLAND OF OAHU.

ITEM F-19

STAFF RECOMMENDATION FOR CONTINUANCE OF REVOCABLE PERMITS COVERING STATE LANDS ON THE ISLAND OF KAUAI.

ACTION

Mr. Yagi moved for the 4% rental recommended by staff to commence starting April 1, 1984 instead of March 1, 1984. Mr. Ing seconded and motion carried unanimously.

ADJOURNMENT: There being no further business, the meeting adjourned at 1:45 p.m.

Respectfully submitted,



Mrs. LaVerne Tirrell
Secretary

APPROVED:



SUSUMU ONO
Chairperson

It