

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

DATE: January 11, 1985
TIME: 9:00 a.m.
PLACE: Kahului Library
Conference Room
Kahului, Maui, Hawaii

ROLL CALL

Chairperson Susumu Ono called the meeting of the Board of Land and Natural Resources to order at 9:00 a.m. The following were in attendance:

MEMBERS Mr. J. Douglas Ing
Mr. Moses W. Kealoha
Mr. Thomas Yagi
Mr. Roland Higashi
Mr. Leonard Zalopany
Mr. Susumu Ono

STAFF Mr. James Detor
Mr. Gordon Soh
Mr. Maurice Matsuzaki
Mr. Eddie Ansai
Mr. Jacob Mau
Mr. Wesley Wong, Jr.
Mr. Kenneth Chong Kee
Ms. Dorothy Chun

OTHERS Deputy Atty. Gen. Johnson Wong
Mr. Peter Garcia, DOT
Mr. Bill Bass (Items F-1 & F-2)
Mr. Richard Wakida (Item F-3)

ADDED ITEMS

Motion was made by Mr. Ing to add to the agenda, Division of Land Management Item F-7, Thomas Nakahara Request for Consent to Mortgage and Administration Item H-4 Filling of Position No. 9694, Engineering Program Administrator, Division of Water and Land Development (Oahu). Mr. Higashi seconded and motion carried unanimously.

AWARDS OF
SERVICE
CERTIFICATES

Chairman Ono made a presentation of Service Award Certificates to Wesley Wong, Jr., Division of Forestry and Wildlife, 20 years of Service to the State and to Peter Connally of the Division of Conservation and Resources Enforcement for 10 years of Service. Since Mr. Connally was not present, Mr. Jacob Mau accepted the award for him.

ITEM F-1 &
F-2

RESUBMITTAL SET ASIDE OF LAND AT OOMA 2ND, NORTH KONA, HAWAII
TO HIGH TECHNOLOGY DEVELOPMENT CORPORATION AND RESUBMITTAL
DIRECT LEASE OF PORTION OF KEAHOLE AIRPORT LANDS TO HIGH
TECHNOLOGY DEVELOPMENT CORPORATION, OOMA 1ST, NORTH KONA, HAWAII

Mr. Detor explained the reason for taking up items F-1 and F-2 together is because they relate to the same proposed project and they were deferred at the last board meeting. High Technology Development Corporation is a public-body corporate established under Act 152, of the 1983 legislative session and is under the Department of Planning and Economic Development for administrative purposes.

Mr. Higashi questioned Mr. Detor on item F-1 under Recommendations he noticed the lack of any kind of conditions. Will conditions on item F-2 apply to item F-1? Under the E.O. do we just turn over the property to the High Tech Corporation? When they make dispositions, isn't it necessary for them to come back to this Board for consent?

Mr. Detor answered yes, when they wish to make a disposition they must get the Board's approval.

Mr. Higashi again asked if the conditions on F-2 would apply equally to F-1, to which Mr. Detor replied that not all of them. There are parts that pertain to DOT that would not be applicable because the F-1 area is not set aside to DOT.

Mr. Higashi asked if F-1 should be amended to include dispositions. Technically, Mr. Detor said, you don't need to amend it because the statute requires them coming to the Board for consent to dispose anyway.

Chairman Ono asked regarding the airport division lease, what happens to the rental money?

Mr. Detor explained that all these lands are ceded lands. We do know that at the present time none of the revenues from lands that are under Executive Order go to OHA, but the area that is not under Executive Order, he doesn't know about that. His understanding is that the lease rental money will go to the High Tech Corporation.

Mr. Detor said that the statute that set up the corporation does say that they can issue bonds and enter into contracts and so forth.

Answering Mr. Ono's question, Mr. Detor said that there are a number of other government agencies that generate income and don't pay rent to the State, i.e. DOT, NELH, and University of Hawaii.

Chairman Ono then called upon Mr. Bill Bass, Executive Director of High Technology Development Corporation to give the Board a quick overview of the High Tech Corporation, how it was conceived, what the Act calls for and what their immediate plans are as they relate to Keahole.

Mr. Bass said that they were established by the legislature in 1983 for the purpose of encouraging the growth of High Technology in Hawaii. This was deemed to be desirable in order to diversify the economic base. The Corporation consists of a nine member board of directors, six of them appointed from private industry and three appointed from State agencies. There is also a staff of three people. They operate under Article 2 of 6M of the Hawaii Revised Statutes, receive monies from the General Fund and operate under an annual basis.

The primary emphasis seem to be on development of land for high technology parks. There is a specific proviso in the legislation that addresses the transfer of lands to the corporation by executive order for this purpose. There is also a provision that they can issue special purpose industrial revenue bonds to fund the construction of facilities.

Mr. Bass said that they are a statewide agency and propose to look at high technology requirements on all of the islands. They have identified the need on three islands and are still working with Kauai to see if they can identify property there. On Oahu and on Maui, the developments have been carried out by private organizations.

The project before you is a very unique project and is proposed mainly because of the availability of the deep cold water resource that is generated in the ocean thermal energy conversion process.

The Natural Energy Lab of Hawaii (NELH) has found that there are people and companies that desire to use that cold water for aquaculture purposes.

They are aware of the agriculture park across the highway and perhaps tropical agriculture research type operations would be permissible there.

The booklet that was distributed to the Board members proposes, and is under consideration by the legislature this session, a strategy of high technology and identifies ten areas. Six of the ten have types of activities appropriate to the park.

They feel that it's an advantage having the NELH contiguous to the property as it will serve as an incubator facility.

Their consultant is in the final stages of doing a feasibility and market study for the project. He is recommending, in addition, a parking area for public beach access.

Mr. Higashi wanting to define the scope of activities in the lease, asked Mr. Bass what activity would be excluded.

Mr. Bass said they hoped that would not have to necessarily exclude activities as long as they meet the definition of high tech but he thought that there were six that are prominent as he mentioned earlier.

Mr. Higashi said that he had strong objection to having astronomy or even electronic design and assembly.

The primary emphasis would be on the six areas mentioned, software development as related to the ocean, renewable energy, oceanography, aquaculture, pharmaceuticals.

Mr. Higashi then asked Mr. Deter if it were possible to incorporate within the E.O. and the lease a broad brush approach as to concept and the type of activities.

Mr. Deter suggested clarifying the E.O., to say ocean-related high tech industrial park. There were no objections to this.

The amendment to F-1 would be to include the provision that leases to be issued by the corporation to be subject to Board approval and secondly, that the building plans to be approved by the Chairman. Mr. Ing then pointed out that should be picked up by the CDUA.

Mr. Bass said that they don't intend to operate under conservation, they intend to seek a change to urban.

Chairman Ono then reminded Mr. Bass that being this was a gateway area for Kona there is concern that they coordinate the type of structures and design.

Mr. Higashi told Mr. Deter that once the E.O. is executed, and before the development commences, be sure that the owner of the adjacent property can relocate his easement. Mr. Deter will check this out.

Mr. Bass said the construction schedule that has been given to them by the Governor is, to have the first increment of the park constructed and ready for tenants to come in and start building by Statehood Day (August) of 1986. Before they can proceed, they need land to be rezoned, land use changed and an EIS. They are lacking funds for an EIS and are asking the Governor for help.

Mr. Higashi asked if this was compatible with the County General Plan. Mr. Bass said that he had conferred with Mayor Carpenter to see what can be done.

ACTION

Mr. Higashi moved for approval of Items F-1 and F-2 with the amendment that the park be an ocean related high tech industrial park and that all leases issued by the corporation be subject to Board of Land and Natural Resources approval. Mr. Ing seconded and the motion was carried unanimously.

ITEM F-3

RESUBMITTAL - JOSEPH WHITHERS, ET AL, APPLICATION FOR ROAD AND UTILITY EASEMENT, WAIAKEA HOMESTEADS, 3RD SERIES, SO. HILO, HAWAII

Mr. Deter said that the applicants own property on both sides of the road which is an unimproved roadway. One of the conditions for subdivision approval imposed by the county is that they obtain authorization from the Board to utilize the road reserve. The former owner was given approval by the Board at its meeting of August 27, 1982, but since then the property has been transferred to the present owners.

Mr. Higashi and Mr. Ing expressed concerns about the drainage from the property. Mr. Ing suggested that the Division of Water and Land Development review the drainage plans.

The Board then called upon the applicant to answer more questions.

Mr. Richard Wakida of R. M. Towill Corporation introduced himself and explained that they will be the engineers for this property. He said they did prepare a drainage report which they submitted to the County and it was approved. They only addressed the existing situation and as far as the drainage conditions after improvement, they did not address it because that's part of their final design work. They have an idea of what they are supposed to do but do not have a finished report to submit at this time.

Mr. Higashi posed the question, is the drainage study a condition of your subdivision approval? Mr. Wakida said yes, as part of the approval of the subdivision, the County will require a drainage study.

Mr. Wakida put up a map of the area and explained to the Board the flow of water. Questions were asked about the drains and dry wells to catch water, additional water caused by the development, the liability of flooding, etc.

Discussion continued on utility easements within the property; liability of flooding; and what specific language should be included in the recommendations.

Mr. Higashi addressed the Chair to say if there are no further questions he would like to move for approval as amended and to include another condition that the drainage plan and study be approved by this department before the final disposition.

Mr. Detor asked Mr. Higashi for clarification on the amendment on the liability portion as there is an indemnity and hold harmless clause in the conditions. Chairman Ono explained, assuming something happens, like a catastrophe, there is a hold harmless clause but who is it going to be held against. Is it going to be held against the developer, who might be long gone or will it be against the State or County. Mr. Higashi said rather than the standard hold harmless clause, we need to have it enforced in some other language with the assistance of legal.

Chairman Ono expressed concern about Mr. Higashi's recommendation that the State review the final plans and place a stamp of approval.

Chairman Ono reminded the Board that there was a motion. Mr. Ing asked for clarification on the amendments.

Mr. Higashi said instead of the standard indemnity and hold harmless we should seek the attorney general's counsel and draft the strongest provision we can find in the disposition of this easement. Secondly, review of the drainage plan by our department. The attorney general's office is to report back to this board before disposition.

Attorney General Johnson Wong said he could already see some problems. Prior to the subdivision, if there is any damage to the property makai thereof, they can blame the owner of the mauka property, but once it

has been subdivided into 10-15 lots the question becomes which of those lots caused the flooding. The person living below will have a hard time proving where the flooding is coming from. So even with the hold harmless clause, who will be held harmless.

After discussion, Mr. Higashi suggested the item be deferred so that the attorney general can look into the concerns of the Board.

Mr. Higashi also suggested that the Division of Water and Land be available to assist staff regarding the review of plans.

ACTION

There being no further discussion, Item F-3 was deferred with the understanding that the consultant, staff, County and legal work together right away to address the technical as well as the legal problems.

ITEM D-1

OAHU SUGAR COMPANY, LTD. WATER USE PERMIT APPLICATION,
PEARL HARBOR GROUND WATER CONTROL AREA

Mr. Ing asked to be excused from this item.

Chairman Ono said that this matter was discussed with the Board members to reallocate 10 million gallons back to Oahu Sugar Company. The Board also acted on creating two sub-areas within the Pearl Harbor Basin and this has created a need for the Board to look at the numbers closer.

Chairman Ono said that he was contacted by Mr. Bill Balfour, manager of Oahu Sugar who said that they will have no problem having this item deferred to give staff time to look at the sub-areas as they relate to the request that they are making. Chairman Ono then recommended to the Board that this item be deferred to the next meeting.

ACTION

Mr. Kealoha moved that item D-1 be deferred to the next meeting. Motion was seconded by Mr. Ing and carried unanimously.

ITEM D-2

Moved to the end of the calendar to allow the Board to go into Executive Session because the item pertained to a personnel matter.

ITEM F-4

LEASE OF LAND FOR KAMEHAMEHA HIGHWAY TRUCK TURNOUT AT WEED
JUNCTION SITUATE AT WAIALUA, OAHU

Mr. Detor said that this was a request by the Department of Transportation for approval of a lease that they have negotiated with Castle and Cooke covering a truck turnout ramp which is a truck runaway ramp at Weed Junction, Waialua, Oahu.

ACTION

Mr. Ing moved for approval, seconded by Mr. Yagi the motion carried unanimously.

ITEM F-5

LEASE OF OFFICE SPACE FOR THE DEPARTMENT OF LABOR AND INDUSTRIAL
RELATIONS, ISLAND OF MAUI

Request from the Department of Labor and Industrial Relations for a lease covering office space on Maui in Lahaina.

Mr. Yagi moved for approval, seconded by Mr. Zalopany.

Discussion followed. Chairman Ono pointed out the rental cost to Mr. Detor about being consistent. Also should there be any increase pointing to \$2.00 a square foot, DAGS should be notified.

Mr. Ing questioned why this particular location.

Chairman Ono said that we should research what type of State facilities we already have in that area, land and structure.

ACTION Deferred to next meeting so that staff may obtain more background information.

ITEM F-6 REQUEST FOR CONSENT TO MORTGAGE

KONA ORCHIDS, INC., a Hawaii Corporation, Mortgagors, to State of Hawaii by its Department of Agriculture, Mortgagees. General Lease No. S-4687. Lot 8, Keahole Ag Park, Phase I.

ACTION Unanimously approved as submitted, subject to review and approval by the Office of the Attorney General. (Higashi/Ing)

ADDED
ITEM F-7 REQUEST FOR CONSENT TO MORTGAGE

Thomas T. Nakahara, Bernice N. Nakahara and Scott T. Nakahara, mortgagors, to Bank of Hawaii, Kaikoo Branch, Mortgagee. General Lease No. S-4313 and General Lease No. S-4314. Lot 14 and Lot 15, respectively, Hilo Industrial Development, Pohaku Street Section, Waiakea, South Hilo, Hawaii.

ACTION Unanimously approved as submitted, subject to review and approval by the Office of the Attorney General. (Ing/Zalopany)

ITEM H-1 AFTER-THE-FACT CDUA FOR STORAGE SHED, DRIVEWAY AND LANDSCAPING

Mr. Soh presented Item H-1 to the Board. The applicant is Mark Pokini of Hana, Maui who is also the landowner.

Staff recommends that this application for a storage shed, driveway and landscaping be approved after-the-fact subject to the conditions listed.

Mr. Yagi asked if the owner knew that he would have to apply for a CDUA if he planned to live there in the future. Mr. Soh said that they had not advised him of such, where upon Mr. Yagi asked him to advise the applicant of that requirement.

ACTION Mr. Yagi then moved for approval. Seconded by Mr. Kealoha, motion carried unanimously.

ITEM H-2 CDUA TO SUBDIVIDE LANDS AND TO ESTABLISH NATURAL AREAS AT PUU ALII AND OLOKUI, MOLOKAI, HAWAII

Mr. Soh said that this item is an application from the Natural Area Reserves System to establish two natural areas on the island of Molokai.

A public hearing was held on this application in Kaunakakai, Molokai on November 1, 1984. It was recommended that the use be approved subject to standard conditions. It also recommended that as the areas are withdrawn from Forest Reserve, the Board recommend to the Governor issuance of an executive order setting aside the areas as Natural Area Reserves reserving however, an easement under each of the areas for future water tunnels.

- ACTION Mr. Zalopany moved for approval, seconded by Mr. Yagi. Motion carried unanimously.
- Mr. Ing asked for a clarification of the use. If a water tunnel were to be put under it, would that then require both a water and NARS approval? Mr. Soh said that the way it was written up now, it would not require NARS approval.
- ITEM H-3 CDUA FOR MAUNAWILI DITCH IMPROVEMENTS AT MAUNAWILI VALLEY, KOOLAUPOKO, OAHU TMK: 4-2-10:01 and 04
- Mr. Soh said that this item is an application for the Division of Water and Land Development for improving the Maunawili Ditch.
- Chairman Ono said his concern is, will Kawainui Marsh be getting less water than they are already getting if the project goes through. He thought that the board had assurance that there would be no reduction in water going to the Kawainui side. Mr. Soh replied that it won't be affecting the stream flow. Currently the leaking ditch provides water to the vegetation around the ditch system.
- Mr. Ing asked in clarification, the statement saying the ditch repair will not affect the Maunawili water flow, one way or the other.
- According to the EIS, Mr. Soh replied, Kawainui Marsh will not be getting a reduced amount because of this project.
- ACTION Mr. Ing moved for approval of Item H-3, seconded by Mr. Higashi. Motion carried unanimously.
- ITEM I-1 APPOINTMENT OF VOLUNTEER CONSERVATION AND RESOURCES ENFORCEMENT OFFICERS FOR THE ISLAND OF OAHU
- ACTION Unanimously approved as submitted. (Ing/Kealoha)
- ITEM J-1 VENDING MACHINE CONCESSION, PASSENGER TERMINAL BUILDING, LANAI AIRPORT, LANAI (MAUI SODA & ICE WORKS, LTD.)
- ACTION Unanimously approved as submitted. (Yagi/Zalopany)
- ITEM J-2 CONSENT TO SUBLEASE, HONOLULU INTERNATIONAL AIRPORT OAHU (WESTERN AIR LINES, INC. - KENAI AIR HAWAII, INC.)
- ACTION Mr. Kealoha's motion was seconded by Mr. Yagi and approved as submitted. (Mr. Ing was excused from voting on this item.)
- ITEM J-3 RIGHT-OF-ENTRY, GROUND TRANSPORTATION SUBDIVISION, KAHULUI AIRPORT, MAUI
- ACTION Unanimously approved as submitted. (Yagi/Zalopany)

ITEM J-4 RENEWAL OF REVOCABLE PERMITS 3800, ETC., CONFORMING USE,
AIRPORTS DIVISION

ACTION Unanimously approved as submitted. (Higashi/Zalopany)

ITEM J-5 APPROVAL OF CONSENTS TO SUBLEASE, HARBORS DIVISION,
HONOKOHAU BOAT HARBOR, HAWAII (GENTRY PACIFIC, LTD.)

ACTION Unanimously approved as submitted. (Higashi/Zalopany)

ITEM J-6 ISSUANCE OF REVOCABLE PERMIT, HARBORS DIVISION, NAWILIWILI
HARBOR, KAUAI (KAISER CEMENT CORP.)

ACTION Unanimously approved as submitted. (Zalopany/Yagi)

ITEM J-7 ISSUANCE OF REVOCABLE PERMIT, HARBORS DIVISION, KEWALO
BASIN, HONOLULU, OAHU (WADSWORTH YEE)

ACTION Unanimously approved as submitted. (Yagi/Ing).

After Item J-7 was acted upon the Board went into Executive Session. The Board reconvened at 10:45 a.m.

ITEM D-2 FILLING OF POSITION NO. 9694, ENGINEERING PROGRAM ADMINISTRATOR,
DIVISION OF WATER AND LAND DEVELOPMENT (OAHU)

ACTION The Board, on Mr. Yagi's motion and second by Mr. Kealoha, unanimously approved the appointment of Mr. Manabu Tagomori to fill the position No. 9694, Engineering Program Administrator in the Division of Water and Land Development.

The Board adopted a resolution honoring Mrs. Helen Young Loo who retired from the State of Hawaii after more than thirty-four years of service. Her latest position was Cashier II in the Administrative Services Office of the Department of Land and Natural Resources.

ADJOURNMENT There being no further business, the meeting was adjourned at 10:50 a.m.

Respectfully submitted,

Dorothy C. Chun
Dorothy C. Chun
Secretary

APPROVED:

S. Ono
SUSUMU ONO
Chairperson

dcc