

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

DATE: MAY 24, 1985
TIME: 9:00 A.M.
PLACE: Kalanimoku Building
Room 132, Board Room
1151 Punchbowl Street
Honolulu, Hawaii

ROLL
CALL

Chairperson Susumu Ono called the meeting of the Board of Land and Natural Resources to order at 9:05 A. M. The following were in attendance:

MEMBERS

Mr. Moses W. Kealoha
Mr. Roland Higashi
Mr. Thomas Yagi
Mr. Leonard Zalopany
Mr. Susumu Ono

Absent and Excused

Mr. J. Douglas Ing

STAFF

Mr. Henry Sakuda
Mr. Libert Landgraf
Mr. Manabu Tagomori
Mr. Ralston Nagata
Mr. Dan Quinn
Mr. James Detor
Mr. Charles Neumann
Mr. Mel Young
Mr. Gordon Soh
Mr. Bob Lee
Mrs. Anne Furuuchi
Mr. John Corbin
Mrs. Ann Lo-Shimazu
Mr. Maurice Matsuzaki
Mr. Edgar A. Hamasu
Mrs. LaVerne Tirrell

OTHERS

Mr. Johnson Wong, Deputy A.G.
Mr. Peter Garcia, DOT
Mr. James Wakefield (Item E-2)
Mr. John Pavelle (Item E-3)
Messrs. James Wo and John Farias (Item F-1-D)
Mr. Raymond Glory (Item F-4)
Mr. Steven Chow (Item H-3)
Mr. Dale Travis (Item H-5)

MINUTES:

The minutes of February 8, 1985 were unanimously approved as circulated. (Kealoha/Higashi)

ADDED
ITEMS

Mr. Higashi moved to add the following items to the Agenda. Mr. Zalopany seconded, motion carried unanimously:

- Item C-3 -- Filling of Position No. 2938, Equipment Operator III, Island of Kauai.
- Item C-4 -- Filling of Half-Time Clerk Typist II, Position No. 35713, Island of Kauai.
- Item C-5 -- Request to Approve Bids - Project No. DOFAW 85-1, Furnishing, Delivering, and Installing Mobile 2-Way Radios and a Radio Repeater.

Item F-1-H -- Melvin Aila Request for Consent to Mortgage G. L. NO. S-4885, Maunalaha, Honolulu, Oahu.

Item H-8 -- Approval to Engage the Services of a Consultant to Assist in Preparing the Department's Plan for Distributed Information Processing and Information Resource Management (DIPIRM).

Item H-9 -- Permission to Contract with the Research Corporation of the University of Hawaii for the Development of a Handbook of Normal Marine Shrimp Histology.

Items on the Agenda were considered in the following order to accommodate those applicants present at the meeting:

ITEM E-3

APPROVAL TO AMEND THE CONTRACT FOR IOLANI PALACE COMPLEX RESTORATION - PHASE XI, HONOLULU, OAHU.

ACTION

Mr. Yagi moved that the Board grant approval to amend contract document with the Friends of Iolani Palace, Inc. to increase contract amount by \$142,475 to complete Phase XI restoration of the Iolani Palace Complex, subject to approval and allotment of funds by the Governor. Mr. Kealoha seconded, motion carried unanimously.

ITEM F-1-D

JAMES WO REQUEST FOR CONSENT TO ASSIGN G. L. NO. S-4662, WAIAKEA, SO. HILO, HAWAII.

ACTION

The Board unanimously approved the assignment of G. L. No. S-4662 from James C. Wo to INI Agrico subject to review and approval by the Office of the Attorney General. (Higashi/Kealoha)

ITEM E-2

REQUEST TO USE AINA MOANA STATE RECREATION AREA (MAGIC ISLAND) FOR AN AMATEUR RADIO FIELD DAY EXERCISE.

Mr. Nagata said that this Field Day is a nationwide emergency communications exercise promoted annually by the American Radio Relay League. The applicants are requesting the use of two 50' x 50' areas separated by a distance of about 100 feet for setting up their radio relay station. The open grass area directly makai of the parking lot is the area they are hoping to use. Two tents will be used to house equipment and operators. Two antenna masts, each 30 feet high, will also be erected. During daylight hours there will be as many as 25 ham operators at the site. About 12 operators will stay overnight. Two kilowatt generators will be used to supply electrical power. These small generators are relatively quiet and not expected to cause problems to beach goers.

Mr. Nagata said that this group did assist during Hurricane Iwa and, for several hours, was the only link to Kauai.

Mr. Zalopany asked whether the applicants had any insurance to protect the State.

Mr. Nagata was not sure.

Mr. Ono felt that this should be a standard provision.

Mr. Nagata said yes but it was not discussed with the applicant.

Mr. Kealoha asked if the activity would be confined to the 50' x 50' area or would they just erect their equipment there and walk all over the park.

Mr. Nagata said that they will be operating the radios inside of the tents so they will essentially be confining their activities in that area.

Mr. Kealoha asked that staff be sure that the applicants confine their activities within the 50' x 50' area inasmuch as the dates chosen are two very busy days.

Mr. Nagata said that he did suggest a weekday. However, this is a nationwide activity and they are in communication with others on this day.

Mr. James Wakefield, President of the Honolulu Amateur Club, responded to some of the questions raised by the Board. As far as insurance, Mr. Wakefield said that they have \$1 million dollars liability insurance. However, they will get additional insurance on this policy if the board desires.

They have used other localities for their activities. However, they thought that this time they would like to get a little more public exposure and let people know what they are trying to do.

Mr. Kealoha asked whether this operation would affect the radios of the park users.

Mr. Wakefield said no.

ACTION

Mr. Kealoha moved to authorize the issuance of a permit to the Honolulu Amateur Radio Club to use Magic Island for their annual Field Day Exercise from June 22-23, 1985 with the added condition that liability insurance be required. Mr. Higashi seconded, motion carried unanimously.

ITEM F-4

COUNTY OF HAWAII REQUEST FOR EXECUTIVE ORDER SETTING ASIDE LAND FOR POLICE STATION SITE, KEALAKEHE, NO. KONA, HAWAII.

Mr. Detor explained that executive orders are subject to possible veto by the Legislature so this would be presented to the 1986 Session. There is also a provision in the statute that no improvements can be removed or put up pending legislative action but he thought that it may apply only to withdrawal and re-set aside. This, however, is land which has never been set aside before so the applicants contemplate going ahead with the building prior to the session. Mr. Detor felt that this might be o.k. but said that he would check the statute more thoroughly.

Mr. Ono felt that they would be doing this at a risk inasmuch as the Legislature can still turn down the request.

Mr. Higashi asked if it was possible to issue a lease to the County in the interim.

Mr. Detor said that would be possible. But he wasn't sure if this would suit the purposes of the applicant. The board can lease to the County and this is not subject to legislative action.

Mr. Higashi thought that the applicants were considering spending their funds right away.

Mr. Ono said that the recommendation would need to be amended should the board decide to take this route.

Mr. Raymond Glory, Police Inspector with the Hawaii County Police Department, acting as a Project Liaison Officer for the Department in this particular project said that they have \$3,575,000.00 in the CIP appropriation. They just completed a Budget Hearing and there was every indication that the

Council and the County Administration are very much supportive of the idea and did point out that according to the conditions that were laid out that perhaps the project should begin November, 1985. Every indication at this time is that cash allocations will be made.

Mr. Higashi called to Mr. Glory's attention that under the Executive Order the Legislature has the right to disapprove. He asked how this might affect their project.

Mr. Glory said that he would need to go back and check.

Mr. Higashi asked whether it would matter to the applicant whether the land was conveyed by a 65-year lease or by executive order.

Mr. Glory said that the lease might be more definite than the executive order and right now time is of the essence.

Mr. Higashi asked if it was permitted to issue a lease first then proceed with the executive order and, if it is not disapproved, then we go ahead and issue the executive order. If this is permissible, Mr. Higashi said that he would like to move along these lines.

ACTION

Mr. Higashi moved to amend the motion to proceed along the lines of issuing a sixty-five year lease and also process the executive order to the Legislature. If said executive order is not disapproved by the Legislature, then the executive order will take precedence over the lease.

Mr. Ono asked whether the County had a right of entry.

Mr. Detor said they did have a right of entry but he could not remember whether it was only for planning so to be safe it might be better to include the construction right of entry into the motion.

Mr. Higashi so moved. Also, that rental be determined by the Chairman.

Mr. Zalopany seconded, motion carried unanimously.

ITEM F-15

DEPARTMENT OF SOCIAL SERVICES REQUEST FOR ACQUISITION OF LEASE COVERING OFFICE SPACE IN THE BISHOP TRUST BUILDING, HONOLULU, OAHU.

Mr. Ono said that the board had previously expressed concern about the per sq. ft. cost and he noticed that this rental exceeded the \$2.00 per sq. ft. cost. He asked if there was any reaction from staff.

Mr. Detor said that as far as this particular building is concerned, rent runs \$1.52 per sq. ft. but when you throw in the other requirements it exceeds \$2.00.

Mr. Ono asked if this was discussed with DSSH.

Mr. Detor said that he did not discuss this with DSSH but would have to check with his staff to see if they did.

Mr. Shim of the DSSH was present to respond to any questions which the Board might have.

Mr. Ono said that not too long ago the board had expressed serious concerns about the cost per sq. ft. Most of the costs are below \$2.00, which is kind of a bench mark set by the Board. Mr. Ono wondered whether DSSH had explored other rental possibilities.

Mr. Shim said that preliminary figures were presented to staff. However, the actual signed lease accepted by the Landlord is \$1.60 per sq. ft., including utilities. He apologized for not calling this to staff's attention. He verified that the \$1492.00 per month pro-rata share of operating costs included all utilities.

ACTION

Mr. Kealoha moved for approval subject to the review and approval of the lease agreement by the Office of the Attorney General. Mr. Higashi seconded, motion carried unanimously.

ITEM H-3

AMENDMENT TO PREVIOUSLY APPROVED CDUA, SEA LIFE PARK.

On March 8, 1985, Associates Four submitted plans to amend the existing use by providing for a luau facility within the special subzone.

Mr. Soh said that the reason for this submittal is that when the Board approved the use of the subzone, the conditions laid down required that:

"The manner and extent of operations...shall be subject...to regulations and approval of the Board..."

Although the regulation has been repealed, Board approval is still required.

Mr. Kealoha said that Sea Life Park right now has the lease from Oceanic of which they pay 1.2% of the gross. He asked what the amount would be after the luau facility is created.

Mr. Steven Chow said that the gross revenue will increase when the luau facility is built so revenue to the State will increase accordingly. The percentage is still being negotiated with the State.

In answer to Mr. Wong's question, Mr. Chow said that they do have a 2% cap. Sea Life Park will not pay more than 2% to Oceanic in terms of the gross revenue and business transaction.

Mr. Wong said that the problem which has been referred to the Attorney General's Office right now concerns the rental reopening to Oceanic and the appraiser has suggested that the market should be 10% of the gross on the Master Lease to Oceanic so how will Oceanic make up the difference from its sublessee which is only going to pay 2%.

Mr. Chow said that at this time they are still trying to find out exactly what the conditions are on the renegotiation. He had heard that there was going to be a 10% recommendation but they have received no definite word. They are still trying to work it out with the AG's office.

Mr. Wong asked whether Sea Life was willing to reconsider the 2% cap.

Mr. Chow said that what Sea Life Park would like to do because of its tenuous financial situation is to renegotiate the lease back and maintain the 1.2% payment to the State. The feeling of Sea Life, Inc. is that because of the luau facility and with the increased revenue brought in by the luau facility that the State will accordingly get an increased amount. He does not feel that Sea Life, Inc. can financially pay more than that.

Mr. Ono asked that the Board concentrate on the use first and then continue the discussion on the disposition at another time.

Mr. Chow was not sure what the attached plans indicated. However, Sea Life Park had intended to put the luau facility on the makai side of the fish tanks and of the park itself. They would now like to change that and would like to construct the luau facility on the mauka side, which is nearest the parking lot. This is still within the Sea Life Park property. One of the reasons is safety and convenience to the parking area.

Mr. Kealoha said that, as part of the conditions, detailed construction plans be submitted to the board for approval.

ACTION

Mr. Kealoha moved to approve the addition of the luau facility and the plans thereof, subject to the conditions listed in the submittal and also that another condition be added wherein the applicants will be required to submit detailed construction plans to the board for approval.

Mr. Ono suggested that it may be desirable to make this a conditional approval pending the outcome of the disposition side otherwise one might go ahead and create more problems than what we are faced with right now.

Mr. Chow said that the only problem is that they don't know when it will be completed.

Mr. Ono felt that if the two could be tied together both sides would move it along.

Mr. Kealoha amended his motion by making this a conditional approval pending the submission of the detailed construction plans and the disposition. Motion carried unanimously with a second by Mr. Higashi.

ITEM H-5

AMENDMENT TO CDUA FOR GUIDED TOURS IN THE KOKEE STATE PARK AND WAIMEA CANYON ALAKAI STATE FOREST MANAGEMENT AREA AT WAIMEA, KAUAI.

Mr. Soh said that this request is to add two suburban carryalls to the two that is now being used. Each carryall has a capacity of eight passengers.

DOFAW has commented that, to their knowledge, they have not had management problems resulting from the two Kauai Mountain vehicles. They do not object to changing the conditions to allow up to four tours per day rather than the currently allowable two as long as they continue to operate with discretion.

Mr. Kealoha said that the rent shown on page 5 is \$150. He asked whether staff was proposing to leave the rental at the same rate with the addition of the two vehicles.

Mr. Soh said that Condition No. 3 requires that the applicant obtain proper authorization through the Division of Land Management for the occupancy of State land. Rental will probably be set by Land Management at that time.

Mr. Ono asked whether there were discussions with the applicant on the rental.

Mr. Soh said that he was not aware of any discussions taking place.

Mr. Kealoha felt that Condition No. 5 only described the vehicle capacity but did not indicate whether staff meant that more passengers could make the trip or did staff intend to limit each vehicle to eight people.

Mr. Soh said that staff's intent was that there be a limit of eight passengers per vehicle, plus the driver. In other words, the tour is to be limited to 32 passengers per day.

Mr. Zalopany suggested that operations be limited to daylight hours.

Mr. Dale Travis, President of Hawaiian Mountain Tours, felt that five days a week is not feasible for them. He said that the tour business does not operate five days a week. It operates seven days a week. He said that they can't tell people that they cannot take them on Saturdays, Sundays and holidays.

Mr. Ono asked, "why not?"

Mr. Travis said that a lot of people come only for two or three days. Arriving on Friday and leaving on Monday.

Mr. Higashi asked if he was saying that if he could not have seven days then he may not run the tour at all.

Mr. Travis said that they would probably have to fold up. Right now they are not even making expenses.

Mr. Ono informed Mr. Travis that he was aware from the beginning that the seven day approval was on a trial basis and not a permanent arrangement.

Mr. Travis agreed.

George Hentor of Hawaiian Mountain Tours said that they do not mean to suggest that their business comes before anything else. However, if there were complaints they would have dropped off on their activity. But they have kept a log and as far as he knows there have been no problems and everything has run smoothly. There was also no indication at the public hearing that there were problems with the hunters or anyone else. He said that they could go with the conditions as before that if there are problems or complaints then the permit can be amended.

Mr. Ono felt that if the four vehicles were allowed to operate and then the Board asked them to cut back, he said, "wouldn't you come back and say that well, we bought the four vehicles and have reservations for three months, paid in advance, so don't cut us back." Mr. Ono asked if they wouldn't at least push that point across.

Mr. Hentor did not think so. They would have to take that risk that if there were complaints they would have to cease operations because it is not their land.

Mr. Higashi said that they have been operating two vehicles on the weekend, which they have been doing up to now so maybe we could limit the weekend activities to only two vehicles. In the meantime we can study the problem and see what the traffic is like up there.

Mr. Travis said that the problem is that he has turned away tour groups because he did not have vehicles to take on the tours and if they come on the weekend that means that he can lose 32 to 64 people.

Mr. Higashi told Mr. Travis that in an earlier statement he had said that he did not know when he would be getting the other two vehicles so what he is trying to do is find a middle ground so that he can at least keep operating.

Mr. Yagi clarified to Mr. Travis that what Mr. Higashi is saying is "allow two vehicles to operate on the weekends and all four on weekdays." Staff has recommended that tours not be allowed to operate at all on weekends and State holidays.

Mr. Travis said that what Mr. Higashi has suggested is fine with him.

Mr. Zalopany moved to accept staff's recommendation as submitted.

Motion died for lack of a second.

ACTION

Mr. Yagi moved to approve staff's recommendation for the operation of four (4) vehicles on weekdays with the following additions and/or amendments to staff's recommendations:

1. Only two vehicles to be operated on weekends and holidays.
2. Tour to be conducted only during daylight hours.
3. Amend Condition No. 5 as follows:
 5. The operation shall be limited to four (4) vehicles with a limitation of eight (8) passengers each, servicing one tour per day. Any expansion in operation shall be subject to approval by the Board of Land and Natural Resources.

Motion carried with a second by Mr. Higashi.

Mr. Zalopany voted no.

ITEM H-2

NATURAL AREA RESERVES SYSTEM COMMISSION RECOMMENDATION TO ESTABLISH THE PUUWAAWAA NATURAL AREA RESERVE, NORTH KONA, HAWAII.

Mr. Bob Lee said that because Mr. Bohnett was on the mainland, he had requested that this item be deferred.

Mr. Ono asked whether there was any other communication concerning this submittal.

Mr. Lee said yes.

Mr. Ono said that if the Board decides to defer this item, then he would like it deferred for one more meeting only.

ACTION

Deferred.

The board asked that photos, as well as any concerns expressed by others be included in the resubmittal.

Mr. Kealoha asked also that maps showing the metes and bounds be included.

Mr. Ono thought it a good idea that this presentation be ready for the next meeting of the board which is to be held in Hilo. If this was not possible, then have the presentation made at the following meeting on Maui.

ITEM F-17

ALLIED HAULING, INC. REQUEST FOR CONSENT TO OPERATING AGREEMENT, LAND LICENSE NO. S-291, WAILUKU, MAUI.

ACTION

Unanimously approved as submitted. (Yagi/Zalopany)

ITEM B-1

REQUEST FOR APPROVAL TO ENTER INTO SEVEN AGREEMENTS: TWO NEW AGREEMENTS WITH THE RCUH AND FIVE AGREEMENT EXTENSION (RCUH AND UH) FOR CONTINUING FISHERIES DEVELOPMENT PROJECTS DURING FISCAL YEAR 1985-86.

Mr. Sakuda said that approval of these agreements will allow their division to implement and continue fisheries projects which were recently approved by the State Legislature. All of the projects are in their operating budget.

Mr. Sakuda said the agreement amounts are those appropriated for the project and may be adjusted according to administrative allocations and any other restrictions that may be needed by our department.

Mr. Higashi asked whether these agreements would have to go before the RCUH once the board has approved it.

Mr. Sakuda said that copies of these agreements were sent concurrently to RCUH.

Mr. Higashi said that he did not want to approve and then someone from RCUH decides not to approve.

Mr. Sakuda said that staff is asking that the Board give the approval to enter into the agreements. The approval of the documents will be done at a later date.

ACTION

Mr. Yagi moved to approve execution of the two (2) new agreements and five (5) agreement extensions subject to the Governor's approval and approval as to form by the Department of the Attorney General.

Mr. Watson said that when future similar submittals are prepared that the general "other terms and conditions as may be prescribed by the Chairperson" be included as part of the conditions.

Mr. Yagi moved to include the above amendment as a part of his motion.

Mr. Higashi seconded, motion carried unanimously.

OUT-OF-STATE TRAVEL REQUEST FOR HENRY M. SAKUDA, ADMINISTRATOR, DIVISION OF AQUATIC RESOURCES, TO ATTEND THE ANNUAL CONFERENCE OF THE WESTERN ASSOCIATION OF FISH AND WILDLIFE AGENCIES AND THE WESTERN DIVISION OF THE AMERICAN FISHERIES SOCIETY.

ITEM B-2

ACTION

Mr. Zalopany moved for approval as submitted.

Mr. Ono said that the submission indicates that Mr. Sakuda is willing to assume the cost of transportation. But since this is a budgeted trip which has been approved by the Legislature, he suggested that the State absorb Mr. Sakuda's expenses. He said that in the past we have done this because of the tight money situation.

Mr. Zalopany amended his motion per Mr. Ono's suggestion.

Mr. Yagi seconded, motion carried unanimously.

ITEM H-4

FILM PERMIT VIOLATION BY EXCOR.

Mr. Soh said that the last time this matter was presented to the board, the attorney for Excor Travel appeared and requested a contested case. In discussions between the attorneys it was decided that Excor Travel would be allowed to produce statements of the event into the record and since that time, Mr. James McCarthy, representing Excor Travel, has applied and submitted affidavits presenting different view points.

One of the points raised was that the events that happened on that day were a result of an amendment to the original film permit and that Excor Travel called the Film Office regarding these amendments and got the concurrence of the Film Office to the amendments. The Film Office does not deny amendment of the permit but does not remember what transpired.

As for the events happening on February 21, 1984, there is no clear picture of what happened. There are several discrepancies: the time of the events, the number of drops and whether Officer Carvalho issued an order to stop once or twice. One thing is clear: at least one drop was made.

Mr. McCarthy assumed that the only issue right now is whether there was littering. First of all, he said that they did have a permit to make an air drop, which was these photo reflectors. There was an agreement with the Film Office staff as reported in two of the affidavits, to make a pick up. It was also reported in the transcript of the first hearing when the agent for the corporation, Mrs. Reynolds, appeared before the board.

The point then is what constituted the offense of littering. The dropping would not have been the offense. Mr. McCarthy went on to explain what had happened on the day of the event and also the next day.

Mr. Ono asked Mr. McCarthy if he didn't feel that the material that washed ashore the next day was some form of litter.

Mr. McCarthy said that Mrs. Reynolds hired nine surfers to pick the stuff up for two periods of about two hours each.

Mr. McCarthy said that the reason they have gone to such lengths and such expense not only in the pickup but in defending the original allegations brought by Mr. Evans is first of all Mrs. Reynolds did not feel that she was guilty of any offense and that there was no infraction of the film permit, not even a civil violation. She felt that the whole event occurred because of the assault by the haole person that was on her and the crew which was nothing but a racist motivated attack. Mr. McCarthy said that one reason for contesting is that that was the sole origin here. Mr. McCarthy felt that this incident would not have occurred if an all-white crew was out there.

Mr. Ono asked how Mr. McCarthy could know this.

Mr. McCarthy said that there was only one complainant on the scene. A person named Rosman. He said that they had all come from Japan to litter our beaches. They were referred to as "Japs" and also by other terms. It was not a very pleasant situation.

Another reason for all this, said Mr. McCarthy, is because they were seeking a complete dismissal because of the very severe reaction they have had in the film industry in Japan. Coordinators who go to Japan to do business have been under constant query in the past year about how this case is being handled. They are all quite well aware although it was not published publicly over there who the production company was from Tokyo.

Mr. Ono said that if it could be proven that some of the material did drop into the water then what would his position be.

Mr. McCarthy said then his position would be: "is there an offense, is there a violation?"

Mr. Higashi said, "sure." The equasion between the picnicker and a commercial use is not the same.

"Why not?", asked Mr. McCarthy.

Mr. Higashi said that the applicant came in for a permit because it was a commercial activity.

Mr. McCarthy said that he is trying to find a way to define litter. Is it walking away and leaving it?

ACTION

Mr. Kealoha moved to approve staff's recommendation that Excor Travel be fined \$500.00 for creating rubbish on conservation lands and also that they be assessed \$100 for the original administrative costs, and an additional \$200.00 for administrative costs resulting from the first deferral. If Excor Travel fails to pay the fines and costs cited in Section A within sixty (60) days after receipt of notice, the matter is to be turned over to the Department of Attorney General for disposition to include further administrative costs.

Mr. Higashi seconded, motion carried unanimously.

- ITEM C-1 FILLING OF AUTO MECHANIC I, POSITION 02908, KAUAI DISTRICT.
- ACTION Mr. Zalopany moved to approve the appointment of Valencio Vea to fill Position No. 02908. Mr. Kealoha seconded, motion carried unanimously.
- ITEM C-2 REQUEST FOR TECHNICAL ASSISTANCE - PARTICIPATION IN THE 1985 PACIFIC FORESTRY TRAINING SESSION, GUAM.
- ACTION The Board unanimously approved Mr. Petteys' presence at the 1985 Pacific Foresters Training Session. (Zalopany/Yagi)
- ADDED
ITEM C-3 FILLING OF POSITION NO. 2938, EQUIPMENT OPERATOR III, ISLAND OF KAUAI.
- ADDED
ITEM C-4 FILLING OF HALF-TIME CLERK TYPIST II, POSITION NO. 35713, ISLAND OF KAUAI.
- ADDED
ITEM C-5 REQUEST TO APPROVE BIDS - PROJECT NO. DOFAW 85-1, FURNISHING, DELIVERING, AND INSTALLING MOBILE 2-WAY RADIOS AND A RADIO REPEATER.
- ACTION Mr. Zalopany moved to approve Added Items C-3, C-4 and C-5 as submitted. Mr. Yagi seconded, motion carried unanimously.
- ITEM D-1 PERMISSION TO ADVERTISE FOR BIDS - BANK PROTECTION AND CLEARING MAAKUA STREAM, HAUULA, OAHU; NAPILI STREAM, MAUI; CLEARING ALENAIO STREAM, HILO, HAWAII; AND WAIOLI STREAM, KAUAI.
- ACTION Unanimously approved as submitted. (Yagi/Zalopany)
- ITEM D-2 DEMONSTRATION PROJECT, REUSE OF HONOULIULI WASTEWATER EFFLUENT.
- ACTION Mr. Yagi moved to authorize the Chairperson to execute a contract with the Water Resources Research Center to participate in the joint Honouliuli effluent reuse project. Mr. Zalopany seconded, motion carried unanimously.
- ITEM D-3 SURVEY OF PERTINENT WATER RIGHTS, ISLAND OF MAUI.
- Mr. Higashi asked if this study was to see how much water is required to raise taro so that the taking of this water can be preserved.
- Mr. Tagomori said that right now they do not know how much water the taro growers are entitled to. Secondly, the quantity of water they are taking, is that a legal right and do they have the right to take that much.
- Mr. Tagomori said that this survey is being conducted parcel by parcel to see how much water they are taking and if they are entitled to take this water. Little is known of the identity and magnitude of appurtenant or kuleana water rights.
- Mr. Kealoha asked what criteria is being used to determine how much water they used years ago as compared to what they are using today.
- Mr. Tagomori said that this is one of the areas which they need to look into so they will be researching documentation to see what has happened and they will try to match it with what is there today. So it will not be a clear and easy task -- it will depend on available records.
- Mr. Ono said that he had reservations about the scope of this survey because it does have legal implications and without the Attorney General's Office getting involved in reviewing the scope we may be competing with something that may not necessarily be of real value at this time. The Division of Land Management also has some licensing responsibilities so

no use having one Division go one way or the State may have other priorities along this line which may be given preference. Mr. Ono suggested that the Attorney General's Office clear the scope and objective of the study.

- ACTION Mr. Yagi moved to authorize the Chairperson to enter into a cooperative contract with the Water Resources Research Center to conduct a survey of appurtenant water rights for the island of Maui with the added condition that the scope be reviewed by the Attorney General's office and any other terms and conditions as may be prescribed by the Chairman. Motion carried unanimously with a second by Mr. Zalopany.
- ITEM D-4 WAIALAE COUNTRY CLUB WATER USE PERMIT APPLICATION, HONOLULU GROUND WATER CONTROL AREA, WAIALAE-HAWAII KAI SUBAREA.
- ACTION Mr. Yagi moved for approval as submitted. Mr. Zalopany seconded, motion carried.
- Mr. Kealoha was excused from voting on this item.
- ITEM D-5 FILLING OF CARPENTER I POSITION NO. 9872, WAIMANALO IRRIGATION SYSTEM, OAHU.
- ACTION Mr. Yagi moved to approve the appointment of Mr. David M. Bray, Jr. to Position No. 9872. Mr. Zalopany seconded.
- Mr. Ono said that because we are headed towards more pipes and concrete lined ditches, etc. the need for carpentry work will diminish as the years go by. He would like to make the position flexible enough so that it can be assigned on as-needed basis to other programs e.g. State Parks, Forestry, Land Management, etc.
- Mr. Tagomori said that he would work this out with the Personnel Office.
- Mr. Ono called for a vote and motion carried unanimously.
- ITEM E-1 FILLING OF POSITION NO. 17627, GROUNDSKEEPER I, WAILOA RIVER STATE RECREATION AREA, HAWAII PARK SECTION.
- ACTION Mr. Higashi moved to approve the appointment of Mr. Tetsuo Ogata to fill Position No. 17627. Mr. Kealoha seconded, motion carried unanimously.
- ITEM E-2 REQUEST TO USE AINA MOANA STATE RECREATION AREA (MAGIC ISLAND) FOR AN AMATEUR RADIO FIELD DAY EXERCISE.
- (See Page 3 for Action.)
- ITEM E-3 APPROVAL TO AMEND THE CONTRACT FOR IOLANI PALACE COMPLEX RESTORATION - PHASE XI, HONOLULU, OAHU.
- (See Page 2 for Action.)
- ITEM F-1 DOCUMENTS FOR CONSIDERATION.
- Item F-1-A HGP, ING. REQUEST FOR CONSENT TO ASSIGN G. L. NO. 3168 COVERING LOT 35, OCEAN VIEW LOTS, WAIAKEA, SO. HILO, HAWAII TO JORGE ROLAND CAMACHO.
- Item F-1-B JORGE ROLAND CAMACHO REQUEST FOR CONSENT TO PURCHASE MONEY MORTGAGE, G. L. NO. 3168 COVERING LOT 35, OCEAN VIEW LEASE LOTS, WAIAKEA, SO. HILO, HAWAII.
- Item F-1-C MARTIN J. BRANCO REQUEST FOR CONSENT TO ASSIGN G. L. NO. S-4763 TO JACK L. BRANCO COVERING LOT 15, PANAWEA AG PARK, WAIAKEA, SO. HILO, HAWAII.

Item F-1-D (See Page 2 for Action.)

Item F-1-E HARDERS CO., LTD. REQUEST FOR CONSENT TO ASSIGN G. L. NO. S-3603 TO LIQUID CARBONIC CORP. COVERING LOT 41, KANOELEHUA INDUSTRIAL LOTS, WAIAKEA, SO. HILO, HAWAII.

Item F-1-F LIQUID CARBONIC CORP. REQUEST FOR CONSENT TO ASSIGN G. L. NO. S-3603 TO L & P HAWAIIAN ENTERPRISES, INC. COVERING LOT 41, KANOELEHUA INDUSTRIAL LOTS, WAIAKEA, SO. HILO, HAWAII.

Item F-1-G HIROSHI KITAGAWA REQUEST FOR CONSENT TO ASSIGN G. L. NO. S-4455 TO PALMS, INC. COVERING LOT 26, PANAWEA FARM LOTS, 2ND SERIES, WAIAKEA, SO. HILO, HAWAII.

ACTION Mr. Higashi moved to approve Items F-1-A through F-1-C and F-1-E through F-1-G. Mr. Yagi seconded, motion carried unanimously.

ADDED ITEM F-1-H MELVYN AILA REQUEST FOR CONSENT TO MORTGAGE G. L. NO. S-4885, MAUNALAHA, HONOLULU, OAHU.

Mr. Detor said that this request is for the Board's consent to mortgage the leasehold in the amount of \$100,000 by way of a line-of-credit. Initially, the request was for purposes of applying to business organizations. The second request modified the first request. According to their second letter it was to paint the exterior of the two homes on the property, put on a new roof, add a bathroom, bedroom and put a new driveway and retaining wall and put in a new cesspool.

Mr. Detor said that a question came up as to whether the line-of-credit can be used for purposes other than applicable to the dwellings itself. Staff's recommendation is that it be limited to those uses.

Mr. Ono asked how the State would be able to monitor this line-of-credit.

Mr. Detor said that they would have to work with the Attorney General's Office as far as documentation is concerned. Whether that would be put into the mortgage document itself or be part of the consent, Mr. Detor was not sure. The second part of that would be that there would have to be staff monitoring. Mr. Detor said that because they have indicated to GECC, who will be making the loan, that these conditions would apply, that they themselves would do some monitoring.

Mrs. Aila said that what Mr. Detor is proposing is going to be virtually impossible. She said that she had talked to GECC and they said that there is no way that it can be monitored and they will not distribute money as needed.

Mrs. Aila said that their purpose for taking a line-of-credit was not to take \$100,000.00. It was just to have an open line-of-credit. They did not apply for a mortgage on the property. What they have on the property now are two homes which they built with cash that they own free and clear. When they built the homes on the property they were not able at that time to take out mortgages. The lease was not yet in effect. So this is a means of them to now improve the property by putting on, rather than a mortgage, a line-of-credit. But GECC will not do what Mr. Detor has recommended.

Mr. Kealoha informed Mrs. Aila that, because of Mr. Detor, special provisions were made to have this item on today's Agenda.

Mrs. Aila said that she was told by Mr. Detor that if Senate Bill No. 279 were passed they would not have to go before the committee, only before the Chairman. I called the Governor's Office and found that this bill had passed. However, Mr. Detor wanted it to come before the committee.

Mr. Ono said the reason he asked that this come before the board was so that they could look at other alternatives. If it was left up to him to decide he would probably have denied the request.

Mrs. Aila said that the only other alternative would be to take out a \$65,000.00 mortgage with GECC. She said that she contacted about five other lenders before working with GECC. After everyone looked at the lease, no one else wanted a 30 year mortgage on the property. Mrs. Aila said that she searched through the lease document and could find nothing which said that they could borrow money only to improve the property. However, Mr. Detor had told her that this is a part of DLNR's standard condition but she could not find it in the lease.

Mr. Ono said that this is a policy matter. Her first request was to conduct personal business using public property as a back up.

Mrs. Aila thought that this was taken a little out of context. She said when she talked to Mason Young he had asked her what the money was going to be used for so, among other things, she said that she had just opened her own business, her husband wanted to open his own business and financially they could not afford to put cash into their property and improve it the way they wanted to. Mr. Young asked her to make a very simple statement to this effect and submit it to the office. He did not say anything about it being used in a board meeting or anything else. Mrs. Aila told Mr. Young that if he objected to the \$100,000.00 or them putting a line-of-credit on the property then tell them what to do with it. But they received no answer.

Mr. Kealoha suggested that the Aila's have their attorney go over their lease and then take their advice from him

Mrs. Aila asked what do they then do with that advice.

Mr. Detor explained that when the State consents to a lease -- say there is a foreclosure -- the State is then stuck with paying off the mortgage. This is why there is so much caution.

Mrs. Aila did not feel that there should be caution when you already know that there is a value on the property of \$250,000 so if the State had to take it back they would be lucky.

ACTION

Mr. Kealoha moved to deny staff's recommendation for approval. Mr. Higashi seconded, motion carried unanimously.

ITEM F-2

STAFF RECOMMENDATION FOR PUBLIC AUCTION SALE OF A LEASE COVERING LOTS 2, 3, 13, 14 & 15 (COMBINED) OF THE PAPA HOMESTEADS, PAPA 1, SO. KONA, HAWAII.

ACTION

Unanimously approved subject to the conditions listed in the submittal. (Higashi/Kealoha)

ITEM F-3

KONA ORCHIDS, INC. REQUEST FOR WAIVER OF PERFORMANCE BOND REQUIREMENT, LOT 8, KEAHOLE AG PARK, KALAOA-OOMA, NO. KONA, HAWAII.

ACTION

Unanimously approved with the understanding that such bond may be reimposed at any time during the lease term. (Higashi/Kealoha)

ITEM F-4

COUNTY OF HAWAII REQUEST FOR EXECUTIVE ORDER SETTING ASIDE LAND FOR POLICE STATION SITE, KEALAKEHE, NO. KONA, HAWAII.

(See Page 4 for Action.)

ITEM F-5	STAFF RECOMMENDATION FOR AMENDMENT OF PREVIOUS ACTION ON ACQUISITION OF LAND FOR KAENA POINT STATE PARK, WAIANAE, OAHU.
ACTION	State Parks had informed Land Management that they do not need Parcel 16 for their Park and, because it is within the City and County's Keau Beach Park, they are requesting that the parcel be turned over to the City instead. Unanimously approved as submitted. (Kealoha/Yagi)
ITEM F-6	CORMAX CORP. REQUEST FOR CONSENT TO SUBLEASE PORTION OF G. L. NO. S-4644, KALAUAO, EWA, OAHU.
ACTION	Unanimously approved subject to the conditions listed in the submittal. (Kealoha/Higashi)
ITEM F-7	STAFF RECOMMENDATION FOR PUBLIC AUCTION SALE OF A LEASE COVERING LOT 87, KAPAA HOMESTEADS, 1ST SERIES, KAPAA, KAUAI.
ACTION	Unanimously approved subject to the conditions listed in the submittal. (Higashi/Yagi)
ITEM F-8	KAUAI HYDRO-SEEDING AND LANDSCAPING REQUEST FOR EXTENSION OF DEFAULT DEADLINE, G. L. NO. S-4653, WAILUA, KAUAI.
ACTION	Mr. Detor said that he had received a letter from Kauai Hydro-Seeding and Landscaping Co. stating their reasons for requesting the extension. Mr. Kealoha asked, "how good is this letter?" Mr. Detor suggested that this be approved but that the recommendation be amended to provide for the payment of interest at the rate of 11-1/2% as a condition of the extension of the default period. Mr. Higashi moved to extend the default deadline applicable to General Lease No. S-4653 from April 15, 1985 to June 15, 1985, within which time the lessee shall bring the lease rent delinquency current, provided that interest payment be made at the rate of 11-1/2%. Mr. Kealoha seconded, motion carried unanimously.
ITEM F-9	ROY MACMILLAN REQUEST FOR EXTENSION OF TIME WITHIN WHICH TO SATISFY BUILDING REQUIREMENT, LOT 8, WAIMEA HEIGHTS, 1ST INCREMENT, WAIMEA, KAUAI.
ACTION	Unanimously approved as submitted. (Yagi/Higashi)
ITEM F-10	STAFF RECOMMENDATION FOR TERMINATION OF REVOCABLE PERMIT NO. S-6033 AND ISSUANCE OF NEW REVOCABLE PERMIT COVERING REVISED AREA, WAIMEA, KAUAI.
ACTION	Unanimously approved as submitted. (Kealoha/Higashi)
ITEM F-11	STAFF RECOMMENDATION FOR AMENDMENT OF PREVIOUS BOARD ACTION (5/13/83, AGENDA ITEM F-21) AUTHORIZING SALE OF A LEASE COVERING LOT 24, OF THE HANAPEPE RICE & KULA LOTS, HANAPEPE, KAUAI.
ACTION	Unanimously approved as submitted. (Higashi/Kealoha)
ITEM F-12	OFFICE OF THE GOVERNOR, AGRICULTURE COORDINATING COMMITTEE, REQUEST FOR ACQUISITION OF LEASE COVERING OFFICE SPACE IN THE LAWYERS BLDG., HONOLULU, OAHU.
ACTION	Unanimously approved subject to the review and approval of lease agreement by the Office of the Attorney General. (Yagi/Higashi)

<u>ITEM F-13</u>	<u>DEPARTMENT OF HEALTH REQUEST FOR ACQUISITION OF LEASE COVERING OFFICE SPACE IN THE AIEA SHOPPING CENTER, AIEA, OAHU.</u>
ACTION	Unanimously approved subject to the review and approval of lease agreement by the Office of the Attorney General. (Kealoha/Higashi)
<u>ITEM F-14</u>	<u>DEPARTMENT OF HEALTH REQUEST FOR ACQUISITION OF LEASE COVERING LAND IN THE LEILANI ESTATES SUBDIVISION, PUNA, HAWAII.</u>
ACTION	Unanimously approved subject to the review and approval of lease agreement by the Office of the Attorney General. (Higashi/Yagi)
<u>ITEM F-15</u>	<u>DEPARTMENT OF SOCIAL SERVICES AND HOUSING REQUEST FOR ACQUISITION OF LEASE COVERING OFFICE SPACE IN THE BISHOP TRUST BLDG., HONOLULU, HAWAII.</u>
	(See Page 5 for Action.)
<u>ITEM F-16</u>	<u>AMFAC ENERGY, INC. REQUEST FOR EXTENSION OF TIME WITHIN WHICH TO POST BOND, G. L. NO. S-4879, KEKAHA, KAUAI.</u>
ACTION	Mr. Yagi moved to extend the submission date by which Amfac Energy, Inc. on behalf of Kekaha Sugar Co., Ltd. shall submit the \$10,000.00 construction bond to December 31, 1985. Mr. Kealoha seconded, motion carried unanimously.
<u>ITEM F-17</u>	<u>ALLIED HAULING, INC. REQUEST FOR CONSENT TO OPERATING AGREEMENT, LAND LICENSE NO. S-291, WAILUKU, MAUI.</u>
	(See Page 8 for Action.)
<u>ITEM G-1</u>	<u>FILLING OF ABSTRACTING ASSISTANT V, POSITION NO. 153, OAHU.</u>
ACTION	Mr. Yagi moved to approve the appointment of Wayne J. Tamane to Position No. 153. Mr. Kealoha seconded, motion carried unanimously.
<u>ITEM H-1</u>	<u>APPROVAL OF POLICIES AND PROCEDURES RELATING TO INCENTIVE AND SERVICE AWARD PROGRAM.</u>
ACTION	Unanimously approved as submitted. (Kealoha/Yagi)
<u>ITEM H-2</u>	<u>NATURAL AREA RESERVES SYSTEM COMMISSION RECOMMENDATION TO ESTABLISH THE PUUWAAWAA NATURAL AREA RESERVE, NORTH KONA, HAWAII.</u>
	(See Page 8 for Action.)
<u>ITEM H-3</u>	<u>AMENDMENT TO PREVIOUSLY APPROVED CDUA, SEA LIFE PARK.</u>
	(See Page 6 for Action.)
<u>ITEM H-4</u>	<u>FILM PERMIT VIOLATION BY EXCOR.</u>
	(See Page 10 for Action.)
<u>ITEM H-5</u>	<u>AMENDMENT TO CDUA FOR GUIDED TOURS IN THE KOKEE STATE PARK AND WAIMEA CANYON ALAKAI STATE FOREST MANAGEMENT AREA AT WAIMEA, KAUAI.</u>
	(See Page 7 for Action.)
<u>ITEM H-6</u>	<u>CDUA FOR INSTALLATION OF AN 8" WATER MAIN AT OLINDA, MAKAWAO, MAUI (COUNTY OF MAUI DEPARTMENT OF WATER SUPPLY.)</u>
ACTION	Unanimously approved subject to the conditions listed in the submittal. (Yagi/Kealoha)

ITEM H-7	CDUA FOR PIER EXTENSION AT KAHULUI HARBOR, HAWAII (DEPARTMENT OF TRANSPORTATION, HARBORS DIVISION).
ACTION	Deferred to the next meeting of the board. Mr. Soh said that Mr. Garcia of DOT had asked for deferral of this item. Mr. Ono asked why DOT was requesting deferral. Mr. Garcia said that there is a condition in the submittal that they would like to discuss further with staff.
ADDED ITEM H-8	APPROVAL TO ENGAGE THE SERVICES OF A CONSULTANT TO ASSIST IN PREPARING THE DEPARTMENT'S PLAN FOR DISTRIBUTED INFORMATION PROCESSING AND INFORMATION RESOURCE MANAGEMENT (DIPIRM).
ACTION	Unanimously approved as submitted. (Yagi/Higashi)
ADDED ITEM H-9	PERMISSION TO CONTRACT WITH THE RESEARCH CORPORATION OF THE UNIVERSITY OF HAWAII FOR THE DEVELOPMENT OF A HANDBOOK OF NORMAL MARINE SHRIMP HISTOLOGY.
ACTION	Unanimously approved as submitted. (Yagi/Kealoha)
ITEM J-1	METERED TAXICAB SERVICES LICENSE AND AGREEMENT, LIHUE AIRPORT, KAUAI (KAUAI AIRPORT TAXI ASSOCIATION) (KATA).
ACTION	Unanimously approved as submitted. (Higashi/Kealoha)
ITEM J-2	ADDENDUM NO. 1 TO LEASE NO. DOT-A-83-15, KEALOHE AIRPORT, HAWAII (KONA AIRPORT TAXI CO., INC.).
ACTION	Unanimously approved as submitted. (Higashi/Kealoha)
ITEM J-3	APPLICATION FOR ISSUANCE OF REVOCABLE PERMITS 4007, 4022, 4025, AIRPORTS DIVISION.
ACTION	Unanimously approved as submitted. (Higashi/Kealoha)
ITEM J-4	APPLICATION FOR ISSUANCE OF REVOCABLE PERMITS 4023 AND 4024, NONCONFORMING USE, AIRPORTS DIVISION.
ACTION	Unanimously approved as submitted. (Yagi/Higashi)
ITEM J-5	RENEWAL OF REVOCABLE PERMITS 3363, ETC., CONFORMING USE, AIRPORTS DIVISION.
ACTION	Unanimously approved as submitted. (Yagi/Higashi)
ITEM J-6	ISSUANCE OF REVOCABLE PERMIT, HARBORS DIVISION, PIER 18 SHED HONOLULU, OAHU (JAE SUK ENTERPRISES, INC.).
ACTION	Unanimously approved as submitted. (Kealoha/Higashi)
ITEM J-7	ISSUANCE OF REVOCABLE PERMIT, HARBORS DIVISION, PIER 18 SHED, HONOLULU, OAHU (MAE ENTERPRISES, INC.).
ACTION	Unanimously approved as submitted. (Kealoha/Higashi)
ITEM J-8	ISSUANCE OF REVOCABLE PERMIT, HARBORS DIVISION, PIER 40 SHED, HONOLULU, OAHU (HOLO LANI, INC.).
ACTION	Unanimously approved as submitted. (Kealoha/Higashi)

- ITEM J-9 ISSUANCE OF REVOCABLE PERMIT, HARBORS DIVISION, NAWILIWILI HARBOR, KAUAI (ROBERT C. JORDAN DBA GENT-LEE FISHING CHARTERS).
- ACTION Unanimously approved as submitted. (Yagi/Kealoha)
- ITEM J-10 ISSUANCE OF REVOCABLE PERMIT, HARBORS DIVISION, WAIANAE SMALL BOAT HARBOR, OAHU (LEEWARD PETROLEUM, INC.).
- ACTION Unanimously approved as submitted. (Kealoha/Higashi)
- ITEM J-11 CONTINUANCE OF REVOCABLE PERMITS H-337, ETC., HARBORS DIVISION.
- ACTION Unanimously approved as submitted. (Kealoha/Yagi)
- ITEM J-12 CONSENT OF ASSIGNMENT OF LEASE NO. 15, KEWALO BASIN, HONOLULU, OAHU (CASTLE & COOKE, INC. TO WRAF CORP.).
- Mr. Ono said that there is some urgency to this request. However, he suggested that this approval be subject to the parties coming to some kind of conclusion. As he understood it, as of today they had not reached any kind of final settlement.
- Mr. Garcia said that they have copies of the Assignment of the Lease, of the Agreement to Sublease, etc. but these copies are not signed. He said that there would be no problem to amending the submittal as suggested by Mr. Ono.
- ACTION Unanimously approved with the above amendment. (Higashi/Yagi)
- ADJOURNMENT: The meeting was adjourned at 12:15 P.M.

Respectfully submitted,

LaVerne Tirrell

Mrs. LaVerne Tirrell
Secretary

APPROVED:

S. Ono
SUSUMU ONO
Chairperson

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