

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

DATE: September 27, 1985  
TIME: 9:00 A.M.  
PLACE: County Council Chambers  
25 Aupuni Street  
Hilo, 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. Roland Higashi  
Mr. Susumu Ono

Absent & Excused:

Mr. Leonard Zalopany  
Mr. John Y. Arisumi

STAFF: Mr. James Detor  
Mr. Manabu Tagomori  
Mr. Glenn Taguchi  
Mr. Roger Evans  
Mr. Mason Young  
Mr. Duane Kanuha  
Mrs. LaVerne Tirrell

OTHERS: Mr. Bill Tam, Deputy A.G.  
Mr. Peter Garcia, D.O.T.  
Ms. Eileen Dempster (Item E-1)  
Messrs. Walter Muraoka & Tom Sahara (Item F-2)  
Ms. Christie Yamasaki (Item F-5)  
Mr. Sidney Quintal (Item F-10)  
Mr. Joe Vierra (Item H-4)  
Mr. Jack Huzingh (Item F-1-c)

ADDED  
ITEM

Upon motion by Mr. Ing and a second by Mr. Kealoha, the board voted unanimously to add the following item to the Agenda:

Department of Transportation

Item J-15 Use of Harbors Division Facilities, Pier 9, Passenger Terminal, Oahu (NSA - Nichiren Shoshu Soka Gakkai of America).

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

ITEM H-4

CDUA FOR OFFSHORE DEVELOPMENT OF THE HYATT REGENCY WAIKOLOA HOTEL AT SOUTH KOHALA, HAWAII (ATPAC LAND CO.).

Mr. Evans said that when the public hearing on this application was held, an application for a contested case hearing was filed by the Kona Conservation Group. This request was sent to the Attorney General's Office for their advice and counsel as to the adequacy and validity of the request. First of all, this request was filed on a timely basis, and secondly, the review consisted of the substance of the request to see whether or not the party would be entitled to a contested case hearing under our current rule.

Mr. Evans said that the AG's office informed staff that based upon information presented, the Kona Conservation Group has not demonstrated sufficient interest other than that of the general public which would allow for a contested case hearing. Considering that, advice from the Attorney General's office is that the request for contested case hearing should be denied. Therefore, as a part of this submittal before any further action can be taken, the board will have to sustain staff's recommendation that a contested case hearing is not warranted in this particular case.

Referring to page 5 of the submittal, Mr. Higashi asked if this particular contested case hearing was being requested only for the shoreline certification and not the work to be done in the area.

Mr. Evans said, "that is correct."

Mr. Ono asked whether the applicant had had a chance to look at the submittal on the conservation district use application, especially the recommendations.

Mr. Evans said that a copy of the submittal, as a normal practice, was sent to the applicant and they have been in contact with the applicant. He stated also that the applicant's representative was present at today's meeting to voice any concerns they may have.

When asked by Mr. Ono, Mr. Vierra said that he did have a chance to review the submittal and had no comments.

Mr. Ono said that he would like to to consider this in two parts:

1. Act on the contested case hearing request.
2. Substance on the conservation district use application.

ACTION  
NO. 1

Mr. Higashi moved to approve the recommendation by staff to sustain the Attorney General's recommendation to deny the contested case hearing. Mr. Ing seconded. Motion carried unanimously.

ACTION  
NO. 2

Mr. Higashi moved to approve as recommended by staff. Mr. Ing seconded. Motion carried unanimously.

ITEM E-1

REQUEST TO HOLD A FUND RAISING EVENT AT THE WAILOA RIVER STATE RECREATION AREA, HILO, HAWAII.

Mr. Ono informed the board that staff had recommended waiver of the liability insurance coverage because they felt the applicant to be a limited resource organization.

Mr. Kealoha called to the board's attention that Item E-2, which is also for the use of a State Park, requires that the applicant get liability insurance. He felt that what is good for Item E-1 should be good for Item E-2.

Mr. Ono said he was correct. There are two requests to use State Park facilities. One with a recommendation to waive the insurance coverage and the other one for use of Magic Island still contains the requirement for insurance coverage.

Mr. Ono asked that Deputy A. G. Bill Tam give the board his opinion as to the possible implications.

Mr. Tam said basically that it would depend on the activities involved.

Mr. Ono said that the board had recently waived the insurance coverage for use of the Stadium Park inasmuch as the group was only going across the street to the St. Louis Alumni Clubhouse. Staff's assessment is that the request for the Wailoa River State Recreation Area falls in a similar kind of situation.

Mr. Ing said that in the previous case, the duration of the demonstration was for one hour. In this case, you're looking at martial arts demonstration and gymnastics demonstration, both of which could lead to injury, so he is concerned about waiving the liability insurance for this level of activity in a State Park. He asked if anyone had investigated the cost of such insurance.

Mr. Ono asked Ms. Dempster, who represented the applicant, if she had any comment.

Ms. Dempster said that she was quoted a \$500.00 minimum for insurance.

Mr. Ing said that frequently parents are asked to sign a waiver form when their children participate in martial art programs and asked Ms. Dempster if she saw any problem in obtaining such waivers.

Ms. Dempster felt that the gymnasium might already have this kind of waiver, but she would investigate.

Mr. Ing said that they probably do for the gymnasium. However, we would need it for use of the State Parks.

Ms. Dempster was sure that she could obtain waivers from both the gymnastics and martial arts participants.

ACTION

Mr. Higashi moved for approval as recommended by staff with the following added condition:

1. That the applicant secure waiver forms from the martial arts and gymnastic participants.

Mr. Ing seconded, motion carried unanimously.

ITEM F-2

HAWAII ELECTRIC LIGHT CO., INC. (HELCO) APPLICATION FOR TRANSMISSION LINE EASEMENT, MAUNA KEA, NO. HILO, HAWAII.

Mr. Detor asked that the three Tax Map Keys shown in the first page of the submittal be changed from 4-4-16 to 4-4-15.

ACTION

Unanimously approved as recommended by staff and with an amendment of the Tax Map Keys shown from 4-4-16 to 4-4-15. (Higashi/Ing)

Mr. Ono asked if a separate action would need to be taken for disposition purposes inasmuch as the subject area is in the forest.

Mr. Detor did not feel that a separate action was necessary but, at Mr. Ono's request, said that he would check this out.

ITEM F-1-c

NATURAL ENERGY LABORATORY OF HAWAII (NELH) REQUEST FOR CONSENT TO SUBLEASE PORTION OF G. L. NO. S-4717, KEAHOLE AIRPORT, NO. KONA, HAWAII.

Mr. Ing asked Mr. Detor to explain how the per acre figure relates to the \$18,000 shown under minimum sublease rent on the first page.

Mr. Detor asked if he could refer that question to the NELH representative.

Mr. Ono asked Mr. Jack Huizingh of NELH to come forward.

Mr. Huizingh explained that they came up with the \$18,000 on the basis of \$1200 per acre (total of 15 acres which is to be subleased) per year.

Mr. Ono questioned the amount of the sublease rental as it might affect future occupants of the NELH property. He wondered if this would be kind of a bench mark for setting future rental rates.

Mr. Huizingh said that the law for reopening has changed so it will be no less than the previous period.

ACTION

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

ITEM F-5

STEPHEN DROGIN APPLICATION FOR EASEMENT AT LAALOA 2ND, NO. KONA, HAWAII.

Mr. Detor said that this is a dwelling which was constructed in 1966. At that time all of the lands were urban private property and the State was not involved. However, in 1983 a shoreline re-certification reduced the area of the lot so you then have a situation where the deck itself is protruding, not only into conservation land, but into what is now regarded as State property. In checking with the Planning Office, Mr. Detor said that he was notified that no CDUA was required because at the time it was constructed it was called urban.

Mr. Detor said that normally an easement would take care of the situation. However an opinion from the Attorney General's Office says that any easement, as well as a lease of submerged or tidal lands, are subject to the Governor's approval and that of the legislature by adoption of a concurrent resolution. Whether the subject land is considered tidal or submerged lands, staff is not sure at the moment so he would like to amend the submittal by adding a condition that, if in fact the land involved is submerged land, this easement is to be subject to the approval of the Governor and of the Legislature.

Mr. Detor asked also to amend the first sentence of the second paragraph of page 2 of the submittal by changing the word "mauka" to "makai".

Mr. Higashi asked what had triggered the shoreline certification.

Mr. Detor explained that they are making some improvements to the house and the County requires a shoreline certification.

Mr. Ono stated that Land Management's comments indicated that the Planning Office had said that no CDUA was required. Mr. Ono asked Mr. Evans what their basis was for this determination. He recalled a case on Kauai where the Board had to hold a hearing on a stairway which protruded into an area currently designated as conservation. This Kona case is a similar kind of situation and now Planning says that no CDUA is needed.

Mr. Evans said that in the Kona case, the question was brought up by the Division of Land Management. However, in the Kauai case, that question did not surface until staff had already begun their processing.

Mr. Ono still did not understand the reason for their saying a CDUA was not required. He felt that this was a legal question.

In answer to Mr. Ono's question, Mr. Evans said that they arrived at a conclusion that no CDUA was needed inasmuch as when the original action occurred it was not in the conservation district.

Mr. Ono then questioned the reason for accepting the Kauai application for processing.

Mr. Evans said that when the Kauai application was received for processing they did not know that the stairway and seawall was built in 1975 on private conservation land.

Mr. Ono still felt that this had some legal implications -- more than just analyzing the information available. He preferred that the Attorney General's Office get involved rather than just have staff make a decision that a CDUA is not required.

Mr. Ing felt that there was one difference. As he understood the situation here, the property line was here and now it's in another area, so we are talking about air space. Insofar as the Kauai situation, there was a stairway that touched the ocean end.

Mr. Detor said that there is a question as to whether any part of the building touches State land or is it merely air space.

Ms. Christie Yamasaki, land surveyor for the applicant, felt that this is a change in the definition of the land rather than encroachment.

Mr. Higashi felt that the following two legal questions should be cleared, and then staff can come back to the board:

1. Whether it is submerged or tidal lands.
2. Whether or not a CDUA is required even though construction took place prior to the shifting of the shoreline.

Mr. Ono asked that Mr. Detor get together with Mr. Evans to incorporate the two questions into one memo to the Attorney General's Office for an opinion. This memo to be given top priority.

Mr. Ono suggested considering a conditional action, assuming it's an approval -- approve provided that the Attorney General's Office indicates that it is not necessary to go to the Legislature nor is a CDUA required. This way the applicant could proceed without having to come back to the board.

ACTION

Mr. Higashi moved for conditional approval and that the Division of Land Management seek the advice of counsel for clarification of the legal points that were brought up. If there is a legal point to be brought back then we may need to reconsider this application. Mr. Ing seconded, motion carried unanimously.

ITEM H-3

REQUEST TO AMEND PREVIOUSLY APPROVED CDUA TO SUBDIVIDE A PARCEL OF LAND AND MARKET THE ANIMAL FEED GRASS PRODUCTS AT WAIAKEA, HAWAII (HAWAII COUNTY ECONOMIC OPPORTUNITY COUNCIL).

ACTION

Unanimously approved as recommended by staff. (Higashi/Kealoha)

ITEM F-7

DEPARTMENT OF HAWAIIAN HOME LANDS (DHHL) REQUEST FOR RECALL OF CERTAIN DHHL LANDS ENCUMBERED BY DLNR LEASES AND REVOCABLE PERMITS, HAWAII-KAUAI-OAHU.

ACTION

Unanimously approved as recommended by staff. (Ing/Kealoha)

STAFF RECOMMENDATION FOR CANCELLATION OF REVOCABLE PERMIT NO. S-4943,  
PUPUKEA, KOOLAUPOKO, OAHU.

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Mr. Detor said that inasmuch as the board is familiar with this case he would not go into great detail but would just cover the high points.

He called to the board's attention that at the April 26, 1985 meeting the board found Mr. Quintal to be in violation of the conditions of his permit and authorized that he be assessed additional rent based on residential use rather than agricultural use retroactive to May 1, 1973. The board also authorized that Mr. Quintal be given 120 days up to and including August 24, 1985 within which he is to surrender his permit otherwise said permit would be cancelled as of August 25, 1985. The board authorized also that a lease covering the permit premises be sold at public auction subject to Mr. Quintal first checking whether the structures on the property complied with City & County of Honolulu and State of Hawaii laws, rules and regulations, ordinances, etc. If removal is indicated, Mr. Quintal is to remove said structures from the premises.

Following up on the board action, Mr. Detor said that they did write to Mr. Quintal and the City and County of Honolulu. He also asked the staff appraiser to come up with a retroactive rent. The rental established was \$73,543.00.

Mr. Detor said that he looked at this rent carefully and felt that since in essence there was no response to the board's April action other than a request for additional time, that the board deny the request for 240 days and authorize going ahead with the cancellation of the permit.

Mr. Ono asked if Mr. Quintal's rental payments were current.

Mr. Detor said yes, under the old amount.

Mr. Ing questioned how staff arrived at \$73,000.00 back rental.

Mr. Detor said that the original rental was based on ag use and what the appraiser did was back date it and then appraise for residential use.

Mr. Ing felt this to be a rather large sum and wanted to know how the figures were arrived at.

Mr. Detor quoted from Wayne Hirata's memo of June 12, 1985 to Mr. Ono, as follows:

"After analyzing the data from sales of similar properties, the respective unit values were obtained for the effective date of the permit, May 1, 1973, and as of April 26, 1985, the date of the board's action. The unit values for the intermediate years were the resultant proportions of the differences between the two end values. The rental recommendation was then determined by multiplying the unit value for each year by the area of the subject and applying a 4% residential rate of return.

In the search for comparable sales, it was decided to focus primarily on agriculturally-zoned properties sold on or about May 1, 1973 and resold on or about April 26, 1985. It was reasoned that such sales would likely be the best indications of market values for the respective dates because they eliminate having to make too many different adjustments. The sales and resales were also used to verify the rate of increase in unit values over the period."

Mr. Kealoha said that he had two problems with this:

1. He does not qualify for a building permit so how can he be assessed for residential purposes.
2. There are some dwelling presently on the property that were not there in the last two to four years but were in the process of being constructed.

Mr. Ono asked if the calculation was done on the basis that all of the dwellings were up in 1973.

Mr. Young said yes. However, in answer to Mr. Ono's question, Mr. Young said that to his knowledge the dwellings were not on the property at that time.

Mr. Ing asked if the appraisal was done on the basis of some long term lease.

Mr. Young said no. They took it from year-to-year from the day of commencement to residential and brought it up to the present time. They took the total value for each year.

"In other words, you looked at the beginning and you looked at the end and took the market values as of those times", said Mr. Ing.

Mr. Young said that most of what they used was fee ownership of certain properties and they reassessed it to reflect the month-to-month tenancy and then addressed the value for that year. For example, for 1973-74, the appraiser came up with an annual rental of \$2543.00 or broken down to a monthly rental of \$212.00. For 1984-85 the rentals changed so it was reassessed. In 1985 the appraiser concluded that the annual rental for this property for residential use was \$9700.00 or \$824.00 a month. So for each year from 1973 to 1984 they addressed the value for that year, totalled it all up and came up with the \$73,543.00.

"In each year's calculation, was a discount cranked in there because of the short term tenancy", asked Mr. Ono?

That's correct, said Mr. Young.

He felt that maybe the difference between the rental is that each year when they come before the board for renewal of permit, the staff makes recommendations based not on assessed valuation but on a percentage basis. Rental would be considerably higher if it was determined on assessed valuation.

"The assumption is that in the incremental increase we would have gone with the market value, asked Mr. Ing?"

"Not in all cases", remarked Mr. Young.

Setting aside the back rental, one of the things that Mr. Quintal was supposed to do is come up with the back rental, said Mr. Ing. As he understood it, Mr. Quintal did not. He asked how much time before staff's recommendations would be imposed.

Mr. Young called Mr. Ing's attention to Items A, B, C and D as shown on the first page of the submittal.

Mr. Ing asked whether any amount was tendered by Mr. Quintal for back rental.

Mr. Young said, none. The only thing that was paid up was for the Maui permit. With regards to this permit, there was no response nor payment.

Mr. Detor explained that he did, however, continue to pay his present rental.

Mr. Ing asked if the permit had been surrendered.

Mr. Young said that there was no letter or indication from the permittee surrendering his permit.

Mr. Ono said, "then technically the permit has been cancelled."

Mr. Young agreed inasmuch as the board had given him 120 days to make up his mind one way or another and that is why staff's recommendation today is to cancel as of August 25, 1985.

Looking at the conditions which the board set forth in April, Mr. Ono wondered whether another action by the board was necessary.

Mr. Young said, "technically, no". But they would need to act on the permittee's request for an extension.

Mr. Ono asked how you could approve an extension when there is presently no permit. The action would be more for the issuance of a new permit.

Mr. Quintal was asked by Mr. Ono if he had any comments.

Mr. Quintal said that at the last meeting on Kauai, he was asked by the board to correct the buildings, find out what is legal or not legal, correct what is not legal and to deal with the possible retroactive assessment. He said that he did that. He hired an architect and went out there to see what they could or couldn't do.

Mr. Quintal said that according to the City and County's response of July 22, 1985 there was a workshop and two single-family dwellings and a recreation building. They went on to say that the 2.56-acre lot zoned AG-1 may have one single-family dwelling and in conjunction with agricultural use, another dwelling unit is permitted for employees working on the premises. He said that when he initially began building there he was aware and he remembers discussing with this board at previous meetings that he believed that there was one residential building which was legally allowed by zoning and an additional dwelling for workers.

Mr. Quintal said that the building department, for whatever reason, chose not to give him any detailed building code violation. They only gave him a notice of violation that the construction without a permit was not acknowledged by this board. It was not until the later part of July, less than 30 days before this 120 days expired, that he knew what the government said about his activities out there. He then began the process of trying to figure out what building code violations needed to be updated cause the board told him that he would have to improve the structures up to not only the zoning but the building. So now he is very close to complying with the zoning, he felt that he was complying with the zoning up to this point. They gave him no notice of violation that he was not complying to the zoning law. They only said that he did not get a permit. He now has an architect and he is working on doing plans to obtain a retro-active building permit for what is legally there.



He said that when he reads the report and he hears Mr. Young talk about what he did or didn't do, this report says that he ignored them. This is the farthest thing from the truth. He never ignored them -- the department of land and natural resources. Yes, I did not send you a cashier's certified check for \$73,543.00 because he knew that there was absolutely no way that that amount, or any where near that amount, could be justified -- given the reality of the market there. Just for the record, he wanted to remind the board that he was told yearly inspections were done on all properties and annual renewal of his permit was done. Each and every year he received, supposedly, a renewal of his permit showing what his rental was and his rental did go up. He believed that annual inspections were done, he believed that each and every year the board renewed his permit and each and every year they either kept my rental the same or I think it has increased about 160% over the term of the permit. So he believed that Mr. Young or whoever his predecessor was knew what was going on there. It was inspected, it was renewed and rental was being charged. Now to go back and say that there is this humungous amount of \$800 a month, you're talking about 20,000% increase. You're talking about an extreme position that I can't even deal with or understand why they need to do these thing and come up with these conditions.

"You knew you were on a monthly permit", said Mr. Ing.

Mr. Quintal said yes, but he did request a lease.

Mr. Ing said, yes, but you were never given a lease.

Mr. Quintal did not feel that he was treated fairly by staff. He couldn't see how \$800.00 a month could be justified. He said that it staggers his imagination that they want this back rental and still want to throw him off.

Mr. Ing said that he did not surrender his permit.

He explained that the first letter which was signed by Mr. Detor said, among other things, that we're going to assess you retroactive rent. On the bottom it says please sign that you agree but he did not understand or agree to what Mr. Detor was writing. The second letter said that he now owed \$73,543.00. He could not see how anybody in his right mind could sign that letter.

Mr. Ing reminded Mr. Quintal that he was given an opportunity to surrender his permit.

Mr. Quintal said that before his 120 days expired he wrote a letter requesting time explaining that he had recently got the final report of the City Department and the next step was to file for a building permit which he is now in the process of doing. He said that he did write to the board before the 120 days expired but was not able to get to the board until now. He has been trying to comply but he does not agree with the \$73,543.00 rental.

Mr. Ono told Mr. Quintal that he was telling the board what was right and what was wrong -- he asked that Mr. Quintal let the board decide that. Mr. Ono asked Mr. Detor for correspondence which Mr. Quintal was referring to.

Mr. Ono stated to Mr. Quintal that he has indicated why he felt certain charges were improper but in his opinion did he violate any laws or rules of the Federal, County or State or did he feel that all the charges against him were without foundation?

Mr. Quintal said that he would be a fool to admit that he did not do any wrong. But he also will not admit that he violated any laws. But in his own opinion he filed for a residential lease, then he asked for a residential permit and he was given a permit which does not say that he cannot have a residence in there. He said that he was told by Mr. Young's predecessor that he could do whatever he wanted there as long as he complied with the law.

For clarification, Mr. Ono asked, "you said that you received a residential permit?"

Mr. Quintal said that he got a permit that did not excluded residential.

Mr. Ono thought he had heard Mr. Quintal say that he had received a residential permit.

Mr. Quintal said that the permit was silent. What he wanted to do was never any secret. He said that he has an honest and legal disagreement as to whether or not he would have to comply with the City Building Code. Because it is State property, he honestly believes that the State decides whether it wants to comply with the County law or not. It does not have to comply with the County zoning law.

Mr. Ing said that the permit requires compliance with county zoning laws. Also, a provision of the permit requires the permittee to get permission from the board if he puts up a building.

Mr. Quintal remarked that he did not get written permission from the board. But he said that he did talk to staff over the twelve year period.

Mr. Ing asked if he ever submitted any building plans for approval by the board.

Mr. Quintal said no. In the twelve years that he has lived there nothing was done and now what we are doing is really heavy. The people up there who have built the house are in a turmoil and emotionally have been thrown out out of their homes. It's amazing how much power this board has -- to give and to take.

Amazing also is the fact that you as an attorney cannot see the implication of some of the things which you did and didn't do and coming here and say, "gee, it's not my fault", said Mr. Ono.

Mr. Quintal remarked that he is not saying it is not his fault. He is accepting full responsibility for his action.

Mr. Ono said that his explanations all seem to be reflected away from himself and to the City, the staff and the Land Board.

Mr. Quintal said that it is in response to what he perceives that he may have to be contested in court as to whether he owes \$73,000 or not. If he refuses to pay it the staff is saying that the Attorney General is going after him to collect. He said that the board is forcing him to take that position.

Mr. Higashi asked Mr. Quintal if his position right now is that he does not owe any back rent.

Mr. Quintal said that he is willing to negotiate a cost and come up with some agreeable figure but staff came up with an \$80,000 figure which is outrageous. He said that if he had a lease and we wanted \$73,000 then that is another question. Maybe he could see our point and retroactively pay \$73,000. But he said staff has said that he was never supposed to be there and he has violated the law yet he still owes \$800 a month retroactive. If he had been told in 1974 that he owed \$800 he would have had an opportunity to square the debt. If he had been told in 1983 that his rent was \$800 he would have been able to square the debt. But staff gave him no opportunity to square this. He was never confronted.

Mr. Higashi said, "so your position is that you owe nothing?"

Mr. Quintal said that he is willing to pay. But to come up with a \$73,000 figure his response is that he is not going to accept it. Nobody has ever asked him what he thought he owed.

Mr. Ono asked what his basis is as to what is fair. You don't have any basis. All you say is that it is too high.

Mr. Quintal feels that he has a legal basis to say that \$73,000 is unfair and outrageous.

Mr. Ing told Mr. Quintal that he sat at the meeting on Kauai while the board structured its recommendation to allow him to surrender the permit so he could bid on the property. You sat there while it happened. You sat there while the first motion died. The second motion, the one that passed structured the extension, allowed you to time to surrender, time to pay the back rental and to correct the building code violations.

As it is now, said Mr. Quintal the back rental is not a consideration because he has not been able to pay it. But he is trying to clear up the alleged zoning violations -- he has no zoning violations so it's the building violations. He has run out of time for that -- he needs more time. He has been trying to improve the property but has run out of time.

He didn't feel that his permit should have been automatically expired on August 25, 1985. He said that he was confused. Mr. Young asks him to sign a letter that he agrees to all these conditions and the board tells him fix up all the violations up there, pay up your assessments and then surrender your permit and then move off the property. He's confused and does not know what to do except continue on to correct any legal violations.

Mr. Higashi asked Mr. Quintal what kind of agreement he had with the people living in the dwellings located on the subject property.

Mr. Quintal said that he had gone in together with these people, who he calls partners, in 1972 and explained the situation to them. Their agreement was that he would pay the lease rent and real property taxes and they help on the farm. What they do is theirs and he has never asked them for anything.

Mr. Detor said that the letter that went to Mr. Quintal advised him of the board action. It didn't ask him to sign acknowledging that he had broken any laws. All it said was: Accordingly you are respectfully requested to do the following:

1. Sign in the space provided for same at the end of this letter acknowledging that you understand the above actions taken by the Board and return an executed copy of this letter to this office.

-Apprise us in writing within the afforded 120 days whether you wish to surrender

-Apprise us in writing within said 120 days period which structures on the premises are or are not in compliance with City & County of Honolulu and State of Hawaii laws, rules and regulations and ordinances and, furthermore, those structures which are in compliance that you intend to remove from the premises.

Mr. Detor said that they did not ask him to acknowledge that he did anything wrong -- just acknowledge that he understood the actions taken by the board.

Mr. Quintal said that it further stated that staff will contact you again as soon as staff appraisal is complete. He said that within 120 days he informed the board of the status and requested additional time. He did do what the board asked him to do. He felt he complied exactly to what Mr. Detor asked him to do in that letter.

"Assuming that you get this extension, following the 240 days extension, what are your expectations," asked Mr. Ono?

He said that his expectation is that he can sit down with Mr. Detor or somebody and work out the back rental. That they could work out whether or not what is there meets with the board's approval. By that time he should know whether or not there will be an auction.

So your intent, and assuming that the permit is still in effect, is to eventually surrender that permit so that parcel can be put up for auction.

My intent, said Mr. Quintal, is to be the successful bidder. At this point if everything comes according to what I think it should, then yes, that was my intent to surrender the permit and have the department put it up for public auction. This was always my intent. But if you tell me that I have to surrender owing \$73,000 then ---.

Mr. Ono asked what his preference was as to the type of lease that it should be put up for auction -- residential, ag or for what.

Mr. Quintal said that this is something he would like to work out -- probably ag-residence.

Mr. Ono asked Mr. Quintal if his understanding was that once he surrenders the permit the improvements that he put on would become the property of the State when the appraiser goes in to set the upset price for the coming auction -- the value of the improvements and the land would be cranked in to determining the upset price.

Mr. Quintal said that at some point he would like to request that the board consider that.

Mr. Ono said that he would like to know all of his expectations as to what to expect as he goes down the road -- I hate to see you take this step, go the next step and then say that you want other things considered. He felt in fairness to the board if all of his expectations -- what he expects from the board, what he expects from the staff, what you yourself understand the situation to be then the decision can be made without saying, "well we'll make a decision today but 240 days from now we may come in with another kind of request that wasn't even discussed when today's decision was made."

Mr. Quintal said that he basically agrees -- his only problem is for him to have spent about \$100,000 to build up there and then for him to spend about another \$5000 to \$10,000, and then to surrender the permit and to have somebody else bid against him -- it is worth more to somebody else -- they can bid higher. He said that he has an economic problem but if that's the board's decision he'll live with that. But he would try to urge the board to understand that there is that problem.

RECESS: 11:15 A.M.

RECONVENE: 11:20 A.M.

Mr. Higashi said that one of the things that bothers him is that somewhere between zero and \$73,000 we have to come up with some kind of back amount. He suggested arbitration or hiring an independent appraiser. But he felt that somehow we have to figure out what is fair.

Mr. Quintal said that first we would need to work it out. He said that he has never been able to sit down with the staff to discuss this and to tell them what he feels is fair. If we cannot work it out that way then another process is to get an independent appraiser.

Mr. Higashi suggested getting an independent appraiser agreed upon by both parties without having any influence on the guy, just give him the facts.

Mr. Quintal said that as long as he can give him the facts to come up with an appraisal. He felt that he could work it out with the staff. He didn't mind arbitration. He stated that if the board treated him like they treated everybody else he would have no problem.

Mr. Kealoha said if the board had treated him like they treat everybody else his permit would have been cancelled two years ago.

Mr. Quintal said he didn't mean it that way. He felt that the board has treated him more than fair but the staff, he questions.

Mr. Kealoha told Mr. Quintal that in 1984 he had a chance to remedy this problem.

Mr. Quintal said that he had a long talk with Mr. Young on the phone and thought that he had worked the problem out with Mr. Young and the next thing he knew cancellation was being recommended.

Mr. Ono told Mr. Quintal that he makes reference to staff sending him notices, etc. Actually the staff follows the board's orders and decisions. They are not deciding this on their own. So if he felt that some of the demands being made were unreasonable then his disagreement was really with the board. The directions and deadlines were made at the Kauai board meeting and the staff was just following through.

Mr. Ing asked Mr. Detor what would become of the premises when a permit is surrendered. Is it occupied, vacant or what?

Mr. Detor said that when a permit is surrendered then there will be no legal basis for anyone to be on the premises. As far as the improvements are concerned, he wasn't sure.

Mr. Young read from the permit the conditions for removal of improvements from the premises by the permittee.

Mr. Ing asked Mr. Quintal what improvements he intended to remove.

Mr. Quintal said that he intends to remove one of the two dwellings. Which one he was not certain of. He still needed to clarify a few things with the County.

Following up with Mr. Ing's question about what happens when a permit is cancelled and it becomes an unencumbered parcel for whatever period of time, what would be the problem if the permit is allowed to run right up to the time the lease is sold so that there is no gap in between, asked Mr. Ono?

Mr. Detor said that under normal circumstances in their notice of sale for the lease they say that if the incumbent occupant is the successful bidder, the lease will commence from the date of sale. If otherwise, we give them so many days, whatever it takes to remove their improvements, then the lease will commence 60 to 90 days hence to give them a chance to move out.

Mr. Ono asked if any approvals were needed from the Department of Health for the cesspool.

Mr. Quintal said that he has not asked them for a permit for the cesspool.

Mr. Detor said that their report from the DOH only says that their office shows no record of the cesspool being constructed.

Mr. Ono remarked that this is probably another form of violation.

Mr. Kealoha asked Mr. Detor about how long it would take before an auction could be held.

Mr. Detor said about 120 days.

Mr. Ono asked whether any of the other families residing on the property are farmers.

Mr. Quintal did not think that they were any more farmers than he is. He then went on to let the board know what trees, plants, animals, etc. that he had at Pupukea.

Moving along with the submittal, Mr. Ing felt that the items should be addressed individually.

1. What do we do about the rent -- the back rental?
2. The request for extension on the cancellation and/or surrender.
3. The number of structures or really the clearing of the existing violations.

Mr. Ing said that they seemed to be having a difficult time addressing them all at once so he would like to consider the items individually and resolving them.

1. Regarding the back rental for residential use. That the back rental be determined by independent appraiser. The appraiser to be paid for by Mr. Quintal and the appraisal to be completed by November 30, 1985. The selection of the appraiser to be mutually agreed upon by October 15 and if not mutually agreed upon by that date then he is to be appointed by the Chairman.

Mr. Ono had a question on the results of the appraiser's work. Would it be binding on both parties or is it to just be a guide to be used for decision making.

Mr. Ing asked Mr. Quintal for his position.

Mr. Quintal did not think it should be binding.

Mr. Ono said that it may result that come November 30th we will be in the same place that we are in today.

Mr. Higashi said that if we cannot decide whether it should be binding or not binding then it's hard for him to make a decision.

Mr. Quintal said that he would have problems if it was binding. Before he can agree with a binding appraisal he would like to make sure that the factors submitted to the appraiser before he makes his appraisal are agreed upon.

Mr. Ono said that assuming we go the binding arbitration route -- Mr. Quintal selects an appraiser and the department selects an appraiser -- and the evaluation differs, can they legally, under the law, negotiate to erase whatever dollar difference or because of the difference does it automatically go to the third party.

Mr. Young said that should the appraisals differ, the lessor and the lessee may arbitrate to come to an understanding. If they fail to come to an understanding, then a third appraiser agreeable to both parties shall be selected.

Mr. Ono said that the other way the board could handle this particular item is to look at the \$73,000 back rental and the board itself come up with some basis to decide a reasonable rental.

Mr. Ing said that he was open to the Chairman's suggestion of coming up with a reasonable rental.

Mr. Kealoha seconded.

Mr. Ono said that it has been moved and seconded that in reference to the retroactive rental question of \$73,540.00 that the final figure on reviewing the background information and factors that went into this figure that the board set the final figures. They cannot do it today but very soon the board, under the motion, set that figure.

Mr. Ing set a deadline of October 30, 1985 to notify Mr. Quintal of the board's figure is.

Mr. Ono called for a vote. Motion carried unanimously.

Mr. Ono said that this a two part action. One is to actually rescind the previous action this board took in reference to the August 25th cancellation date and the second one would be the indefinite extension or a limited extension. Mr. Ono said that the Chair is open to any one of these alternatives to be considered.

Mr. Ing said that one of the difficulties that he has is this extension of the decision itself. Taking everything into consideration, he just did not feel that Mr. Quintal did move very quickly within the last four months. While he did do something he felt that he could have put more effort into it. Since he has put so much into the property Mr. Ing said that he was willing to consider an extension but if it is extended, it will be the last extension. Beyond that no further extension will be allowed. He does not want to entertain a request for further extension and he does not want to listen to reasons why it should or should not be extended. I think we have to keep in mind that we are really dealing with a revocable permit which is a month to month tenancy. While there are people living there now, we do not have an agreement with the people who are living in those structures now.

Assuming we set a period and we are not able to go to auction until after that time -- what happens, asked Mr. Ono?

Mr. Ing said that:

1. give him time to correct the existing deficiencies.
2. give him a period of time to surrender tenancy.

Mr. Ing felt that we were giving him more rights than what he is entitled to -- which is a thirty day permit.

Mr. Quintal asked if there was a possibility that he could be allowed to surrender his permit and/or that his permit be cancelled simultaneously with the letting of the lease.

Mr. Ono said that the qualification question is one big concern of his. He told Mr. Quintal that they could not guarantee that he would even be eligible to bid for that particular parcel.

Mr. Detor said there are two things:

1. he needs to qualify
2. at the fall of the hammer, he cannot bid if he still owes the State money.

Mr. Ono stated that we should not give Mr. Quintal the impression that he will automatically be eligible to bid.

Mr. Ing asked, "what if we allow him to surrender and put the permit in the name of the existing tenants?"

Mr. Quintal said that one of the parties was planning to vacate.

Mr. Ono asked what was to be done after the August 25th cancellation date. Do we leave it as is, which means that there is no permit right now in existence?

Mr. Ing said that resolution of that depends on how we deal with any subsequent date. While I don't want to extend it, I don't want to leave it so open that in effect we end up in the same situation a few months from now.

Mr. Ing left the following for the board's consideration. Rescind the cancellation, extend date which Sidney Quintal has to surrender to December 31, 1985. At that time if he does not surrender by that date it is cancelled. If he refuses to do so, it's up to him. If he fails to surrender by that date then his permit is cancelled with no further extension to be entertained. At the time of surrender the premises has to be vacated. All property remaining on the premises as of that date becomes the property of the State. The date remains fixed whether or not it goes to public auction.

Mr. Higashi asked if we are to encourage staff to prepare for public auction.

Mr. Ing felt that they already have.

Mr. Ono asked if that would be also regardless as to whether the retroactive rental is paid or not.

Mr. Ing said that regardless of whether the back rent figure set is paid or not paid, it will be totally independent of their prior action.

Mr. Higashi said that his concern is that this action would condemn the property

Mr. Young said that under normal circumstances the permittee would have thirty days to remove his property.



Mr. Detor said that should the auction take place on January 15, 1986 and his permit was cancelled December 31st, there would not be much time for him to remove his property.

Mr. Ing did not feel that we could tie in the auction with the cancelling of the permit cause it would just be a continuing problem.

Mr. Kealoha felt that the motion should be sent to the Attorney General's office for proper wording.

Mr. Ono asked if this was a part of the motion.

Mr. Ing said yes.

Mr. Higashi seconded.

Mr. Ono said that this is only a part of Item F-10 to be approved.

Mr. Ing moved to give Mr. Quintal to December 15, 1985 to correct all government deficiencies. Mr. Higashi seconded. Motion carried unanimously.

Mr. Quintal thanked the board and left at 12:20 p.m., before all decisions on this item was concluded.

#### ACTION

The board unanimously approved the following:

- A. Voted to establish the additional rental to be assessed by Mr. Sidney M. Quintal and to notify him of said rental by October 30, 1985 and, furthermore, to request that payment be remitted by no later than December 31, 1985. (Ing/Kealoha)
- B. Voted to amend its action of April 26, 1985, under agenda Item F-6, as amended, by rescinding the August 25, 1985 cancellation date for Revocable Permit No. S-4943, and granting Mr. Sidney M. Quintal an additional extension up to and including December 31, 1985, in which to surrender Revocable Permit No. S-4943, subject to the following conditions:
  1. If by December 31, 1985, should Mr. Sidney M. Quintal fail to surrender Revocable Permit No. S-4943, said permit is to be cancelled and Mr. Quintal shall by said date vacate the premises and remove his personal property therefrom. If property, i.e., vehicles, structures and personal belongings shall remain on the premises after said date, the Board of Land and Natural Resources may elect to retain said property or shall remove the same and charge the cost of removal and storage, if any, to Mr. Quintal.
  2. No further extension shall be entertained by the Board of Land and Natural Resources.
  3. The December 31, 1985 date remains fixed whether or not a general lease covering the premises is ready for sale at public auction.
  4. The Board of Land and Natural Resources by its foregoing action is hereby giving Mr. Sidney M. Quintal the required thirty (30) days written notice called for under Paragraphs 5. and 7., page 2 of the Revocable Permit No. S-4943.

(Ing/Kealoha)

- C. Voted to require that Mr. Sidney M. Quintal, by no later than December 15, 1985, correct the violations contained in the City and County of Honolulu, Building Department's Notice of Violation dated July 18, 1985, obtain from the State of Hawaii, Department of Health, the required permit(s) for the cesspool(s) on the premises and be in full observance and compliance with all laws, ordinances, rules and regulations of the Federal, State and City and County of Honolulu affecting the premises and/or the improvements thereon. (Ing/Higashi)
- D. Authorized the following described actions if Revocable Permit No. S-4943 is cancelled:
1. Retention of all sums heretofore paid under Revocable Permit No. S-4943 as liquidated damages.
  2. Forfeiture to the State of Hawaii of the collateral deposit posted under Revocable Permit No. S-4943.
  3. Appropriate legal action be taken by the Office of the Attorney General to collect all monies due the State of Hawaii under Revocable Permit No. S-4943, and, if necessary, to commence with eviction action against Mr. Sidney Quintal and take possession of the property and all of the vehicles, structures, and personal belongings thereon.
  4. The Chairperson to take whatever action(s) necessary to carry out the Board's intent.

ITEM D-1      APPLICATION FOR A PERMIT TO USE BRACKISH CAPROCK WATER IN THE CAPROCK SUBAREA OF THE PEARL HARBOR GROUND WATER CONTROL AREA, OAHU.

ACTION      The board unanimously approved the request of Aloha State Corporation for a permit to use 0.08 mgd of non-potable water for irrigation purposes from a new well source in the Caprock Subarea of the Pearl Harbor Ground Water Control Area, Oahu. The term of the permit shall be twenty years subject to review and adjustment every five years. (Kealoha/Higashi)

ITEM D-2      REQUEST FOR A CHANGE IN USE FOR EXISTING WELL 1851-26 IN THE MOANALUA-KAIMUKI SUBAREA OF THE HONOLULU GROUND WATER CONTROL AREA, OAHU.

Mr. Tagomori asked to amend the use shown in the submittal to industrial, domestic and irrigation purposes.

ACTION      The board unanimously approved Shamrock Holdings, Inc.'s request for a change in Well 1851-26 existing preserved use from 0.06 mgd for industrial purposes to 0.06 mgd in permitted use for industrial, domestic and irrigation purposes. The term of the permit shall be twenty-years subject to review and adjustment every five years. (Kealoha/Ing)

ITEM D-3      COOPERATIVE AGREEMENT WITH U. S. GEOLOGICAL SURVEY FOR WATER RESOURCES INVESTIGATIONS, FY 1986.

ACTON      Unanimously approved as submitted. (Ing/Kealoha)

ITEM E-1      REQUEST TO HOLD A FUND RAISING EVENT AT THE WAILOA RIVER STATE RECREATION AREA, HILO, HAWAII.

(See Page 3 for Action.)

<u>ITEM E-2</u>	REQUEST TO USE AINA MOANA STATE RECREATION AREA (MAGIC ISLAND), OAHU, FOR A BAPTISM.
ACTION	Mr. Ono called to the board's attention that this permit does require that liability insurance be provided. Unanimously approved as submitted. (Kealoha/Ing)
<u>ITEM E-3</u>	REQUEST TO USE HONOLULU STADIUM STATE RECREATION AREA, OAHU FOR A CHRISTMAS CONCERT.
ACTION	The board unanimously authorized the issuance of a permit to the Kalia Lions Club to use the Honolulu Stadium State Recreation Area for their free Christmas Band Concert subject to the conditions listed in the submittal. (Ing/Kealoha)
<u>ITEM F-1</u>	<u>DOCUMENTS FOR CONSIDERATION.</u>
<u>Item F-1-a</u>	ERNEST NAPUUNOA APPLICATION FOR REVOCABLE PERMIT, KAHAKULOVA VALLEY, MAUI, BEING TMK 3-1-04:49 CONTAINING 0.397 ACRES, MORE OR LESS, FOR GENERAL AGRICULTURE PURPOSES COMMENCING NOVEMBER 1, 1985. RENTAL: \$11.00 PER MO.
<u>Item F-1-b</u>	RONALD DELA CRUZ APPLICATION FOR REVOCABLE PERMIT, HONOKOWAI, LAHAINA, MAUI, BEING TMK 4-4-01:36 AND 4-4-02:POR. 20 CONTAINING 8.966 ACRES, MORE OR LESS, FOR PASTURE USE COMMENCING OCTOBER 16, 1985. RENTAL: \$11.00 PER MO.
ACTION	Mr. Kealoha moved for approval of Items F-1-a and F-1-b as submitted, Mr. Higashi seconded, motion carried unanimously.
<u>Item F-1-c</u>	NATURAL ENERGY LABORATORY OF HAWAII (NELH) REQUEST FOR CONSENT TO SUBLEASE PORTION OF G. L. NO. S-4717 KEAHOLE AIRPORT, NO. KONA, HAWAII. (See Page 4 for Action.)
<u>ITEM F-2</u>	HAWAII ELECTRIC LIGHT CO., INC. (HELCO) APPLICATION FOR TRANSMISSION LINE EASEMENT, MAUNA KEA, NO. HILO, HAWAII. (See Page 3 for Action.)
<u>ITEM F-3</u>	<u>MASANORI KUSHI APPLICATION FOR ROAD AND UTILITY EASEMENT, POHANAWAI, SO. HILO, HAWAII.</u>
ACTION	The board unanimously approved the direct grant of the easement described in the submittal subject to the conditions listed in said submittal and also authorized the issuance of an immediate construction right-of-entry to the applicant subject to the standard indemnity and hold-harmless clause. (Higashi/Ing)
<u>ITEM F-4</u>	<u>HAWAII ELECTRIC LIGHT CO., INC. (HELCO) APPLICATION FOR TRANSMISSION LINE EASEMENT, MAKAPALA-NIULII, NO. KOHALA, HAWAII.</u>
ACTION	The board unanimously approved the direct sale of the easement described in the submittal subject to the conditions listed in said submittal and also authorized the issuance of an immediate construction right-of-entry to the applicant subject to the standard indemnity and hold-harmless clause. (Higashi/Kealoha)
<u>ITEM F-5</u>	<u>STEPHEN DROGIN APPLICATION FOR EASEMENT AT LAALOA 2ND, NO. KONA, HAWAII.</u> (See Page 5 for Action.)

ITEM F-6	DOWALD REQUEST FOR ACQUISITION OF DITCH AND RESERVOIR EASEMENTS, WAIMEA IRRIGATION SYSTEMS, WAIMEA, HAWAII.
ACTION	Unanimously approved as submitted. (Higashi/Kealoha)
ITEM F-7	DEPARTMENT OF HAWAIIAN HOME LANDS (DHHL) REQUEST FOR RECALL OF CERTAIN DHHL LANDS ENCUMBERED BY DLNR LEASES AND REVOCABLE PERMITS, HAWAII-KAUAI-OAHU.
	(See Page 5 for Action.)
ITEM F-8	STAFF RECOMMENDATION FOR PUBLIC AUCTION SALE OF A LEASE COVERING LAND AT MOKUPAPA-HUELO AND PUOLUA-HANEHOI, HAMAKUALOA, MAKAWAO, MAUI.
ACTION	Unanimously approved subject to the conditions listed in the submittal. (Kealoha/Higashi)
ITEM F-9	DIVISION OF STATE PARKS REQUEST FOR AMENDMENT OF PREVIOUS BOARD ACTION (8/23/85, AGENDA ITEM F-7) RECOMMENDING ISSUANCE OF EXECUTIVE ORDER TO SET ASIDE LAND FOR PARK PURPOSES, WAIANAE, OAHU.
ACTION	Mr. Ing moved to amend the board's previous action of August 23, 1985, agenda Item F-7, to include Tax Map Key: 8-2-01:22, subject to General Lease No. S-3848, and furthermore, to reflect the change in area for Tax Map Key 8-1-01:06 (por.) to 31.129 acres, more or less, from 30.665 acres. Seconded by Mr. Kealoha, motion carried unanimously.
ITEM F-10	STAFF RECOMMENDATION FOR CANCELLATION OF REVOCABLE PERMIT NO. S-4943, PUPUKEA, KOOLAUPOKO, OAHU.
	(See Page 17 for Action.)
ITEM F-11	WALTER F. L. CHONG REQUEST FOR EXTENSION OF LEASE TERM, G. L. NO. S-4008, LOT 38, WAIMANALO AG. SUBDIVISION, WAIMANALO, OAHU.
ACTION	<p>Mr. Ing moved to:</p> <ol style="list-style-type: none"> <li>1. Grant Walter F. L. and Evelyn Z. Chong a twenty-five year extension of term up to and including September 11, 2011.</li> <li>2. Consent to mortgage G. L. No. S-4008 to the Federal Land Bank Association for a loan of \$72,000.00.</li> <li>3. Authorize the Chairperson to set such additional terms and conditions necessary to carry out the intent of the board.</li> </ol> <p>Mr. Kealoha seconded, motion carried unanimously.</p>
ITEM F-12	RESUBMITTAL - SHIGETO MIYASHITA, ET AL, APPLICATION TO PURCHASE ABANDONED DITCH RIGHT OF WAY, WAIMANALO, OAHU.
ACTION	Unanimously approved as submitted. (Ing/Kealoha)
ITEM F-13	DAGS REQUEST FOR ACQUISITION OF LEASE COVERING MICROWAVE TOWER AND TRANSMITTER BUILDING SITE, KILOHANA, KAUAI.
ACTION	Unanimously approved as submitted. (Higashi/Kealoha)

ITEM F-14	STAFF RECOMMENDATION FOR WITHDRAWAL OF DITCHES FROM G. L. NO. S-3827, KAPAA AND WAILUA, KAUAI.
ACTION	Mr. Detor said that he was asked by the applicant not to act on this item at this time. Withdrawn.
ITEM F-15	DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS REQUEST FOR ACQUISITION OF LEASE COVERING OFFICE SPACE IN THE ASHIKAWA BUILDING II, KEALAKEKUA, HAWAII.
ACTION	Unanimously approved subject to the review and approval of the lease agreement by the Office of the Attorney General. (Higashi/Kealoha)
ITEM F-16	DEPARTMENT OF SOCIAL SERVICES AND HOUSING REQUEST FOR APPROVAL OF RENEWAL OF LEASE COVERING ROOM 412 OF THE BETHEL-PAUAAHI BUILDING, HONOLULU, OAHU.
ACTION	Unanimously approved subject to the review and approval of the lease agreement by the Office of the Attorney General. (Ing/Kealoha)
ITEM F-17	DEPARTMENT OF SOCIAL SERVICES AND HOUSING REQUEST FOR ACQUISITION OF LEASE COVERING ROOMS 400-408, 501, 503-509, 511-518, 520, 601-607, 609, 614, 616, 618 & 800-802 OF THE BETHEL-PAUAAHI BUILDING, HONOLULU, OAHU.
ACTION	Unanimously approved subject to the review and approval of the lease agreement by the Office of the Attorney General. (Kealoha/Higashi)
ITEM F-18	DEPARTMENT OF SOCIAL SERVICES AND HOUSING REQUEST FOR ACQUISITION OF LEASE COVERING SUITE 107 OF THE WAILUKU BUSINESS PLAZA, WAILUKU, MAUI.
ACTION	Unanimously approved subject to the review and approval of the lease agreement by the Office of the Attorney General. (Higashi/Kealoha)
ITEM H-1	CDUA FOR A FIXED BRIDGE AND APPROACHES TO SAND ISLAND AT KALIHI, OAHU (DEPARTMENT OF TRANSPORTATION).
ACTION	Regarding the transit problem, Mr. Ing said that when discussions were held with the Attorney General's office it was not limited to beaches, but included transition of conservation lands -- whether we would call it a commercial use. He did not want to see one opinion for the beaches, one for government and one opinion for someone else. Mr. Ing moved for approval subject to the conditions listed in the submittal and also to the DLNR staff getting together with the Attorney General's staff to clarify the above. Seconded by Mr. Kealoha, motion carried unanimously.
ITEM H-2	CDUA FOR CAMPING, FISHING, AND OTHER RECREATION USES AT KEANAE, MAUI (ROCKNE FREITAS).
ACTION	Unanimously approved as submitted. (Higashi/Ing)
ITEM H-3	REQUEST TO AMEND PREVIOUSLY APPROVED CDUA TO SUBDIVIDE A PARCEL OF LAND AND MARKET THE ANIMAL FEED GRASS PRODUCTS AT WAIAKEA, HAWAII (HAWAII COUNTY ECONOMIC OPPORTUNITY COUNCIL).
ACTION	(See Page 5 for Action.)
ITEM H-4	CDUA FOR OFFSHORE DEVELOPMENT OF THE HYATT REGENCY WAIKOLOA HOTEL AT SOUTH KOHALA, HAWAII (ATPAC LAND CO.).
ACTION	(See Page 2 for Action.)

ITEM J-1	<u>LICENSE FOR SCHEDULED BUS TRANSPORTATION SERVICES, KAHULUI AIRPORT, MAUI (MAUI SHOPPERS, INC.).</u>
ACTION	Unanimously approved as submitted. (Higashi/Ing)
ITEM J-2	<u>APPLICATION FOR ISSUANCE OF REVOCABLE PERMIT 4103, HONOLULU INTERNATIONAL AIRPORT, OAHU (WILLIAM DIAMOND DBA AIRPORT PAINTERS).</u>
	Mr. Garcia asked that this item be withdrawn.
ACTION	Withdrawn.
ITEM J-3	<u>APPLICATION FOR ISSUANCE OF REVOCABLE PERMIT 4110, HONOLULU INTERNATIONAL AIRPORT, OAHU (ALFRED ABIVA).</u>
	Mr. Garcia asked that the rental shown in the submittal be amended to read \$800.00 per month instead of \$800.00 per year.
ACTION	Unanimously approved as amended. (Ing/Higashi)
ITEM J-4	<u>APPLICATION FOR ISSUANCE OF REVOCABLE PERMITS 4059, ETC., AIRPORTS DIVISION.</u>
ACTION	Unanimously approved as amended. (Higashi/Ing)
ITEM J-5	<u>ISSUANCE OF NEGOTIATED LEASE, HARBORS DIVISION, PIER 2, FORT ARMSTRONG, HONOLULU, OAHU (PUGET SOUND TUG &amp; BARGE CO. DBA HAWAIIAN MARINE LINES).</u>
ACTION	Unanimously approved as submitted.
ITEM J-6	<u>ISSUANCE OF REVOCABLE PERMIT, HARBORS DIVISION, WAIANAE SMALL BOAT HARBOR, WAIANAE, OAHU (HAWAIIAN DREDGING &amp; CONSTRUCTION CO.).</u>
ACTION	Unanimously approved as submitted.
ITEM J-7	<u>ISSUANCE OF REVOCABLE PERMIT, HARBORS DIVISION, KEEHI COMMERCIAL SUBDIVISION, HONOLULU, OAHU (HIRAM K. OLSEN, DBA KALEI CRANE SERVICE).</u>
ACTION	Unanimously approved as submitted.
ITEM J-8	<u>ISSUANCE OF REVOCABLE PERMIT, HARBORS DIVISION, LAHAINA SMALL BOAT HARBOR, MAALAEA SMALL BOAT HARBOR AND KAHULUI HARBOR, MAUI (MAUI PETROLEUM, INC.).</u>
ACTION	Unanimously approved as submitted. (Ing/Kealoha)
ITEM J-9	<u>ISSUANCE OF REVOCABLE PERMIT, HARBORS DIVISION, PIER 9, PASSENGER TERMINAL, OAHU (HAWAII HARLEQUIN RUGBY FOOTBALL CLUB).</u>
ACTION	Unanimously approved as submitted. (Ing/Kealoha)
ITEM J-10	<u>CONTINUANCE OF REVOCABLE PERMITS H-78-725, ETC., HARBORS DIVISION.</u>
ACTION	Mr. Ing moved for approval of all permits listed in the submittal except the following, which are to be considered at the next meeting of the board: <ul style="list-style-type: none"> <li>. Permit No. H-295 - Dillingham Tug &amp; Barge Corp.</li> <li>. Permit No. H-76-603 - Dillingham Tug &amp; Barge Corp.</li> <li>. Permit No. H-78-724 - Dillingham Tug &amp; Barge Corp.</li> <li>. Permit No. H-296 - Oahu Railway &amp; Terminal Warehousing Co., Ltd.</li> <li>. Permit No. H-84-1229 - Honolulu Shipyard, Inc.</li> <li>. Permit No. H-75-536 - Theo Davies Marine Agencies</li> <li>. Permit No. H-297 - Young Brothers, Ltd.</li> <li>. Permit No. H-84-1197 - The Lihue Plantation Co., Ltd.</li> </ul> Mr. Kealoha seconded, motion carried unanimously.

ITEM J-11

CONTINUANCE OF REVOCABLE PERMITS H-84-1160, ETC., HARBORS DIVISION.

ACTION

Mr. Ing moved for approval of all permits listed in the submittal except the following, which are to be considered at the next meeting of the board:

- . Permit No. H-83-1080 - Dillingham Maritime Pacific Division
- . Permit No. H-81-939 - Dillingham Tug & Barge, Corp.
- . Permit No. H-84-1200 - Robert's Ilima Charter Boat, Inc.
- . Permit No. H-79-783 - Theo Davies Marine Agencies
- . Permit No. H-73-421 - Young Brothers, Ltd.
- . Permit No. H-76-591 - Young Brothers, Ltd.
- . Permit No. H-78-721 - Young Brothers, Ltd.
- . Permit No. H-81-936 - Young Brothers, Ltd.

Mr. Kealoha seconded, motion carried unanimously.

ITEM J-12

ISSUANCE OF REVOCABLE PERMIT, HARBORS DIVISION, KEEHI COMMERCIAL SUBDIVISION, HONOLULU, OAHU (CONTAINER STORAGE OF HAWAII, INC.).

ACTION

Unanimously approved as submitted. (Ing/Kealoha)

ITEM J-13

ISSUANCE OF REVOCABLE PERMIT, HARBORS DIVISION, PIER 9, MEZZANINE, HONOLULU HARBOR, OAHU (CALEB BRETT (USA) INC.).

ACTION

Unanimously approved as submitted. (Ing/Kealoha)

ITEM J-14

ISSUANCE OF REVOCABLE PERMIT, HARBORS DIVISION, PIER 9 MEZZANINE, HONOLULU HARBOR, OAHU (HAWAII EXAM PREP CENTER).

ACTION

Unanimously approved as submitted. (Ing/Kealoha)

ADDED  
ITEM J-15

USE OF HARBORS DIVISION FACILITIES, PIER 9, PASSENGER TERMINAL, OAHU (NSA - NICHIREN SHOSHU SOKA GAKKAI OF AMERICA).

ACTION

Unanimously approved as submitted. (Kealoha/Ing)

ADJOURNMENT:

The meeting was adjourned at 1:05 p.m.

Respectfully submitted,

*LaVerne Tirrell*  
 Mrs. LaVerne Tirrell  
 Secretary

APPROVED:

*S. Ono*  
 SUSUMU ONO  
 Chairperson

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