

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

DATE: June 27, 1986
TIME: 9:00 A.M.
PLACE: County Council Chambers
4396 Rice Street
Lihue, Kauai

ROLL
CALL

Chairperson Susumu Ono called the meeting of the Board of Land and Natural Resources to order at 9:10 A.M. The following were in attendance:

MEMBERS: Mr. J. Douglas Ing
Mr. Roland Higashi
Mr. Moses Kealoha
Mr. Leonard Zalopany
Mr. John Arisumi
Mr. Susumu Ono

STAFF: Mr. Henry Sakuda
Mr. Libert Landgraf
Mr. Albert Ching
Mr. Ralston Nagata
Mr. Jim Detor
Mr. Sam Lee
Mr. Roger Evans
Mrs. LaVerne Tirrell

OTHERS: Mr. Johnson Wong, Deputy A.G.
Mr. Peter Garcia, DOT
Messrs. Egard, Meyer, Robert Smolski and
Ms. Elizabeth Ishii (Item F-1-b)
Mr. Richard Cox (Items F-1-c, d & e)
Mr. George Nakashima (Item F-4)
Mr. Dennis Grossman (Item F-5)
Messrs. Avery Youn, Bill Asing, Darrell Yagodich,
Mike Belles and Ms. Jo Ann Yukimura (Item F-18)
Messrs. Richard Texeira and John Texeira (Item F-19)

ADDED
ITEMS

Upon motion by Mr. Ing and a second by Mr. Kealoha, the following items were added to the Agenda:

Item C-3 -- Request to Approve Bid Award to Motorola Communications and Electronics Inc. for 2-Way Radio Maintenance Contract.

Item C-4 -- Request to Approve Bid Award to Moore Co. Systems, Inc.

Item E-16 -- Filling of One Vacant Position #15215, Groundskeeper I, for Royal Mausoleum, Oahu Park Section.

Item E-17 -- Filling of One Groundskeeper I Position No. 24579, for Aina Moana (Magic Island) State Recreation Area, Oahu Park Section.

Item G-2 -- Filling of Secretary III, Position No. 14953, Oahu.

Item G-3 -- Filling of Clerk Typist I, Position No. 156, Oahu.

Mr. Ono announced that all Personnel items on this morning's Agenda would be discussed at an Executive Session sometime during the later part of this meeting.

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

Item F-1-c

ALEXANDER & BALDWIN, INC. (A&B) APPLICATION FOR REVOCABLE PERMIT COVERING THE TAKING OF WATER FROM THE HUELO LICENSE AREA, MAUI.

Item F-1-d

ALEXANDER & BALDWIN, INC. (A&B) APPLICATION FOR REVOCABLE PERMIT COVERING THE TAKING OF WATER FROM THE KEANAE LICENSE AREA, MAUI.

Item F-1-e

EAST MAUI IRRIGATION COMPANY, LTD. (EMI) APPLICATION FOR REVOCABLE PERMIT COVERING THE TAKING OF WATER FROM THE NAHIKU LICENSE.

Mr. Detor asked that the above items be considered together inasmuch as they are related. The east maui range water licenses are divided into four license areas. One of them, the Honomanu license area, is still on lease and that lease expires on Monday, June 30. The other three licenses expired sometime ago and they have been held on a revocable permit basis since that time. Because of the Hanapepe Water Rights case that has been pending for so long and also because the Legislature has yet to act on a water code, staff has held back and have not gone ahead with the sale of new licenses. New licenses are subject to legislative disapproval. Revocable Permits, on the other hand, can go without approval but they are good only for one year and are not renewable. Because of the situation which staff finds itself insofar as the water code and other considerations are concerned they have had to change these permits on a yearly basis. Staff is suggesting today that the above items, because the permits covering them are now expiring, that new permits be granted to A&B, EMI and A&B again on the third one.

With respect to the Honomanu license, Mr. Detor said that staff did not bring it in today even though it expires on Monday because staff cannot come in on a hold-over on an existing lease until it actually expires so staff will come in with that permit at the July 11th meeting.

Mr. Arisumi noticed that the extension is only for a six month period. He felt that if we are concerned about the water code, then the Legislature would not be meeting until next year so he would like to amend the submittal by extending for one year instead of only six months.

Mr. Kealoha asked Mr. Detor if there was a reason for only a six-month extension.

Mr. Detor said that he suggested only six month in the written submittal because the previous one had been six months and staff had this business of the pending request for a contested case hearing. Now that staff has had a chance to look at it a little closer, there is no objection to making it a year. In fact, it will probably make more sense then going with the six months that was suggested providing there is no legal problem.

Mr. Kealoha suggested that Mr. Detor amend his submittal.

Mr. Detor said that it would have to be worded "no longer than a year" because these are month-to-month tenancies which can be terminated with thirty days notice.

Mr. Ono asked Mr. Wong whether the Supreme Court ruling would have any affect on this area -- directly or indirectly.

Mr. Wong did not think so. The Supreme Court ruling was merely on a procedural point which has not yet been determined.

Mr. Ono asked, "so if the board chooses to issue a long-term license, you don't see that as a problem?"

Mr. Wong said, no.

Mr. Detor said that the board, sometime back, had already approved the sale of a license covering the area but staff held up on the sale of that license because of this situation.

Mr. Ono asked Mr. Cox whether he had comments.

Mr. Cox stated that he had no objections. They would be pleased to have an extension up to a year.

ACTION

Mr. Arisumi moved to approve Items F-1-c, d & e with the amendment that the permit be extended for one year instead of six months. Seconded by Mr. Zalopany, motion carried unanimously.

Item F-1-b

FOREMOST DAIRIES, INC. REQUEST FOR CONSENT TO ASSIGN G. L. NO. S-4101, WAIMANALO, OAHU.

Foremost Dairies, Inc. has requested that this lease be assigned to Waimanalo Dairy, Inc.

Mr. Zalopany asked, "who is Waimanalo Dairy?"

Mr. Ono asked if all of the conditions have been met.

Mr. Detor said, yes.

Mr. Ono asked whether there was anyone who could respond to Mr. Zalopany's question.

Mr. Robert Smolski, representing Foremost Dairies, Inc., introduced Mr. Rick Eggard who, for the past two years, has been the Manager of Foremost Dairies, Inc. and, for Foremost, has also been the manager of Waimanalo Dairy and Carl Meyer, who has his own dairy in Waimanalo and he believes that these two gentlemen are merging their businesses.

In answer to Mr. Zalopany's question, Mr. Smolski said that Foremost is not going out of business.

Mr. Zalopany asked Mr. Detor whether he had a financial statement.

Ms. Elizabeth Ishii of Waimanalo Dairies said that they do not have a financial statement with them but would provide same for the board if that is their wish.

ACTION

Mr. Ing moved to approve as submitted. Seconded by Mr. Higashi, motion carried unanimously.

ITEM F-11

HAWAII BAPTIST ACADEMY APPLICATION TO LEASE LAND IN NUUANU, HONOLULU, OAHU.

ACTION

Unanimously approved as submitted. (Ing/Kealoha)

ITEM F-3

STAFF RECOMMENDATION FOR GUIDELINES ON REQUESTS FOR PERMISSION TO CONSTRUCT ADDITIONAL DWELLINGS ON THE LALAMILO FARM LOTS, LALAMILO, SO. KOHALA, HAWAII.

Mr. Detor said that back in September 1978 the board adopted a policy with respect to the Lalamilo Farm Lots. They denied all future requests for the building of dwelling improvements on certain subdivided portions of the Lalamilo Farm Lots Subdivision and the action of the board has been consistent with that policy since that time. As a result of this policy, staff has asked the Planning Department of the County of Hawaii not to issue building permits on requests for improvements on subdivided portions of the Lalamilo Farm Lots without the board's o.k. and they have done this.

Mr. Detor said that under the provisions of the original conveyance of the Lalamilo Farm Lots, only one dwelling may be allowed on the land, provided that the Board may authorize additional dwellings at its discretion. Another provision states that the land shall be used for agricultural purposes only and cannot be put to some other use unless authorization is obtained from the Board. Agricultural use is defined as and limited to the growing of orchard and truck crops. A third provision reserves a repurchase option to the State in the event the land is subdivided for some use other than agricultural use. Thus, you have a situation where the owner of a lot may subdivide without Board approval provided the agricultural use is to continue, but he cannot erect an additional dwelling on the subdivided portion without Board approval.

Mr. Detor said that the reason for these restrictions was to try and keep agricultural use going in the area and to try and discourage any speculation which possibly subdivision would bring about. Since that time a number of the farmers have gotten older and they have kids who they want to give portion of the property to and lately there have been a number of requests in that direction. Staff is therefore suggesting that the board's policy be somewhat revised and that the board, instead of having an overall blanket policy that no additional dwellings be allowed, that it consider each application on its own merits on a case-by-case basis. In line with this, staff is suggesting that the Board rescind its action of September 22, 1978 and also that certain minimum requirements be established which are listed in the submittal.

Referring to Condition No. 2, Mr. Higashi asked Mr. Detor what his intent was in requiring the applicant to have farmed on the site for not less than one year prior to the date of application. He felt that Condition 1 would cover the applicant as a full time farmer.

Mr. Detor said that the reason they put that in is because they are trying to carry out the idea that if a person is passing on a portion of the property to his son, staff wants to make sure that he has been involved in that particular lot and not somewhere else.

Mr. Higashi said that it's not only the successorship in the family but others have had for sale some properties, and others have bought property as a full time farmer, who is farming somewhere else where he cannot build a house and he wants to live in Lalamilo as a full time farmer.

Mr. Detor said that he had no objection as long as they can determine that he is in fact the farmer and this is not a situation where the area is cut up to less than 10 acres and you end up with an urban subdivision.

With regards to Mr. Higashi's comments on Condition No. 2, Mr. Ing asked, "doesn't Item 2 insure that the farmer has experience on that particular parcel, that he has actually worked it and that he is confident that he can grow his crop at least based on his one year experience on that particular land?"

Mr. Higashi replied that even though he has already paid for the property, success or failure will be determined one year down the road.

Mr. Ono saw a value in retaining Item 2 because if the person has to have lived there for one year, he would have put in a crop and actually worked the soil for a year. This seems like a good faith effort to farm that area. If we don't have that condition there is a possibility of turning this over again to somebody else.

In this respect Mr. Detor suggested, should this be adopted as presented and you will be looking at future cases on a case-by-case basis, at the time a particular case comes in and there are grounds to waive that second condition maybe it can be done at that time for that particular case.

Mr. Ono said that if we take that approach then it doesn't mean too much.

Mr. Detor said that staff would like to have guidelines. In the event someone comes in and wants to subdivide and sell, staff can just say that this doesn't qualify at all instead of bringing it back to the board.

Mr. Ing saw more problems with Condition No. 3 than No. 2, which says that the applicant must earn the majority portion of his income from the farming activity established there on.

ACTION

Mr. Higashi moved to approve as submitted. Motion carried with a second by Mr. Zalopany.

Messrs. Kealoha and Arisumi voted no.

ITEM F-4

GEORGE NAKASHIMA REQUEST FOR PERMISSION TO CONSTRUCT DWELLING LALAMILO FARM LOTS, LALAMILO, SO. KOHALA, HAWAII.

Mr. Detor said that this lot was originally purchased in 1961 by Mr. and Mrs. S. Kawano. In 1971 they transferred it to their corporate successor, S. Kawano, Inc. Lot 20 was then subdivided into three lots in 1980. Subsequently, in January of 1985, George Nakashima and his wife acquired two of those three lots. These two lots together come to a little over 11 acres. Since that time the Nakashima's have been farming the 2/3 of the original lot. They are now asking that they be allowed to construct a dwelling on the property that they acquired. They are both full time farmers and commute daily from Honokaa and they want to be able to live on the property. In line with the policy adopted in the previous submittal, staff is recommending that they be given permission to construct a house.

Mr. Higashi asked Mr. Nakashima whether he had read the conditions.

Mr. Nakashima said, yes.

ACTION

Mr. Higashi moved to approve as submitted. Seconded by Mr. Kealoha, motion carried unanimously.

ITEM F-5

DENNIS GROSSMAN REQUEST FOR RIGHT OF ENTRY TO CONDUCT REGENERATION RESEARCH PUNA, HAWAII.

Mr. Detor said that this research project involves part of the Campbell Estate land in Puna which the State acquired recently in the exchange with the Campbell Estate. While the land was still in Campbell ownership, the Estate authorized initiation of the project to determine the regeneration capabilities of native forest land which had been logged in the Bio-power wood chip operation. Now that the land is in State ownership, a right of entry from the Board must be obtained if the research is to be completed.

Mr. Detor was recommending approval with certain conditions. However, he asked that Condition 3. be amended to read as follows:

3. Right of Entry to be coordinated with the Division of Land Management and subject to conditions specified by DOFAW.

Mr. Ono asked Mr. Detor, "what happens if this right of entry is granted and the State decided to do something with that parcel?"

Mr. Detor said that they would have in the letter of permission to enter that particular parcel, a provision reserving the right of so many days notice to terminate if there is some use for the land.

Mr. Ono said that if the research study is started, using that particular parcel as kind of a field lab, if you do something with the land, wouldn't that upset the project?

Mr. Detor said, yes. However, we would have to protect ourselves by imposing such a condition.

Mr. Higashi suggested that Mr. Grossman submit a report of his activities every six months so that we know exactly what he is doing.

Mr. Grossman had no objection to this condition being added.

Mr. Ono asked who was funding this particular project.

Mr. Detor said that the Campbell Estate was. Whether they plan to continue or not he didn't know.

Mr. Ono asked whether State funds through the University would be used.

Mr. Grossman said that in talking with Mr. Stender he said that the Trustees would probably be making a decision on this next week. However, even without their support, Mr. Grossman said that he did have other research funds available.

Mr. Ono asked Mr. Grossman about the scope of his project and what is it that he wants to study.

Mr. Grossman said that what he trying to study is the resilience of the native forest systems in terms of its degeneration capacity and looking at the dynamics of the native trees becoming established, etc.

ACTION

Mr. Higashi moved to approve as amended. Mr. Zalopany seconded.

Mr. Ono asked Mr. Grossman, "did you understand Mr. Detor's response that if the State, for whatever reason, needed that land you will be using for your research, the State would be able to take it back?"

Mr. Grossman said that his only concern, in terms of timing, he would have to give Campbell Estate some idea of how long -- maybe twelve months.

Mr. Detor did not think that the 12 months would be applicable inasmuch as the right of entry is only good until the end of 1987. He was thinking more in terms of sixty days.

Mr. Ono said that he had no problem with the request being made but he did have a problem of reducing or eliminating the State's flexibility about the use of the rest of the land in that area.

Mr. Detor said that staff does not want to limit the State's flexibility.

Mr. Ono said that is why he asked Mr. Grossman if he knew the implication of staff's response. It may be that the area will have to be vacated during the most critical time of research.

Mr. Grossman thought maybe he could shrink the size of his research plot and have some guarantee that he could complete the research.

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

ITEM B-1

REQUEST FOR AUTHORIZATION TO HIRE CONSULTANT TO ASSIST IN THE IMPLEMENTATION OF A STATEWIDE KAPU SYSTEM FOR MANAGING HAWAII'S SHORELINE OCEAN RESOURCES.

ACTION

Mr. Ing moved to approve with an amendment that this approval be subject to approval by the Governor. Seconded by Mr. Kealoha, motion carried unanimously.

ITEM C-1	REQUEST TO APPROVE BID AWARD TO MOTOROLA AND ELECTRONICS INC. FOR MOBILE 2-WAY RADIOS.
ACTION	Unanimously approved as submitted. (Zalopany/Arisumi)
ITEM C-2	APPROVAL OF ISSUANCE OF LICENSE TO KOELE COMPANY FOR A COMMERCIAL SHOOTING PRESERVE.
ACTION	Unanimously approved as submitted. (Arisumi/Zalopany) For the record, Mr. Landgraf pointed out that a CDUA was approved in August, 1973 to conduct this activity.
ADDED ITEM C-3	REQUEST TO APPROVE BID AWARD TO MOTOROLA COMMUNICATIONS AND ELECTRONICS INC. FOR 2-WAY RADIO MAINTENANCE CONTRACT.
ACTION	Unanimously approved as submitted. (Zalopany/Arisumi)
ADDED ITEM C-4	REQUEST TO APPROVE BID AWARD TO MOORE COMPUTER SYSTEMS, INC., DBA COMPUTER LAND OF HAWAII FOR MICRO-COMPUTERS.
ACTION	Unanimously approve as submitted. (Zalopany/Arisumi)
ITEM F-18	<p><u>COUNTY OF KAUAI REQUEST FOR EXCHANGE OF LANDS, KAUAI.</u></p> <p>Mr. Detor understood that the Department of Hawaiian Home Lands had already awarded homestead leases covering land in Anahola. In any event, this involves land which was formally set aside by Governor's executive order since cancelled for park purposes for the County of Kauai. The County has proposed that we enter into an exchange of lands for the Anahola lands which we acquired in exchange for State land in Kekaha. The Anahola land would then be made available to the the County for park use.</p> <p>The County proposes to convey several parcels of county-owned lands to the State as compensation for the State lands to be used in this particular exchange. Mr. Detor understood that Hawaiian Homes cannot exchange with the County, only with DLNR. The question has arisen as to whether or not the Anahola lands or a portion of it, is in fact Hawaiian Home land. This is now being checked out.</p> <p>DLNR is proposing here today that, rather than waiting, we go ahead with a commitment to Hawaiian Homes of land in Kekaha. What is involved in the way of State land that would be conveyed are about 9-1/2 acres at Kekaha, plus two houses and lots in the Gardens Subdivision that we repurchased. One is a three bedroom house and the other is a four bedroom house. The values, to be established by appraisal, will be credited against whatever Hawaiian Homes can get in exchange.</p> <p>Mr. Ono asked Mr. Detor, "you made a statement, which I might have misunderstood -- you said the Hawaiian Homes Commission cannot exchange with the County?"</p> <p>Mr. Detor said that is his understanding.</p> <p>Mr. Yagodich of Hawaiian Homes believed that they could exchange with Federal and/or private entities, but with DLNR's consent.</p> <p>Mr. Kealoha asked whether the portion of land at Anahola which is questionable had any effect on today's proposal.</p> <p>Mr. Detor said that today's proposal does not involve the Anahola lands. Today's proposal is to turn over to Hawaiian Homes lands at Kekaha.</p>

Mr. Ing asked, "the reason this came before the board, at least in part, was because of an effort by the County to resolve the dispute regarding the loss of the County park at Anahola, right?"

Mr. Detor said, that's true. Today's proposal would probably not have been made if the above question did not come up. However, as written, this proposal does not include Anahola.

Mr. Ing asked Mr. Detor if Hawaiian Homes was willing to turn over the park to the County.

Mr. Detor could not answer.

Mr. Yagodich said that right now that land was selected for homestead award. They have an agreement with fourteen Hawaiians that, if by June 30, 1986, they have not secured replacement land, they will proceed to award the Anahola Village Park site. By mutual agreement between the Commissioners and those who signed, they may be able to change those conditions but right now that is what is agreed to. If they do not replace those lands -- secure an additional site -- by June 30, 1986 then they will proceed to award the lands to them. As far as the land ownership, they have proceeded this far based on the position that it is their land.

Mr. Ing asked Mr. Yagodich whether he knew if any of the Kekaha lands proposed to be transferred to Hawaiian Homes would satisfy any of the potential lessees for the Anahola Park lands as replacement of lands.

Mr. Yagodich said that as far as a site for these people to choose, there are a number of sites within their own inventory as well as from the Kekaha lands which they will be making available. The issue is that they have the Village Park in their inventory and they have this agreement with the people.

Mr. Ing asked, "what is going to be the determining factors as to whether or not the village park is or is not in your inventory?"

Mr. Yagodich replied, "that the County has fulfilled its agreement with us that they will acquire the Village Park from us."

Mr. Yagodich said that when they first met with the County the request was that if they do want the park to be made into a park then they will work towards that.

Assuming that this proposal goes through, Mr. Ing asked whether the County would have fulfilled its agreement with Hawaiian Homes.

Mr. Yagodich did not believe so. He felt that the agreement is simply between DLNR and Hawaiian Homes and does not include the park.

Mr. Kealoha asked Mr. Yagodich, "you said earlier that Hawaiian Homes was working with the County with respect to the Village Park, is that correct?"

Mr. Yagodich said, yes.

"You also stated that they were trying to find an exchange somewhere so that through DLNR they could acquire the park", said Mr. Kealoha?

Mr. Yagodich said that they were to find an alternative site whether through DLNR or anybody. All Hawaiian Homes wanted was a better site than the Anahola Village Park.

Mr. Kealoha asked, "although it's not a part of today's action, you agree that the County has continued in their efforts to find a replacement for that Anahola lot?"

Mr. Yagodich said that they have worked towards that goal.

Mr. Kealoha asked, "with who?"

Mr. Yagodich said that they have kept us informed of the progress they have made. Copies of their letters have been sent to Hawaiian Homes.

Mr. Kealoha asked Mr Yagodich whether Hawaiian Homes was aware of this exchange site at Kekaha.

Mr. Yagodich said, yes.

Then what you're saying, remarked Mr. Kealoha, is that if this goes through that you are not willing to give up the park.

Mr. Yagodich said, no. This is because they have an agreement with the future lessees that if they do not secure a replacement for the Anahola Village Park by Monday that they will proceed to award. They may give up other lands for Kekaha if by Monday they have not found a replacement for the Anahola Village Park.

Mr. Kealoha was not clear on what is meant by replacement.

Mr. Ing asked, "what if we conditioned this transfer on Hawaiian Homes transferring the Village Park land to DLNR or to the County?"

Mr. Yagodich said that would be important for them to know. In essence, that has assured an alternative site for the Village Park and they would not have to award the lands after Monday.

Mr. Zalopany asked how the people in the neighborhood felt.

Mr. Yagodich said that they would prefer that it remain a park.

Mr. Ono said that if we go straight exchange with Hawaiian Homes and DLNR and say that part of the exchange is because of the Anahola Park, the County really is totally off the hook. They are not contributing anything towards the settlement of this issue. He asked Mr. Yagodich if he knew if the County would be willing to pay rent to keep that area open for recreational purposes.

Mr. Yagodich said that they have not discussed this with the County.

Mr. Ono asked, "why not, weren't you supposed to at least look at all different options?"

What bothered Mr. Ono is that at a late date the board gets a proposed package and are told that we are to approve it. He felt that this is a real unfair approach inasmuch as we got into this discussion very late. It was between Hawaiian Homes and the County -- agreements were reached -- and then the concept was brought before this board.

Mr. Zalopany asked whether awarding of the Hawaiian Homes leases could be extended.

Mr. Detor said that maybe the question that should be asked is what will it take for Hawaiian Homes to put off the June 30th action. What they are saying is that there has to be a commitment for an exchange of Kekaha for Anahola but the minute we go into that we are admitting that they own it. As it is, by this action they are getting Kekaha so why don't they just put the people there and hold up on Anahola.

Mr. Ono said that he would also like to hear from the County.

Mr. Mike Belles, Kauai County Attorney, said that a lot of Kauai County's concerns are equal to the concerns that have been expressed by everyone this morning and that is that they have been exercising an attempt to have a successful land exchange but they have had to do so under severe time constraints and they do not know that these time constraints are necessarily reasonable especially if they are to accomplish the objectives that Hawaiian Home Lands have set forth.

Mr. Belles said that he had a copy of the Memorandum of Agreement entered into with the fourteen people at Anahola. He said that it provides basically:

1. That Hawaiian Homes Commission will defer the lot selection of the area referred to as the Anahola Village Park.
2. That the Hawaiian Homes Commission, in deferring the Anahola Park lot selection on February 22, 1986 takes this action for the purpose of exploring alternative sites that may be more suitable for its beneficiaries who are desirous of receiving a 99-year residential lease for homestead settlement.
3. In the event that such alternative sites are not secured by June 30, 1986, the Hawaiian Home Commission promises to (and it identifies a particular lot number situated at Anahola) this day and they have met all the conditions that they will be given a 99-year lease on the Anahola properties.
4. In the event that such alternative sites are secured by June 30, 1986, the Hawaiian Home Commission promises to the individual the opportunity to select a residential lot from the alternative sites in the order of pre-selection that has already been established for the Anahola Village Park.

Looking at the memorandum, Mr. Belles said that one of the key questions is, "what exactly do you mean by secure and alternative site?" They believe that by discussing the site in Kekaha, which is clearly developable as opposed to the Village Park, which has very serious infrastructure problems right now which are not developable at this point and time, that the Kekaha site is clearly more preferable to the Anahola site.

They also believe that because of the recent evidence that has come to their attention, which is the possibility that there is a cloud on the title of Anahola Village, that it is really in everyone's best interest to resolve this title question before they prematurely lease those properties. He is sure that the Hawaiian Homes Commission can appreciate the liability which they might be exposing themselves to in the event they were to award any type of leases to the Anahola Village Park and it later turns out that they did not have the authority or the jurisdiction to grant those leases. He thought that they were put on notice that there may be some problem with the title and it seems in everyone's best interest on the one hand to either except the Kekaha site as an alternative site or in the abundance of caution, to at least delay this issue for at least thirty days to permit all the parties to have an opportunity to investigate this issue further and to sort out some very critical information that we all need before we can make a decision.

Mr. Belles said that they did submit a request to the Hawaiian Homes Commission last week requesting an extension. However, they were advised that they intend to maintain their interpretation of this Memorandum of Understanding and perhaps go ahead with the land exchange. In addition, last night, the Chairperson of the Hawaiian Homes Commission made a statement that it was her opinion that the Anahola Village Park had nothing to do with the

Kekaha site, meaning by their way of thinking, that if this body were to grant the Kekaha site to the Hawaiian Homes Commission that it would have no affect on Anahola Village Park and that they would be free to go ahead and convey those parcels. They feel, from a legal standpoint, with the serious question as to title, that it would be the height of folly to pursue this issue right now. Those questions should be resolved first.

Mr. Ing asked Mr. Belles, "what if the board puts on a condition that the Kekaha lands be transferred on the condition that Hawaiian Homes recognize this transfer as suitable alternative lands; and, 2) that Hawaiian Homes remove the Village Park from its inventory?"

Mr. Belles said that the County would be most satisfied with that arrangement.

Mr. Ing said that does not require DLNR to accept Village Park as an exchange for the Kekaha lands. Other lands could be transferred as part of the exchange but it leaves the option open that should title clear on Village Park it could be one of those that could be transferred.

Mr. Belles felt that this could be the only responsible response. He did not feel that anyone right now could make any kind of decision on the Anahola Village Park and to buy time and to accede to their perceived commitment to the people that they have granted the fourteen Memos of Understanding that they could be given the Kekaha site as suggested.

Mr. Kealoha said that from what he has observed, it appears that Hawaiian Homes wanted to keep pace with their program. It appears that at the same time the County of Kauai was just biding time and waiting for the so-called situation to heal by itself. He did not believe that the County worked too hard to try and remedy the situation. He felt that the County wanted the exchange for nothing. They did not want to give anything to the State but wanted them to make the transfer to Hawaiian Homes. He now understands that the County has probable sites which they may be able to convey to the State. To him, the County was just dragging their feet. However the board maintained its creditability and integrity in this situation and that is why they are very concerned about how they can remedy this situation. Mr. Kealoha felt obligated to convey his feelings.

In response to Mr. Kealoha's statements, Mr. Belles stated that the appearance of the perception may be one that the County has done nothing, has jumped in at the 11th hour and has basically put the issue off on the shoulders of this board and the Hawaiian Homes Commission. Mr. Belles said that he thought it should be understood that the County of Kauai first got involved in Anahola because of an executive order granted by the Territorial Governor in 1955 which gave the County control over the beach park, the Village Park and the so-called mauka park. Those leases were later declared to be invalid and the County was left holding the bag. With the pending litigation, McGeevers vs. Beamer, the County is the only deep-pocket party that has any kind of exposure and they face great damages and, really, the State who initiated this conveyance to the County of Kauai is off the hook so to speak, and he felt that the County of Kauai has borne a great burden in the Anahola Village area. Also, like the State, the County of Kauai became involved at a very late period in time. The County was not aware of any proposed subdivision until about six months ago when an announcement was made publicly. The officials of the County of Kauai did not find out about the proposed subdivision of the Anahola Village Park until they read about it in the newspapers. At that time many of the residents living in the area came running to various County officials asking for the County to please assist them. They asked if they could influence the Hawaiian Homes Commission to defer action on a subdivision because this had been a park that had been traditionally used by residents in the area, not only native Hawaiians but also those with less than half Hawaiian blood as well as long-term residents

of Japanese and Chinese ancestry as well as other miscellaneous ethnic groups who had been living in the area. They wanted to preserve the Village Park. In response to that the County of Kauai became involved and they approached the Hawaiian Homes Commission when it appeared in their response to the County that the only thing that would satisfy their mandate to make land available to provide housing that the only option available to the County is to attempt to find alternative sites. The County of Kauai has a very limited amount of land. They have identified a few parcels which have been conveyed to DLNR in various correspondence prepared by Mr. Youn.

Mr. Ono said that when the County became aware of the problem, they had a tentative package put together with Hawaiian Homes Commission without DLNR's involvement.

Mr. Belles said that they approached the Land Board, although it was delayed a couple of months, not a year or so.

Mr. Ono asked Mr. Belles if the County of Kauai might be willing to pay lease rental.

Mr. Belles said, "if it's a reasonable lease rental and taking into consideration that the County would continue to use its resources to maintain the park for the benefit of its beneficiaries.

Mr. Ono said that if the County would take the position to at least explore that option and Hawaiian Homes would also explore the possibility of receiving lease land rental for that acreage and this board goes ahead and agree to the exchange on the Kekaha lands, wouldn't that at least lift the burden off your commission because they would be getting some consideration for that eight acres.

Mr. Yagodich said that the Commission has the option to tell the department to contact the fourteen families, talk them and ask them if they would be interested in other sites which they own in the Anahola area. If individually they all agree, fine. They can then go to a different site.

Mr. Ono said that the other possibility that he is talking about leasing is, we swap the Anahola land for Kekaha land, and we lease that same parcel back to the County for a reasonable land rental.

Mr. Yagodich said from their standpoint that should satisfy the agreement.

Mr. Ono asked Mr. Youn whether he or the Kauai Council members had any reaction to all this.

Ms. Jo Ann Yukimura said that the later option would be the most workable.

Mr. Avery Youn, for clarification, said that it may have seemed that they were dragging their feet but actually they were not. It is very difficult when you're working with the Land Board who meets only twice a month and the Hawaiian Homes Commission who meet only once a month, and the County Council who meets twice a month and with the Mayor. To try to coordinate with all four and try to come up with something in this short a period of time is very difficult to do. He said that he was at least glad to have gotten to this stage. They did ask Hawaiian Homes for a two month extension which they heard might not pass. That is why it is very important to get the Board's decision today with those conditions. They are not trying to get out of paying any kind of consideration. He said that in their earlier letter to DLNR they did offer some alternative sites and if these are not acceptable, they could go back to the drawing board and come up with more alternatives. He just wanted the board to know that they are not trying to get away without any consideration at all.

Mr. Bill Kaipo Asing said that he did speak before this board in Honolulu regarding this issue. The impression that they have been dragging their feet is not true.

Mr. Ono said that the agreement between the County and the Hawaiian Homes Commission centered around properties under the jurisdiction of the Land Board and we got into the picture late. That is the problem as we see it.

Mr. Detor said that the suggestion has been made that the State exchange Kekaha for Anahola. What happens if it turns out that we own Anahola, then we'll be exchanging with ourselves.

Mr. Ing said that this would be subject to clear title.

RECESS: The board recessed at 11:15 for ten minutes.

ACTION Mr. Ing moved to approve the conveyance of the board's lands at Kekaha as identified in Item F-18 subject to the following conditions:

1. That Hawaiian Homes transfer the Anahola Village Park to DLNR.
2. That Hawaiian Homes recognize the Kekaha lands as alternative sites as defined in their Memorandum of Understanding between Hawaiian Homes and the potential lessees dated February 22, 1986.
3. That Hawaiian Homes remove the Anahola Village Park lands from its inventory before June 30 1986.
4. That this exchange is subject to Hawaiian Homes having clear title to the Anahola Village Park lands.
5. That for purposes of this land exchange, the land be valued by independent appraisal and any differences be settled by further exchange of other lands.
6. That the County lease the Anahola Village Park from DLNR; and
7. That the County accept the responsibility of the maintenance of the Anahola Village Park.

Mr. Zalopany seconded.

Mr. Detor did not get all of the motion but he wanted to make sure that there is something in there that in case it turns out that Anahola Village Park is in fact State land that we are not relinquishing title by this action.

Mr. Yagodich said that as far as the removal of Anahola Village Park from their inventory, the agreement for the exchange in essence, is subject to the final approval of the Secretary of Interior. As far as clear title, they feel that there is clear title unless someone tells them otherwise. He did not feel that those two conditions were necessary.

Mr. Ing told Mr. Yagodich that he may feel that way but the State did not want to relinquish a potential challenge with Hawaiian Homes that that land may belong to DLNR as opposed to Hawaiian Homes, irrespective as to what Hawaiian Homes has assumed to date.

Members of the County group acknowledged that they were satisfied with the motion made by Mr. Ing.

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

HANAIEI, ANINI BOAT PERMIT APPLICATIONS, KAUAI.

Mr. Detor explained that this is more in the nature of a report to the board as to where we stand right now. When this came up at the Maui meeting there were three cases which staff was to look into further and then report back to the board. No action is necessary at this time.

A listing of all the permits which are in existence were handed to the board. Mr. Lee explained to the board what the various handouts were about.

Mr. Lee explained to Mr. Kealoha that if the rules are adopted by the Department of Transportation, any commercial vessels as is now a requirement operating in the Hanalei area will have to be registered as commercial vessels. However, you would not be able to get a commercial permit to operate out there if there were already 32 boats in effect. If you already had an operating number and the number was greater than 32 then you could probably still operate.

Mr. Ing said that by the time the rules are adopted you may have from 60 to 70 boats. He asked if any consideration was given in the rules for public auction, lottery, etc.

Mr. Lee said there was mention of that.

Mr. Ono asked whether the draft would allow transfer of licenses.

Mr. Lee said, yes. The draft explains what a transfer is.

Mr. Detor asked for clarification as to how they should handle this.

Mr. Ono said that these fall into two or three categories so maybe the board can act on the different categories as to what the factor should be so if a request comes in and falls into anyone of these categories administratively you will know how to handle it.

Mr. Ono asked if it would be possible for the next meeting to categorize into two or three at the most, of the fourteen requests we have on hand, which of the several categories these fourteen would fall under and the recommended course of action.

Mr. Detor said they will come back to the next meeting with categories.

Mr. Richard Texeira explained that as boat operators this is a very seasonal industry and a lot of them have invested a lot of money and time in getting their business established this summer. They are half way through the season and he has been working about 60% of his capacity, his wife also, but his father has not been able to operate at all because he has a boat which is 50 feet long. If he could use a 20 foot boat there would be much less impact on the environment and in line with the moratorium which has been set up and the memorandum that was distributed by Mr. Detor. What some of the operators have been trying to do is to come in line with some of the directions which they have been given by people who live in the community, the Ad Hoc Committee and by the DLNR and in doing such, they would like to eliminate some departure times so that there is less confusion and congestion. Even though they have a permit for a year many operators may not be around for financial reasons. He said that his father's problem is the inability to bring a large vessel into the Hanalei area and the impact that it would have on the community, the local fishermen and the local people who swim and use the park. He would like to use a smaller vessel and take people twice a day instead of one. Mr. Texeira said that the sooner this is acted on the sooner the system out there would be expeditious, safe and desirable for everyone.

Mr. John Texeira informed the board that he has a 50-foot boat which he paid \$200,000 for. He has a permit to use this boat but it is way to big for the area. He also purchased a small zodiac and at this time he asked that the permit for his 50-foot boat be transferred to the smaller zodiac.

Mr. Ing asked Mr. Texeira if he had submitted a letter to Mr. Lee's office.

Mr. Texeira said, yes.

Mr. Ono asked that the fourteen, plus whatever else comes in between now and the next meeting, be categorized with staff's recommendation for each category and this be placed on the Agenda of the Board's next meeting.

<u>ITEM D-1</u>	<u>REQUEST TO AUTHORIZE THE CHAIRPERSON TO SIGN THE CONSTRUCTION CONTRACT FOR THE KEKAHA DRAINAGE PROJECT PHASE II, AKIALOA ROAD DRAIN, KEKAHA, KAUAI.</u>
ACTION	Unanimously approved subject to the Governor's release of construction funds. (Zalopany/Higashi)
<u>ITEM D-2</u>	<u>SOIL AND WATER CONSERVATION DISTRICT DIRECTORS, MAUI, HAWAII AND MOLOKAI-LANAI.</u>
ACTION	Unanimously approved as submitted. (Higashi/Zalopany)
<u>ITEM D-3</u>	<u>APPROVAL FOR AWARD OF CONTRACT - JOB NO. 4-OW-L, PUMP AND CONTROLS FOR MANOA WELL (1948-01), HONOLULU, OAHU.</u>
ACTION	Unanimously approved as submitted. (Ing/Kealoha)
<u>ITEM D-4</u>	<u>APPROVAL FOR AWARD OF CONTRACT - JOB NO. OW-D, PUMP, CONTROLS AND APPURTENANCE FOR WAIANAE WELL (2810-02), WAIANAE, OAHU.</u>
ACTION	Unanimously approved as submitted. (Ing/Kealoha)
<u>ITEM D-5</u>	<u>APPROVAL FOR AWARD OF CONTRACT - JOB NO. 31-OA-I, KAHUKU AGRICULTURAL PARK, KAHUKU, KOOLAULO, OAHU.</u>
ACTION	Unanimously approved as submitted. (Ing/Higashi)
<u>ITEM D-6</u>	<u>APPROVAL FOR AWARD OF CONTRACT - JOB NO. 44-OA-6, WAIANAE AGRICULTURAL PARK, WAIANAE, OAHU.</u>
ACTION	Unanimously approved as submitted. (Ing/Kealoha)
<u>ITEM D-7</u>	<u>APPROVAL FOR AWARD OF CONTRACT - JOB NO. 31-OL-F, SITE GRADING IMPROVEMENTS, PEARL CITY ATHLETIC COMPLEX, MANANA AND WAIMANO, EWA, OAHU.</u>
ACTION	Unanimously approved as submitted. (Ing/Zalopany)
<u>ITEM D-8</u>	<u>APPROVAL FOR AWARD OF CONTRACT - JOB NO. 48-HW-A, DRILLING TEST HOLES, SOUTH KOHALA MOUNTAIN, HAWAII.</u>
ACTION	Unanimously approved as submitted. (Higashi/Zalopany)
<u>ITEM D-9</u>	<u>APPROVAL FOR AWARD OF CONTRACT - JOB NO. 48-HW-B, DRILLING SOUTH KOHALA EXPLORATORY WELL, PUUKAPU WELL NO. 6337-01, WAIMEA, SOUTH KOHALA, HAWAII.</u>
ACTION	Unanimously approved as submitted. (Higashi/Zalopany)
<u>ITEM D-10</u>	<u>APPROVAL FOR AWARD OF CONTRACT - JOB NO. 22-HW-E, DRILLING PIIHONUA EXPLORATORY WELL NO. 2 (4306-02), HILO, HAWAII.</u>
ACTION	Unanimously approved as submitted. (Higashi/Zalopany)

<u>ITEM D-11</u>	APPROVAL FOR AWARD OF CONTRACT - JOB NO. 42-HW-A, OLAA STATION WELL NO. 3 (3603-01) EXPLORATORY DRILLING, PUNA, HAWAII.
ACTION	Unanimously approved as submitted. (Higashi/Zalopany)
<u>ITEM D-12</u>	APPROVAL FOR AWARD OF CONTRACT - JOB NO. 33-HL-L, KONA MARSHALLING YARD, PHASE I, HONALO, NORTH KONA, HAWAII.
ACTION	Unanimously approved as submitted. (Zalopany/Arisumi)
<u>ITEM D-13</u>	APPROVAL FOR AWARD OF CONTRACT - JOB NO. 35-9W-C, DRILLING WAIKOLU VALLEY EXPLORATORY WELLS (0855-04, 05 AND 06), WAIKOLU, MOLOKAI.
ACTION	Unanimously approved as submitted. (Arisumi/Zalopany)
<u>ITEM D-14</u>	APPROVAL FOR AWARD OF CONTRACT - JOB NO. 61-OM-2, AQUATIC ANIMAL ISOLATION AREA, ANUENUE FISHERIES RESEARCH CENTER, KAPALAMA, OAHU.
ACTION	Withdrawn. Mr. Ching said that the bids for the above job came in above the estimate so they are asking that this item be withdrawn.
<u>ITEM E-1</u>	REQUEST PERMISSION TO USE PORTION OF THE AINA MOANA STATE RECREATION AREA FOR THE SIXTH ANNUAL BUD LIGHT TINMAN TRIATHLON.
ACTION	Unanimously approved subject to the conditions listed in the submittal. (Ing/Arisumi)
<u>ITEM E-2</u>	FILLING OF VACANT GROUNDSKEEPER I POSITION FOR THE OAHU PARK SECTION. (See Page 3 for Action.)
<u>ITEM E-3</u>	AWARD OF CONSTRUCTION CONTRACT, JOB NO. 87-OP-G, RECONSTRUCTION OF MAKIKI ENVIRONMENTAL EDUCATION CENTER BUILDING TANTALUS STATE RECREATION AREA, HONOLULU, OAHU.
ACTION	Unanimously approved as submitted. (Ing/Kealoha)
<u>ITEM E-4</u>	AWARD OF CONSTRUCTION CONTRACT, JOB NO. 84-OP-B, DRILLING OF MAKUA WELL, KAENA POINT STATE PARK, MAKUA, OAHU.
ACTION	Unanimously approved as submitted. (Ing/Kealoha)
<u>ITEM E-5</u>	AWARD OF CONSTRUCTION CONTRACT, JOB NO. 91-HP-D, RECONSTRUCTION OF PARK FACILITIES, KALOPA STATE RECREATION AREA, HAMAKUA, HAWAII.
ACTION	Unanimously approved as submitted. (Higashi/Zalopany)
<u>ITEM E-6</u>	AWARD OF CONSTRUCTION CONTRACT, JOB NO. 89-HP-J, ROADWAY AND PARKING AREA, LAPAKAHI STATE HISTORICAL PARK, NORTH KOHALA, HAWAII.
ACTION	Unanimously approved as submitted. (Higashi/Zalopany)
<u>ITEM E-7</u>	AWARD OF CONSTRUCTION CONTRACT, JOB NO. 91-HP-A, PARK IMPROVEMENTS, AKAKA FALLS STATE PARK, HONOLULU, HAWAII.
ACTION	Unanimously approved as submitted. (Higashi/Zalopany)
<u>ITEM E-8</u>	AWARD OF CONSTRUCTION CONTRACT, JOB NO. 89-HP-G, PARK IMPROVEMENTS, OLD KONA AIRPORT STATE PARK, KAILUA-KONA, HAWAII.
ACTION	Unanimously approved as submitted. (Higashi/Zalopany)

ITEM E-9	AWARD OF CONSTRUCTION CONTRACT, JOB NO. 95-KP-A, FURNISHING SANITARY FACILITY, HAENA STATE PARK, HAENA, KAUAI.
ACTION	Unanimously approved as submitted. (Zalopany/Arisumi)
ITEM E-10	AWARD OF CONSTRUCTION CONTRACT, JOB NO. 85-OP-E, COMFORT STATION, MALAEKAHANA STATE RECREATION AREA, PHASE II, LAIE-KAHUKU, OAHU.
ACTION	Unanimously approved as submitted. (Ing/Kealoha)
ITEM E-11	AWARD OF CONSTRUCTION CONTRACT, JOB NO. 87-OP-D, ELECTRICAL UTILITY IMPROVEMENTS, DIAMOND HEAD STATE MONUMENT, HONOLULU, OAHU.
ACTION	<p>Withdrawn.</p> <p>Mr. Nagata asked that this item be withdrawn inasmuch as they only received a single bid which was 3-1/2 times higher than the estimate.</p> <p>Because there was no Item E-11 submitted, Mr. Ono asked Messrs. Ching and Nagata that hereafter even though an item is to be withdrawn that the information should still be included inasmuch as the board members would like to take a look at it and decide whether to withdraw or not.</p>
ITEM E-12	AWARD OF CONSTRUCTION CONTRACT, JOB NO. 86-OP-F, COMFORT STATION, WAIMANALO BAY STATE RECREATION AREA, WAIMANALO, OAHU.
ACTION	Unanimously approved as submitted. (Ing/Kealoha)
ITEM E-13	AWARD OF CONSTRUCTION CONTRACT, JOB NO. 94-KP-A, PARK IMPROVEMENTS, WAILUA RIVER STATE PARK, FERN GROTTTO AREA, WAILUA, KAUAI.
ACTION	<p>Mr. Nagata said that the bids for this contract were high and what staff would like to do is try to negotiate the importance of the scope of work that has been anticipated. They also may be able to add some additional funds to supplement this. Mr. Nagata said that we have the money but its release would have to be approved by other agencies.</p> <p>Mr. Arisumi suggested that staff re-negotiate and come back to the board inasmuch as the price is 50% higher than the State's estimate.</p> <p>Mr. Nagata explained to Mr. Arisumi that they had a lapsing fund problem. Funds will lapse on Monday.</p> <p>Mr. Arisumi voiced concern that this is brought back to the board one week before expiration and the board has to make a decision. He feels that these thing should be brought to the board earlier so if any questions are raised this thing can go back.</p> <p>Mr. Ono said no matter how much you try at the end of the year there will always be these kinds of problems.</p> <p>Mr. Ing asked, "the commitment that we have to make now is what?" Can we authorize negotiation and then come back to the board with the final scope of work involved and prevent the funds from being lapsed?"</p> <p>Mr. Nagata said that the funds have to be allotted. He explained to the board that the reason there are so many last minute submittals is because this year there was a reading either from the Comptroller's or the Attorney General's office that certain funds that were anticipated to lapse in the future years would be lapsing this year so staff had to rush all the projects.</p>
ACTION	Unanimously approved as recommended. (Arisumi/Zalopany)

<u>ITEM E-14</u>	AWARD OF CONSTRUCTION CONTRACT, JOB NO. 93-KP-G, COMFORT STATION AND WATER SYSTEM IMPROVEMENT, WAIMEA STATE FISHING PIER, WAIMEA, KAUAI.
ACTION	Unanimously approved as submitted. (Zalopany/Arisumi)
<u>ITEM E-15</u>	FILLING OF CLERK TYPIST II, POSITION NO. 30957, HISTORIC SITES PROGRAM, OAHU.
ADDED <u>ITEM E-16</u>	FILLING OF ONE VACANT POSITION #15215, GROUNDSKEEPER I, FOR ROYAL MAUSOLEUM, OAHU PARK SECTION.
ADDED <u>ITEM E-17</u>	TO FILL ONE GROUNDSKEEPER I POSITION NO. 24579, FOR AINA MOANA (MAGIC ISLAND) STATE RECREATION AREA, OAHU PARK SECTION.
	(See Page 23 for Action on Items E-15, E-16 and E-17.)
<u>ITEM F-1</u>	DOCUMENTS FOR CONSIDERATION.
<u>Item F-1-a</u>	FRED REYNOLDS APPLICATION FOR REVOCABLE PERMIT COVERING PORTION OF THE NAWILIWILI HARBOR DISPOSAL AREA, NAWILIWILI, KAUAI FOR OPEN STORAGE PURPOSES COMMENCING AS SOON AS POSSIBLE. RENTAL: \$15.00 PER MO.
<u>Item F-1-b</u>	(See Page 3 for Action.)
<u>Items F-1-c, d & e</u>	(See page 3 for Action.)
<u>Item F-1-f</u>	NELH REQUEST FOR CONSENT TO SUBLEASE (TO STEVE KATASE) PORTION OF G. L. NO. S-4717, KEAHOLE AIRPORT, NO. KONA, HAWAII.
<u>Item F-1-g</u>	NELH REQUEST FOR CONSENT TO SUBLEASE (TO U. H.) PORTION OF G. L. NO. S-4717, KEAHOLE AIRPORT, NO. KONA, HAWAII.
ACTION	Mr. Higashi moved to approve Items F-1-a, f & g. Seconded by Mr. Kealoha, motion carried unanimously.
<u>ITEM F-2</u>	KAOHU MARK COOPER REQUEST FOR EXTENSION OF TIME WITHIN WHICH TO CURE BREACH, G. L. NO. S-4756, LOT 9, PANAWEA AG PARK, WAIAKEA, SO. HILO, HAWAII.
	Mr. Detor said that since the submittal was written he has been in touch with representatives of the lessee and what they want to do is pay the sum of \$200.00 a month, plus keep current on the current rent which will bring them up to date within a year and staff would like to recommend that this particular submittal be amended to accept that proposal. This also includes interest.
ACTION	Mr. Higashi moved to approve as amended. Seconded by Mr. Zalopany, motion carried unanimously.
<u>ITEM F-3</u>	STAFF RECOMMENDATION FOR GUIDELINES ON REQUEST FOR PERMISSION TO CONSTRUCT ADDITIONAL DWELLINGS ON THE LALAMILO FARM LOTS, LALAMILO, SO. KOHALA, HAWAII.
	(See Page 5 for Action.)
<u>ITEM F-4</u>	GEORGE NAKASHIMA REQUEST FOR PERMISSION TO CONSTRUCT DWELLING, LALAMILO FARM LOTS, LALAMILO, SO. KOHALA, HAWAII.
	(See Page 5 for Action.)
<u>ITEM F-5</u>	DENNIS GROSSMAN REQUEST FOR RIGHT OF ENTRY TO CONDUCT REGENERATION RESEARCH, PUNA, HAWAII.
	(See Page 6 for Action.)

<u>ITEM F-6</u>	<u>RESUBMITTAL - HHA REQUEST FOR CONVEYANCE OF LAND AT PIIHONUA, SO. HILO, HAWAII.</u>
	Mr. Detor said that HHA has asked that this submittal be amended to give them a right of entry. Staff is recommending that this right of entry be granted.
ACTION	Unanimously approved as amended. (Higashi/Zalopany)
<u>ITEM F-7</u>	<u>COUNTY OF MAUI APPLICATION FOR WATER PIPELINE EASEMENT, HOOLEHUA-APANA 2, MOLOKAI.</u>
ACTION	Unanimously approved as submitted. (Arisumi/Zalopany)
<u>ITEM F-8</u>	<u>DOWALD REQUEST FOR ACQUISITION OF WELL SITE AND ROADWAY EASEMENT, MILILANI, OAHU.</u>
ACTION	Unanimously approved as submitted. (Ing/Arisumi)
<u>ITEM F-9</u>	<u>CHAR HUNG SUT FISH FARMS, INC. REQUEST FOR EXTENSION OF LEASE TERM, G. L. S-4009, LOT 28,</u>
ACTION	Unanimously approved as submitted. (Ing/Arisumi)
<u>ITEM F-10</u>	<u>JOSEPH RYAN, JR. REQUEST FOR AMENDMENT OF PREVIOUS BOARD ACTION (6/14/85, AGENDA ITEM F-8) AUTHORIZING EXTENSION OF G. L. NO. S-4133 TERM, WAIMANALO, OAHU.</u>
	In answer to Mr. Kealoha's question, Mr. Detor said that the amendment would be that there is new financing so the way the loan is to be used is different than what was previously submitted so the amendment is to include the name of the new mortgagee.
ACTION	Mr. Kealoha moved to approve as submitted. Seconded by Mr. Zalopany, motion carried unanimously.
<u>ITEM F-11</u>	<u>HAWAII BAPTIST ACADEMY APPLICATION TO LEASE LAND IN NUUANU, HONOLULU, OAHU.</u>
	(See Page 3 for Action.)
<u>ITEM F-12</u>	<u>REQUEST FOR DUTY STATUS FOR JAMES J. DETOR WHILE ATTENDING WSLCA ANNUAL CONFERENCE.</u>
ACTION	Unanimously approved as submitted. (Arisumi/Zalopany)
<u>ITEM F-13</u>	<u>RESUBMITTAL - STAFF RECOMMENDATION FOR PUBLIC AUCTION SALE OF A LEASE COVERING LOT 21-A, HANAPEPE TOWN LOTS, 1ST SERIES, HANAPEPE, KAUAI.</u>
ACTION	Unanimously approved as submitted. (Zalopany/Higashi)
<u>ITEM F-14</u>	<u>DSS&H REQUEST FOR APPROVAL OF MODIFICATION OF LEASE COVERING OFFICE SPACE AT 770 KAPIOLANI BLVD., HONOLULU, OAHU.</u>
ACTION	Unanimously approved as submitted. (Kealoha/Higashi)
<u>ITEM F-15</u>	<u>DOCCA REQUEST FOR ACQUISITION OF LEASE COVERING OFFICE SPACE IN THE WAIAKEA OFFICE PLAZA, HILO, HAWAII.</u>
<u>ITEM F-16</u>	<u>DSS&H REQUEST FOR ACQUISITION OF LEASE COVERING SUITE 702 OF THE ROYAL QUEEN EMMA BUILDING, HONOLULU, OAHU.</u>

ITEM F-17	B&F REQUEST FOR ACQUISITION OF SUBLEASE COVERING SUITE 400 OF THE KAWAIAHAO PLAZA, HONOLULU, OAHU.
ACTION	Mr. Kealoha moved to approve Items F-15, F-16 and F-17 as submitted. Seconded by Mr. Arisumi, motion carried unanimously.
ITEM F-18	<u>COUNTY OF KAUAI REQUEST FOR EXCHANGE OF LANDS.</u>
	(See Pages 13 and 14 for Action.)
ITEM F-19	<u>HANALEI, ANINI BOAT PERMIT APPLICATIONS, KAUAI.</u>
	See Pages 14 & 15 for discussion. No action was necessary.
ITEM G-1	<u>FILLING OF CLERK TYPIST I, POSITION NO. 156, OAHU.</u>
ACTION	Withdrawn.
ITEM G-2	<u>FILLING OF SECRETARY III, POSITION O. 14953, OAHU.</u>
	Deferred to Executive Session. See Page 23 for Action.
ADDED ITEM G-3	<u>FILLING OF CLERK TYPIST I, POSITION NO. 156, OAHU.</u>
	Deferred to Executive Session. See Page for Action.
ITEM H-1	<u>PERMISSION TO ATTEND THE FINAL MEETING OF THE ADVISORY PANEL FOR THE CONGRESSIONAL STUDY OF INTEGRATED RENEWABLE RESOURCE MANAGEMENT IN THE UNITED STATES' AFFILIATED ISLANDS IN THE PACIFIC AND CARIBBEAN.</u>
	Mr. Ono said that Mr. Corbin is scheduled to meet with some of our Congressional members, or at least their staff, so it may be that he may need to talk to the sub-committee staff as well. Accordingly, Mr. Ono recommended that, instead of two days, three additional days if needed be allowed in Washington.
ACTION	Mr. Kealoha moved to approve with the amendment that this be extended through July 18, 1986. Seconded by Mr. Higashi, motion carried unanimously.
ITEM H-2	<u>AMENDMENT TO Cдуа FOR MAINTENANCE/EXPANSION OF ARTIFICIAL REEFS TO IMPROVE FISHING IN THE OFFSHORE WATERS OF MAUI AND OAHU.</u>
	Mr. Evans asked that Condition No. 3 be amended as follows:
	3. That the applicant include in news releases and other informational write-ups concerning the deep-water artificial reef project, precautionary wordings to remind the public of the established restricted area offshore of the United States Marine Corps' Puuloa Rifle Range.
ACTION	Unanimously approved as amended. (Higashi/Zalopany)
ITEM H-3	<u>REQUEST FOR TIME EXTENSION FOR A TEMPORARY VARIANCE FOR EXPLORATORY DRILLING USE AT WAIMEA, HAWAII.</u>
	Mr. Evans asked that this item be withdrawn inasmuch as they did not discuss this with the Attorney General's Office. There were two concerns: 1) treated Honolulu City & County on their request for exploratory drilling via the Cдуа process rather than temporary variance; 2) staff has gone into the background of this particular item and although the wording reads "temporary variance" when you go into the history of this particular item this temporary variance was processed almost in the same form in substance and review as a regular Cдуа so what staff feels they can do is ask the Division to come up with a Cдуа basically the process he has done.

Mr. Kealoha did not feel that DOWALD needed a new CDUA. He felt that the question is whether you extend or not.

Mr. Ono asked if there was anything in the file that showed why the variance route was taken vs. the CDUA route.

Mr. Evans said, no.

Mr. Ono told Mr. Evans that he could not understand why he was interpreting this to mean no new variance or no new extension.

Mr. Evans said that in their basic rule there are two areas where there is an extension -- one is when an EIS is required and the other is when there is a contested case required. In both instances the law specifically allows for an extension following the 180-day period. Here, the rule states that it shall not exceed one year. But because this is an internal problem if our A.G. can suggest that we can issue another variance as a separate and distinct matter, then from staff's level that could be interpreted as a new and separate item.

ACTION

Mr. Kealoha said that based on what was said by Mr. Evans 1) that due to unforeseen circumstances the variance may be extended; and, 2) the rule does not say that it may not be corrected, he moved to approve as recommended by staff that this extension shall be effective for a period of one year effective June 14, 1986. Seconded by Mr. Higashi, motion carried unanimously.

ITEM H-4

CDUA FOR AFTER-THE-FACT INSTALLATION OF POWER LINE AT POHAKULOA, HAWAII, TMK: 4-4-16:PORTION 3.

ACTION

Unanimously approved as submitted. (Higashi/Zalopany)

ITEM H-5

CDUA FOR AFTER-THE-FACT AND PROPOSED SUBDIVISIONS AT KALUA KOI, MOLOKAI, HAWAII, TMK: 5-1-02:1, 35, 30 & 4.

Mr. Evans said that he received a letter dated June 26, 1986 relating to this application from the President of Molokai Ranch and a new request that decision-making be deferred until our next meeting. They also agree to a thirty-day extension on the 180-day July 9th deadline.

Mr. Arisumi asked if this was legal.

Mr. Evans said that at one time staff was accommodating people who wanted extensions. However, there is a written opinion saying that staff was in error by allowing this and that the board must make a decision by the 180-date and failure to do so would result in automatic approval.

ACTION

Mr. Ing moved to approve staff's recommendation to deny. Seconded by Mr. Kealoha, motion carried unanimously.

ITEM H-6

REQUEST TO MODIFICATION TO A CONDITION APPROVED ON CDUA FOR GRADING AND EXCAVATION USE AT PALOLO VALLEY, OAHU.

Mr. Ing said that he talked to Mr. Tangen about this and their concern is confusion as to whether or not this would give the County or the DLU jurisdiction of grading in the conservation area and, after reading the submittal a couple of times he could see where that confusion can exist. In other words, the board, in effect, is transferring its jurisdiction with regard to grading where the slope exceeds 40% to the County. He did not think that this was the intent of the original condition. The County's intent was that if the County imposed limitations on lots where the slope exceeded 40% then they would not be allowed to create lots in that area by the use of grading. At the time the hearing was held they were considering some kind of a cluster development to address that problem.

Mr. Ono said that if the board did not have any objection to the recommendation then the latest word that was received is that the applicant has no object to staff's recommendation.

ACTION	Unanimously approved as submitted. (Ing/Higashi)
<u>ITEM J-1</u>	<u>AMENDMENT TO RENT-A-CAR CONCESSION LEASES, MOLOKAI AIRPORT, MOLOKAI (AVIS RENT A CAR SYSTEM, INC.; TROPICAL RENT A CARE SYSTEMS, INC.; MOLOKAI TRANSPORTON ASSOCIATES, INC.).</u>
ACTION	Unanimously approved as submitted. (Arisumi/Zalopany)
<u>ITEM J-2</u>	<u>AMENDMENT NO. 2 TO LEASE NO. DOT-A-77-29, HONOLULU INTERNATIONAL AIRPORT LAGOON DRIVE SUBDIVISION, OAHU (BUDGET RENT-A-CAR SYSTEMS, INC.).</u>
ACTION	Unanimously approved as submitted. (Ing/Kealoha)
<u>ITEM J-3</u>	<u>AMENDMENT NO. 5 TO LEASE NO. A-65-2, KAHULUI AIRPORT, MAUI (FEDERAL AVIATION ADMINISTRATION).</u>
ACTION	Unanimously approved as submitted. (Arisumi/Zalopany)
<u>ITEM J-4</u>	<u>APPLICATION FOR ISSUANCE OF REVOCABLE PERMIT NO. 4201, KEAHOLE AIRPORT, HAWAII (TRADEWINDS AIR SERVICE, INC.).</u>
ACTION	Unanimously approved as submitted. (Higashi/Kealoha)
<u>ITEM J-5</u>	<u>APPLICATION FOR ISSUANCE OF REVOCABLE PERMITS 4198, ETC., AIRPORTS DIVISION.</u>
ACTION	Unanimously approved as submitted. (Zalopany/Arisumi)
<u>ITEM J-6</u>	<u>RENEWAL OF REVOCABLE PERMITS 2367, ETC., CONFORMING USE, AIRPORTS DIVISION.</u>
ACTION	Mr. Higashi moved to approve as submitted. Motion carried with a second by Mr. Zalopany. Mr. Ing asked to be excused from voting on this item.
<u>ITEM J-7</u>	<u>APPROVAL OF CONSENT TO SUBLEASE, HARBORS DIVISION, HONOKOHAU BOAT HARBOR, HAWAII (KONA MARINE & FUEL, INC.).</u>
ACTION	Unanimously approved as submitted. (Higashi/Zalopany)
<u>ITEM J-8</u>	<u>APPROVAL OF CONSENTS TO SUBLEASE PORTIONS OF THE PREMISES OF LEASE NO. 42, PIER 35, HONOLULU HARBOR, OAHU (NATIONAL COMPANY, INC.).</u>
ACTION	Unanimously approved as submitted. (Ing/Zalopany)
<u>ITEM J-9</u>	<u>APPROVAL OF CONSENT TO MORTGAGE (HARBOR LEASE NO. H-83-3), HARBORS DIVISION, VICINITY OF PIER 42, HONOLULU HARBOR, OAHU (ISLAND MOVERS, INC.).</u>
ACTION	Unanimously approved as submitted. (Ing/Zalopany)
<u>ITEM J-10</u>	<u>ISSUANCE OF REVOCABLE PERMIT, HARBORS DIVISION (RICHARD K. MASUDA MASONRY).</u>
ACTION	Unanimously approved as submitted. (Ing/Zalopany)
<u>EXECUTIVE SESSION</u>	Mr. Zalopany moved that the board go into executive session to discuss the personnel matters on today's Agenda. Seconded by Mr. Higashi, motion carried unanimously.

RECONVENE The meeting reconvened at 1:10 p.m.

ITEM E-2 FILLING OF VACANT GROUNDSKEEPER I POSITION FOR THE OAHU PARK SECTION.

ITEM E-15 FILLING OF CLERK TYPIST II, POSITION NO. 30957, HISTORIC SITES PROGRAM, OAHU.

ADDED ITEM E-16 FILLING OF ONE VACANT POSITION NO. 15215, GROUNDSKEEPER I, FOR ROYAL MAUSOLEUM, OAHU PARK SECTION.

ADDED ITEM E-17 TO FILL ONE GROUNDSKEEPER I POSITION NO. 24579, FOR AINA MOANA (MAGIC ISLAND) STATE RECREATION AREA, OAHU PARK SECTION.

ACTION Mr. Kealoha moved to approve Items E-2, E-15, E-16 and E-17 as submitted. Motion carried unanimously with a second by Mr. Higashi.

ITEM G-2 FILLING OF SECRETARY III, POSITION NO. 14953, OAHU.

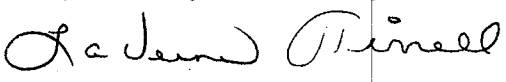
ACTION Mr. Kealoha moved to approve Item G-2 as submitted. Motion carried with a second by Mr. Higashi.
Mr. Arisumi voted no.


ADDED ITEM G-3 FILLING OF CLERK TYPIST I, POSITION NO. 156, OAHU.

ACTION Mr. Kealoha moved to approve Item G-3 as submitted. Seconded by Mr. Ing, motion carried unanimously.

RESOLUTION: A Resolution was adopted by the Board expressing their appreciation to Mr. Herbert Morimatsu for his more than thirty years of service to the State of Hawaii. Mr. Morimatsu will be retiring from his position as Engineering Program Manager in the Division of Water and Land Development on June 13, 1986.
Being that this was Mr. Roland Higashi's last meeting, Mr. Ono, on behalf of the Board, publicly thanked him for all his efforts and wished him well.

ADJOURNMENT: There being no further business, the meeting was adjourned at 1:20 p.m.

Respectfully submitted,

 Mrs. LaVerne Tirrell
 Secretary

APPROVED:

 SUSUMU ONO
 Chairperson

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