

Minutes of the Meeting
of the
Board of Land and Natural Resources

Thursday, January 23, 1997

Time: 9:00 AM
Place: Kalanimoku Building
DAGS Conference Room 322C
1151 Punchbowl Street
Honolulu, Hawaii

All tapes of the meeting are filed in the Chairperson's Office and are available to review. Certain items are on the Agenda were taken out of sequence to accommodate applicants or interested parties present.

Chairman Michael Wilson called the meeting to order the Board of Land and Natural Resources at 9:12 a.m. The following were in attendance:

Members:

Mr. William Kennison	Mr. Michael Wilson
Mr. Michael Nekoba	Mr. Christopher Yuen
Ms. Lynn McCrory	

Staff:

Dean Uchida, Land Division
Ralston Nagata, State Parks
Al Rogers, HFDC
Michelle Bradley, Chairman's Office
Kim Lowe, Aquatics Division
Eric Onizuka, Aquatics Division
Randy Young, Deputy Attorney General
Peter Garcia, Department of Transportation

Guests:

Ululani Bierne E-1,E-2
Pua Dela Cerna E-1
Keith Kurahashi D-20
Mark Willy D-16

Approval of the minutes of November 8, 1996.

- 1) Page 5, third paragraph. Correct "...dies include..." to, "...does include...".

It was unanimously approved that the minutes of November 8, 1996 be accepted as corrected. (Kennison/Nekoba).

ITEM B-1 REQUEST FOR APPROVAL TO AMEND AN AGREEMENT BETWEEN THE BOARD OF LAND AND NATURAL RESOURCES (BLNR) AND THE RESEARCH CORPORATION OF THE UNIVERSITY OF HAWAII (RCUH)

The Agreement is for fiscal year 1996-97 between the BLNR and RCUH for a study entitled; "Stock Enhancement of Marine Fish in the State of Hawaii (DAR-Semfish):Phase VI". This project is designed to increase the population of stripped mullet, the 'ama'ama on the Big Island through artificial spawning, to be raised in the hatchery and the eventual release into Hilo Bay. It is the first year that the Department of Aquatic Resource's (DAR) staff, hired through RCUH, will be solely responsible for the project's outcome. Funding is through the operating budget of the DAR Program and through a federal aid grant.

There was no public testimony.

By a unanimous vote of the five members present the item was approved as submitted (Yuen/Nekoba).

ITEM B-2 REQUEST FOR APPROVAL TO ENTER INTO AN AGREEMENT WITH THE WESTERN PACIFIC REGIONAL FISHERY MANAGEMENT COUNCIL TO SUPPORT FEDERAL FISHERIES MANAGEMENT RELATED ACTIVITIES

Aquatic staff presented a request for approval of an agreement between WESTPAC and the BLNR and to authorize the Chairperson to negotiate and execute the agreement. These funds are to be allocated to support staff for the annual budget to assist in WESTPAC activities through its membership on Fishery Management Plan Teams by providing fish catch statistics and commercial marine licensing data, as well as providing any other information for WESTPAC's management functions.

Chairman Wilson commented that the relationship between the State and WESTPAC is very important since fishermen are concerned about regulations to limit the amount of "catch". WESTPAC has relayed their concern with the depletion of bottom fish, and the possibility of increasing regulations.

There was no public testimony.

By a unanimous vote of the five members present, the item was approved. (Yuen/Nekoba).

ITEM E-1 POLICY TO EXTEND THE FEBRUARY 15, 1997 BUILDING
REQUIREMENT DEADLINE FOR APPLICABLE KAHANA VALLEY
RESIDENT LESSEES

Ralston Nagata requested an extension of the building requirement deadline for the Kahana Valley residents who were behind in their construction of homes. He said he expected to have some problems with nine tenants in complying with the three conditions, that they will need more time. Nagata said they have a problem with obtaining construction insurance.

Discussion ensued regarding the higher construction costs anticipated by HFDC for residences that HFDC felt could not be built for \$50,000. The homes had to be scaled down which added to the delay. Nagata said HFDC has been caught in a catch-22 by knowing if the applicant will have sufficient funds for completion, so are not distributing the funds until certain construction designs have been modified.

Pua Dela Cerna stated the insurance issue has been a problem and said she supported the extension. She explained that Ms. Martinez needs a larger house because she "helps the youth and the community".

Ululani Bierne spoke on behalf of the Kahana community and said the request for another extension is in order. She explained the problems she encountered in the pursuit of releasing funds from HFDC for the construction of her home and said that she has been paying the mortgage without the funds to commence construction. Bierne said the funds are needed to purchase the materials and that she has, "sweat equity".

Bierne said after the Veteran's Administration looked at her lease, they said they couldn't touch it because she was under a subservient system, and that the lease document contained many flaws. The Administration also said they could not help because they would not be able to foreclose and put it on the market, that the property could only be transferred to another resident on the list.

Member Yuen asked if it was true that HFDC will not take into account an individual's own resources to reduce labor costs and bring down the cost of total construction. Dela Cerna said that is not a consideration. There was a discussion about the \$50,000 and the idea to "do it yourself". Bierne said the amount was set by the legislature 10 years ago.

Member Michael Nekoba agreed that this is a catch-22 situation, HFDC estimates labor costs into their perceived total costs for a structure and then does not release funds until they see a budget that shows paid labor. He said this action appears to kill ingenuity even as it requires it with the total at \$50,000 for

construction costs. Member Nekoba stated that HFDC should clarify what it takes for the \$50,000 to be released and a clarification of "free labor".

Ms. Martinez explained that she has cut construction costs by saving materials but is \$3200 out for her County building permit and would like the HFDC to release funds from her loan.

The action was deferred by a unanimous vote of the five Boardmembers. (Nekoba/Kennison).

Chairman Wilson excused himself at 10:50 A.M. and Member Yuen presided as acting Chairman.

ITEM E-2 AUTHORIZATION TO AMEND THE THIRTY-ONE GENERAL RESIDENTIAL LEASES FOR KAHANA VALLEY STATE PARK IN ORDER TO ESTABLISH TERMS OF OFFICE FOR THE KOKUA COMMITTEE

Ralston Nagata requested that the Board amend the leases to incorporate term limits for the Kokua Committee members. The Kokua Committee is set up for the arbitration of disputes within the Community of Kahana and if a resolution cannot be reached, it will come before the land board. Member McCrory suggested staggering the terms of the committee members.

Ululani Bierne suggested that the issue should return to the Kahana Community for discussion, and that 4 years was too long as stated in the proposal.

By a unanimous vote of the four board members present, the item was approved. (McCrory/Kennison)

ITEM D-13 GTE HAWAIIAN TELEPHONE COMPANY INCORPORATED REQUESTED FOR PERPETUAL, NON-EXCLUSIVE EASEMENT FOR PAIR GAIN AND CROSS CONNECT CABINET PURPOSES, LAIOPUA, KEALAKEHE, NORTH KONA, TMK: 7-4-21:4

By a unanimous vote, the item was approved. (Yuen/Kennison).

ITEM D-18 ANNUAL REVIEW OF REVOCABLE PERMITS ON THE ISLANDS OF HAWAII AND KAUAI

Dean Uchida presented to the Board a report of the statewide revocable permits on the islands of Hawaii and Kauai. The staff appraiser recommended that the rental rates not increase on the islands of Kauai and Hawaii due to economic conditions. Uchida stated that there were three permittees who have failed to secure liability coverage. These permittees were not eligible for renewal of their revocable permit.

- 1) RP No. S-6146 issued to Kunio Yokoyama
- 2) RP No. S-6997 issued to Ski Shop Hawaii Inc.

3) RP No. S-6998 issued to Mauna Kea Ski Corp.

The action item was amended to remove these permittees from the submittal.

By a unanimous vote of the four boardmembers the item was approved. (Nekoba/Kennison)

Boardmember Yuen stated that the meeting would have to end by 12:45 pm. He stated that the meeting would have to recess for the next day. Therefore items covered from this point onward were to be those items that could not be handled the following day.

ITEM D-20 CONSERVATION DISTRICT USE APPLICATION FOR A 1 MG RESERVOIR ADDITION AT HAWAII KAI, OAHU

Dean Uchida presented to the Board the request for a 1 Mg reservoir in Hawaii Kai. Staff recommended approval subject to the standard conditions. He stated that applicant, Maunalua Associates's agent Keith Kurahashi, requested that Condition 5 be amended to read; "Any work or construction on the land shall be initiated within five (5) years (originally was 1 year) of the approval of such use, and all the work and construction must be completed within seven (7) years (originally was 3 years) of the approval of such use. Failure to comply with this condition shall render this application null and void".

Uchida said currently, there is a distinct capacity and reservoir and there is no need to construct this additional reservoir. As the conditions change, they want to bring up the new reservoir. The County is issuing their SMA approval with 5 years, a stretch from what is normal, but the rationale given is legitimate. Uchida said the Division does not have any objections to their request to amend Condition 5.

By the unanimous vote of the four members of the board the item was approved. (Nekoba/McCrory)

ITEM D-16 REQUEST TO EXTEND THE PROCESSING PERIOD FOR AN ADDITIONAL 180 DAYS FOR CONSERVATION DISTRICT USE APPLICATION OA-2801 FOR A 138KV TRANSMISSION LINE AT WAAHILA RIDGE, HONOLULU, HAWAII

Uchida explained that the applicant needed this extension in order to address Land Management's queries and that Mark Willy, the applicant's project manager is here to answer any questions the Board may have.

There was no public testimony.

By the unanimous vote of the four members of the board the item was approved. (Nekoba/McCrory)

ITEM K-1 ISSUANCE OF REVOCABLE PERMIT, KAWAIHAE HARBOR, ISLAND OF HAWAII (HT&T COMPANY, INC.) (RESUBMITTAL)

This was originally approved September 27, 1996 and today's request is to expand the area of the original approval. The increased area is to accommodate the telescope materials needed to construct a large telescope on the slopes of Mauna Kea Summit.

No public testimony.

By the unanimous vote of the four members of the board the item was approved. (Kennison/Nekoba)

ITEM K-2 LEASE, WAIMEA-KOHALA AIRPORT, ISLAND OF HAWAII (FAA) (RESUBMITTAL)

FAA requests a renewal of their lease at Waimea-Kohala Airport.

No public testimony.

By the unanimous vote of the four members of the board the item is approved. (Nekoba/Kennison)

ITEM K-3 ISSUANCE OF REVOCABLE PERMIT, LIHUE AIRPORT, KAUAI (MITSUNAGA AND ASSOCIATES) (RESUBMITTAL)

The RP is for an office trailer to be brought onto the property for the Department of Transportation's consultant, Mitsunaga & Associates, at no charge.

No public testimony.

By the unanimous vote of the four members of the board the item was approved. (McCrorry/Nekoba)

ITEM K-4 ISSUANCE OF REVOCABLE PERMIT, HONOLULU, OAHU, AIRPORTS DIVISION (BLUELINE, INC.) (RESUBMITTAL)

Member Nekoba asked whether this is the same area that was purchased for airport expansion but since the airport isn't being expanded, were Revocable Permits being issued. Peter Garcia said yes.

No public testimony.

By a unanimous vote of the four members of the board the item was approved. (Nekoba/McCrory)

ITEM K-5 SALE OF LEASE BY DIRECT NEGOTIATION, PIER 38, HONOLULU HARBOR (GASCO, INC.) (RESUBMITTAL)

No public testimony.

By a unanimous vote of the four members of the board the item was approved. (Nekoba/Kennison)

ITEM K-6 SALE OF LEASE BY PUBLIC AUCTION, NAWILIWILI HARBOR, KAUAI (RESUBMITTAL)

No public testimony.

By the unanimous vote of the four members of the board the item was approved. (McCrorry/Nekoba)

ITEM D-1 REQUEST TO AMEND BOARD'S ACTION ON SEPTEMBER 27, 1996, AGENDA ITEM (D-8), REGARDING THE APPROVAL FOR THE RIGHT-OF-ENTRY TO CONDUCT ENGINEERING STUDIES ON STATE LANDS IDENTIFIED BY TMK: 3-8-08: POR. 01, SITUATE AT PORTION OF PULEHUNUI AND WAIKAPU, MAUI

No public testimony.

By the unanimous vote of the four members of the board the item was approved. (Kennison/Nekoba)

ITEM D-2 CERTIFICATION OF ELECTION AND APPOINTMENT OF SOIL AND WATER CONSERVATION DISTRICT DIRECTORS

No public testimony.

By unanimous vote of the four members of the board the item was approved. (Kennison/McCrorry)

ITEM D-3 ISSUANCE OF A REVOCABLE PERMIT TO JACK HUIZINGH AND LINDA ROSEHILL FOR THE BOAT PIER FOR RECREATIONAL AND BOATING PURPOSES AT KANEOHE, KOOLAUPOKO, OAHU, TMK: 1ST/4-5-47: SEAWARD OF 44

Member Nekoba asked how the value of a property is affected with the boat ramp and its occupation of submerged lands and what is the enhanced value? Dean Uchida was instructed to examine this area. Member Nekoba suggested that property owners along the shoreline with boat piers may be benefitting tremendously at the time of resale. The item was amended to see how the state could be better compensated for this property. The rate was to be determined.

No public testimony.

By the unanimous vote of the four members of the Board the item was approved with amendment for the Division to look into how the State could be better compensated for this property, the rate to be determined. (Nekoba/Kennison)

ITEM D-4 AMEND DIRECT SALE OF NON-EXCLUSIVE TERM EASEMENT FOR ACCESS AND UTILITY PURPOSES, AT KEHENA, PUNA, HAWAII, TMK: (3) 1-2-9-21

No public testimony.

By the unanimous vote of the four members of the Board the item was approved. (Kennison/Nekoba)

ITEM D-5 CONSENT TO THE ASSIGNMENT OF GENERAL LEASE S-4448, OLAA, PUNA, HAWAII, TMK: (3) 1-9-1-18

No public testimony.

By the unanimous vote of the four members of the Board the item was approved. (Kennison/Nekoba)

By the unanimous vote of the four members of the Board, the meeting would be continued the following day. (Nekoba/Kennison).

Recessed at 12 noon.

The meeting was reconvened by Chris Yuen at 9:10 a.m., January 24, 1997, at the Land Board Conference Room 132. The Board continued with those items that had not been completed from January 23rd agenda. Yuen continued to Chair the meeting and the Board was present except for Michael Wilson and Colbert Matsumoto (who arrived at 9:35 a.m.)

Staff:

John Bedish - Forestry
Paul Conry - Forestry
Cliff Inn - Public Information
Kim Lowe - Chairman's Office
Ralston Nagata - Parks
Carol Ogata - Historic Preservation
Eric Onizuka - Aquatics
David Parsons - Boating
William Tam - Deputy AG
Dean Uchida - Land Management
Charlene Unoki - Forestry

Guests:

Amy Esaki - Corporation Council, County of Kauai
Peter Garcia - Dept. of Transportation
Mary Thronas - Chair of the Kauai County Council
Ken Kitabayashi - Engineer, County of Kauai

ITEM D-6 GRANT OF PERPETUAL NON-EXCLUSIVE AGREEMENT, AND
ISSUANCE OF IMMEDIATE CONSTRUCTION RIGHT-OF-WAY
AFFECTING A PORTION OF STATE OWNED LAND, LOT 21-B,
WAIMEA TOWN LOTS, WAIMEA, KAUAI, TMK: 1-6-4: 12

Dean Uchida stated that the parcel is under Executive Order under the management of the County of Kauai for public park purposes. The County is proposing to rebuild an existing clubhouse that was destroyed by Hurricane Iniki.

There was no public testimony.

By the unanimous vote of the four members present the item was approved. (McCrory/Nekoba)

ITEM D-7 REQUEST FOR AUTHORIZATION TO CANCEL REVOCABLE
PERMIT NO. S-6637 AND THE REISSUANCE OF A NEW
REVOCABLE PERMIT TO THE HARRY AND JEANETTE
WEINBERG FOUNDATION FOR COMMERCIAL PURPOSES ON
STATE LANDS IDENTIFIED AS TMK: 4-5-01: PORTION 09,
SITUATED IN LAHAINA, MAUI

The Lahaina Broiler/Nittaku Corporation intends to cancel their lease with the Weinberg Foundation in the near future and in order to have continued use of State lands, the Foundation requests that a new permit be issued to them.

There was no public testimony.

By a unanimous vote of the Board, the item was approved.
(Kennison/Nekoba)

ITEM D-8 COUNTY OF MAUI REQUEST TO ENTER INTO LICENSE
AGREEMENT ON LANDS UNDER EXECUTIVE ORDER NO. 854,
TMK: 3-9-05: 52, KAMAOLE BEACH LOTS, KIHEI, MAUI

Uchida stated that this is a request to approve Kalama Park for in-line skating use by the Hawaii non-profit "Maui Inline Hockey Association".

There was no public testimony.

By a unanimous vote of the Board, the item was approved.
(Kennison/Nekoba)

ITEM D-9

REQUEST FOR SUBLEASE AND CHANGE OF CHARACTER OF
USE APPROVAL BY AUTOMOTIVE SUPPLY CENTER, LTD. ON
GENERAL LEASE NO. S-3593, TMK: 2-2-49: 12,
SITUATED AT LOT 38, KANOELEHUA INDUSTRIAL LOTS,
WAIAKEA, SOUTH HILO, HAWAII

Uchida stated that the character of the lease agreement would mean changing from automotive supplies to a plant and home garden center. The lease will expire in 2016.

There was no public testimony.

By a unanimous vote of the Board, the item was approved.
(Kennison/Nekoba)

ITEM D-10

AMENDMENT TO REVOCABLE PERMIT NO. 2-7045 TO SOICHI
NAGAMINE, LOTS 12-A-1, 12-B, AND 13-B, HANAPEPE
RICE AND KULA LOTS, HANAPEPE, KAUAI, TMK: 1-9-3: 6

Amendment will allow Mr. Nagamine to harvest his Chinese taro crop before a new tenant took occupancy.

There was no public testimony.

By a unanimous vote of the Board, the amendment was approved.
(McCrorry/Nekoba)

ITEM D-11

TIME EXTENSION REQUEST FOR CONSERVATION DISTRICT
USE PERMIT (CDUP #OA-2637) FOR A SINGLE FAMILY
RESIDENCE AND ACCESSORY USES AT KANEOHE,
KOOLAUPOKO, OAHU, TMK: 4-4-13: 59

The request was for one year extension to August 1997.

There was no public testimony.

By a unanimous vote of the Board, the extension was approved.
(Nekoba/McCrory)

ITEM D-12

REQUEST BOARD APPROVAL, ISSUANCE REVOCABLE PERMIT,
RECREATIONAL BOAT PIER, KANEOHE, OAHU, TMK: 4-6-
22: 131

Uchida amended the submittal to state that the rental amount to be determined by staff appraisal, since a recreational boat pier may be an enhancement to the value of the private residence. He stated Mr. Porter died recently and that the RP is to be transferred to his wife.

There was a discussion about the clause in Item D-3 regarding swimming and sunbathing and why it was not included in Item D-12. Uchida said it is a statutory requirement and that it will be added.

There was no public testimony.

The item was unanimously approved with amendment to include the statutory requirement of swimming and sunbathing.
(Nekoba/McCrory)

ITEM D-14 REQUEST BOARD AUTHORIZATION TO CANCEL GENERAL
LEASE NO. S-5395, JOHN ESTORES, LOT 22 WAIMANALO,
OAHU, TMK: 4-1-27: 20

There was no public testimony.

By a unanimous vote of the Board the General Lease was cancelled.
(Nekoba/McCrory)

ITEM D-15 ASSIGNMENT OF GENERAL LEASE NO. S-5100, LOT 89,
PUU KA PELE PARK LOTS, WAIMEA, KAUAI, TMK: 1-4-02:
85

The tenant requested assignment of the lease due to hardship.

There was no public testimony.

By a unanimous vote of the Board, the item was approved.
(McCrory/Nekoba)

ITEM D-17 STAFF REQUEST TO AMEND PRIOR BOARD ACTION OF MAY
10, 1996, AGENDA ITEM D-10, REGARDING THE MOLOKAI
AGRICULTURAL PARK, TMK: 5-2-01: 10-28, HOOLEHUA,
MOLOKAI

Uchida stated that the tenants have some distrust with paying the County of Maui rent. The rent payments were to be a "pass through" to the State.

There was no public testimony.

By a unanimous vote of the Board, the item was approved.
(Kennison/Nekoba)

ITEM D-19 MASTER PLAN AMENDMENT REQUEST FOR HAWAII PACIFIC
UNIVERSITY WINDWARD CAMPUS AT HAWAII LOA SPECIAL
SUBZONE, KANEOHE, OAHU

The Master Plan amendment called for the parking stalls to be increased from 43 to 107 stalls. Uchida stated that the

Department believes that this is consistent with the rules of the subzone.

There was no public testimony.

By a unanimous vote of the Board, the item was approved.
(Nekoba/Kennison)

ITEM D-21 REQUEST FOR AUTHORIZATION TO ACCEPT THE DONATION OF 15.403 ACRES, MORE OF LESS, OF LAND SITUATE AT KEAAU, PUNA, HAWAII, TMK: 3RD/1-6-03: PORTIONS OF 8, 11 AND 14, FROM W.H. SHIPMAN, LTD. AND SUBSEQUENT SET ASIDE TO DEPARTMENT OF EDUCATION

Uchida stated that this request is for the State to authorize transfer of real estate and begin the process of setting it aside for the Department of Education.

There was no public testimony.

By a unanimous vote of the Board, this item was approved.
(Kennison/Nekoba)

ITEM D-22 REQUEST FOR AUTHORIZATION TO ACCEPT THE DONATION OF 15 ACRES, MORE OR LESS, FROM CASTLE AND COOKE HOMES HAWAII INC.; SUBSEQUENT SET ASIDE TO THE DEPARTMENT OF EDUCATION; AND ISSUANCE OF A TEMPORARY RIGHT-OF-ENTRY TO CASTLE AND COOKE HOMES HAWAII INC., FOR ROAD CONSTRUCTION AND ACCESS PURPOSES TO A PORTION OF THE LEHIWA DRIVE HAMMERHEAD TURNAROUND, SITUATED AT WAIPIO, EWA, HAWAII, TMK: 1ST/9-5-02: 01 (PORTION)

There was no public testimony.

By a unanimous vote of the Board, the item was approved.
(Nekoba/McCrory)

ITEM D-23 SALE OF LEASEHOLD BY AGREEMENT OF SALE FOR GENERAL LEASE NO. S-4330, LOT 4, HILO INDUSTRIAL DEVELOPMENT, LEILANI STREET SECTION, SITUATED AT WAIAKEA, SOUTH HILO, TMK: 3RD/2-2-37: 122

(Member McCrory asked a question but it was unintelligible on recording.)

Uchida said since D-23 is an assignment new conditions cannot be imposed. Member Yuen clarified that if the assignee does not make good on the rent, the leaseholder is still responsible for the rent.

There was no public testimony.

By a unanimous vote of the Board, the item was approved.
(Kennison/Nekoba)

Acting Chairperson Yuen said this concluded the January 23rd agenda and that the Board will begin the January 24th agenda with the first move-up item, D-13.

ITEM D-13 TIME EXTENSION REQUEST TO INITIATE REMOVAL OF AN
 ILLEGAL SEAWALL AND RESTORATION OF A BEACH AT
 WAILUA, KAUAI (ADJACENT TO TMK: 3-9-02: 04), TO
 COMPLY WITH BOARD IMPOSED CONDITIONS.

The County of Kauai requested a 90 day extension to remove the toe stones and related structure of the seawall at Wailua Beach. Uchida requested that the date be forwarded to April 22, 1997.

Amy Uzaki, attorney for the County of Kauai gave her testimony by stating that the County wanted to offer their apologies for their past testimony at an earlier Board meeting. She explained the County's rationale for an extension noting that the County had supplied DLNR staff with a summary of the steps that would be taken by Kauai in good faith. The County also requested that the Board supply Kauai with a staff member to monitor the work to DLNR's satisfaction.

Councilperson Thronas testified that the County would comply.

Member McCrory mentioned the roadway. She said the rebuilding of the access road used stones and sand from State lands and revetment removal will cause the road to disappear. (McCrory's statements are difficult to hear).

There was no public testimony.

By a unanimous vote the staff submittal was approved.
(McCrory/Nekoba)

ITEM D-1 CDUA OA-2826 FOR A PCS TELECOMMUNICATION FACILITY
 AT KANEOHE, OAHU; TMK: 4-5-42: 8 (POR.)

Uchida gave his staff report and introduced Keith Kurahashi, the project planning representative.

Keith Kurahashi said the photo was taken and then superimposed to show what the antenna would look like at the site. He said most of the site will be rooftops, so they will be pretty invisible, some are panel antennas that are 2 inches thick and 6 feet tall

that will be plunked on the buildings. Kurahashi said they may have about six that will need to be placed in the conservation district but they will try to place them so that they are not that noticeable.

There was a discussion about an applicant who designed an antenna to have the appearance of a tree. Member Yuen said the Board was impressed with what was done in Hanalei. (McCrorry commented about the Hanalei antenna - but it was unintelligible on the tape.)

There was no public testimony.

By a unanimous vote of the Board, the item was approved.
(Nekoba/Matsumoto)

MINUTES OF JULY 12, 1996.

Member McCrorry moved to withdraw the Minutes of July 12, 1996. There was no discussion.

By a unanimous vote of the Board the minutes was withdrawn.
(McCrorry/Nekoba)

ITEM A-1 AWARDING OF HISTORIC PRESERVATION FEDERAL GRANT- IN-AID

Carol Ogata of Historic preservation presented the report to the Board. She said the island of Maui and Kauai are the only ones to be certified local government.

There was no public testimony.

By a unanimous vote of the Board the item was approved.
(Kennison/McCrorry)

Eric Onizuka, staff member of Division of Aquatic Resources, requested that Item B-1 be deferred until the Chairperson was present.

ITEM B-2 REQUEST FOR APPROVAL TO ENTER INTO AN AGREEMENT WITH THE RESEARCH CORPORATION OF THE UNIVERSITY OF HAWAII FOR "ADMINISTRATIVE SERVICES TO CONDUCT THE HAWAII FISHERMEN'S FESTIVAL" UNDER THE MAIN HAWAIIAN ISLANDS MARINE RESOURCES INVESTIGATION

There was no discussion.

By a unanimous vote of the Board, the staff submittal was approved. (Nekoba/Matsumoto)

ITEM B-2

REQUEST FOR APPROVAL TO AMEND FOUR AGREEMENTS WITH THE UNIVERSITY OF HAWAII SEA GRANT COLLEGE PROGRAM FOR STUDIES UNDER THE MAIN HAWAIIAN ISLANDS MARINE RESOURCES INVESTIGATION TO EVALUATE THE IMPACTS OF SEDIMENT AND NUTRIENT LOADING ON HAWAIIAN CORAL REEFS AND EFFECTIVENESS OF THE DLNR'S FISHERIES MANAGEMENT AREAS (FMAS) AND MARINE LIFE CONSERVATION DISTRICT (MLCDS) IN PROTECTING INSHORE FISH POPULATIONS

Request was made by staff to defer the item to February 14, 1997.

There was no public testimony.

By a unanimous vote of the Board, the item was deferred.
(Matsumoto/Nekoba)

ITEM C-1

APPROVAL TO ADVERTISE A REQUEST FOR PROPOSALS TO DEVELOP AND CARRY OUT A 1997-98 HAWAII WILDLIFE CONSERVATION STAMP AND RELATED ART PROGRAM

Paul Conry, staff member of Division of Forestry and Wildlife distributed to the Board, copies of Patrick Ching's artwork. He stated that this was expected to provide \$187,000 in revenue for the wildlife revolving fund.

There was discussion about the current sale of the stamps. Conry stated that it is lower than expected and that 1/2 to 3/4 are projected outside of state sales. There was also a discussion on the selection of the artist.

Conry explained that it is in the RFP. He said last year, a competition with a panel and members from the staff participated and that DAR would probably do that again, with an advertised competition. The Board showed interest in the intricacies of the RFP and the retail marketing of the product (prints/stamps).

There was no public testimony.

By a unanimous vote of the Board, the item was approved.
(Matsumoto/Nekoba)

ITEM E-1

CONSENT TO ASSIGNMENT OF RESIDENTIAL LEASE NO. S-5301, KAHANA VALLEY STATE PARK, OAHU

A lease was assigned to the daughter of a recently deceased Kahana Valley resident.

There was no public testimony.

By a unanimous vote of the Board, the item was approved.
(Nekoba/Matsumoto)

ITEM J-1

CONTINUANCE OF BOATING REVOCABLE PERMITS

Member Matsumoto asked what the timetable for advertising was. Dave Parsons, Division of Boating and Ocean Recreation anticipates the advertising would be prior to the end of February with 30 days for response and hopes that it would be awarded by June.

There was no public testimony.

By a unanimous vote of the Board, the RP renewals were approved.
(Kennison/Nekoba)

Member McCrory asked Dave Parsons what the status of the Wailua River rules were. (the majority of this conversation was not intelligible on the tape). Deputy Attorney General Bill Tam said their problem is that staffing is down 30%, and that the person handling this left 20 days ago and is compounded by the legislative session. The Board resolved that the two locations, Waialua River and Hanalei would be separated to expedite the situation.

Member Matsumoto inquired about Keehi Marine. Parsons said the arbitration board has completed its report and recommends a rent of \$260,000 a year, \$100,000 more than the prior appraisal. Since the principals have expressed concern as to how they will be able to pay this and the back rent, Parsons said he advised them to come to the Board with a plan. Member Matsumoto suggested it be put on the agenda without delay.

ITEM D-2

AMEND DIRECT SALE OF NON-EXCLUSIVE TERM EASEMENT
FOR UTILITY PURPOSES, AT WAIPIO-HUELO, MAUI, TMK:
(2)2-9-7 PORTION 3

There was no public testimony.

By a unanimous vote of the Board, the item was approved.
(Kennison/Nekoba)

ITEM D-3

FORFEITURE AND CANCELLATION OF GENERAL LEASE NO.
S-4632, PANAWEA FARM LOTS, 2ND SERIES SITUATED AT
WAIAKEA, SOUTH HILO, HAWAII, TMK: 3RD/2-4-49: 32

This item was withdrawn due to payment of rent owed.

By a unanimous vote of the Board, the item was withdrawn.
(Kennison/Nekoba)

ITEM D-4

ASSIGNMENT OF GENERAL LEASE NO. S-5054, LOT 6, PUU
KA PELE PARK LOTS, WAIMEA (KONA), KAUAI,
IDENTIFIED AS TMK: 1-4-2: 28

There was no public testimony.

By a unanimous vote of the Board, the item was approved.
(McCrorry/Nekoba)

ITEM D-5

GRANT OF PERPETUAL NON-EXCLUSIVE ACCESS AND
UTILITY EASEMENT AFFECTING A PORTION OF STATE
OWNED DITCH, PORTION OF KAPAA HOMESTEADS, 1ST
SERIES, KAWAIHAU, KAUAI, TMK: 4-6-7; POR. 12

There was no public testimony.

By a unanimous vote of the Board, the item was approved.
(McCrorry/Nekoba)

ITEM D-6

LEASE-PUBLIC AUCTION, PORTION OF LOT 173, KAPAA
HOMESTEADS, 3RD SERIES, KAPAA, KAWAIHAU (PUNA),
KAUAI, HAWAII, TMK: 4-6-8: 1

Member Matsumoto asked if the lease terms could be set at 10-15 years as opposed to a longer length. Uchida said because the use is intensive, it could be for pasture purposes. Member Matsumoto said if pigs and poultry are raised, the financing may require a greater length of time but asked if it isn't to the State's disadvantage to put out these leases for short terms as opposed to longer?

There was no public testimony.

By a unanimous vote of the Board, the item was deferred.
(McCrorry/Nekoba)

Chairman Wilson entered the meeting at 10:30 a.m.

ITEM D-7

FORFEITURE AND CANCELLATION OF GENERAL LEASE NO.
S-4139, SITUATED AT WAIAKEA, SOUTH HILO, HAWAII,
TMK: (3) 2-2-27-2

This item was withdrawn since the issue was resolved.

There was no public testimony.

By a unanimous vote of the Board, the item was deferred.
(Yuen/Nekoba)

ITEM D-8

CONSENT TO THE ASSIGNMENT OF GENERAL LEASE S-3583,
WAIAKEA, SOUTH HILO, HAWAII, TMK: (3) 2-2-37-52,
92 AND 93

Uchida requested that the item be withdrawn citing that the staff needed more work on this item.

There was no public testimony.

By a unanimous vote of the Board, the item was withdrawn.
(Yuen/Nekoba)

ITEM D-9

AMENDMENT TO PRIOR BOARD ACTION OF APRIL 26, 1996
(AGENDA ITEM d-14), CONSENT TO SUBLEASE K-4,
NATURAL ENERGY LABORATORY OF HAWAII AUTHORITY,
SUBLESSOR, CYANOTECH CORPORATION, SUBLESSEE,
GENERAL LEASE NO. S-4717, KALAOA 1ST-4TH AND OOMA
1ST, NORTH KONA, HAWAII, TMK: 7-2-43: POR. 42

This item was for the expansion of the general lease of Cyanotech Corp.

There was no public testimony.

By a unanimous vote of the Board, the item was approved.
(Yuen/Kennison)

ITEM D-10

DIRECT LEASE TO QUALIFIED HAMAKUA/NORTH HILO
PERMITTEES OF AGRICULTURAL REVOCABLE PERMITS

There was a discussion on who the successor is. Uchida said the permittee is Richard Smart who is already on the land.

Chairperson Wilson stated that the land management policy needs to better address the issue that permittees be alive. It was determined that the Smart Estates has approximately 150,000 acres.

There was a discussion about how Richard Smart would qualify. Member Matsumoto read from Act 211, "The legislature finds that: it is in the public interest to assist qualified permittees who depend on the state land in the Hamakua and Hilo regions for their livelihood", and commented that Richard Smart is not consistent with that statement.

Member Yuen suggested deferring the item because of the question of proper entity. He commented that it's a sliver adjoining the Parker Ranch real estate property, and it may be 100 acres buried inland but there may someone else interested in it or there may be another practical use for it. Member Yuen said with respect

to the COOP, he supports it and the Board could help the COOP with something that is sometimes difficult for a COOP to do. He said they have their own criteria for utilization of the subleases and sometimes because you are dealing with your own neighbors and COOP members its difficult for a COOP to enforce (the sublessee agreements). Member Yuen said the Board has to make sure that a clause is in so that the parcels that are subleased out do get used. The clause would say that individual parcels are utilized to a certain percentage within 3 to 5 years and if the Board finds that it is not so, the Board would direct the Coop to enforce their own policy. The Coop takes back the sublease with the back-up of the DLNR and that DLNR will have the ability to re-take the parcel if the Coop is unable to. Member Yuen recommended that the requirement be reasonable.

Frank DeLuz is mentioned and Member Yuen states that he is not exactly a "displaced sugar worker".

There was no public testimony.

By a unanimous vote of the Board, the item was approved - with the Richard Smart RP/lease being deferred.
(Yuen/Nekoba)

ITEM D-11 AMEND DIRECT SALE OF NON-EXCLUSIVE TERM EASEMENT
FOR ACCESS AND UTILITY PURPOSES, AT KAPAA, KAUAI,
TMK: (4) 4-6-8-39

There was no public testimony.

By a unanimous vote of the Board, the item was approved.
(McCrorry/Matsumoto)

ITEM D-12 ANNUAL REVIEW OF REVOCABLE PERMITS ON THE ISLAND
OF MAUI/MOLOKAI AND OAHU

Member Yuen said on Oahu there are half a dozen recreational boat piers and the rental prices vary from \$160 - \$23 a month and asked whether these are all that different? Nekoba spoke about how piers in front of private residences add a lot of value to the property - but the state doesn't seem to benefit much. He suggested a greater discrimination in determining rental rates.

In general, the Boardmembers gave many comments designed to create a greater revenue stream for the state. There were a few discrepancies - so the Board deferred action on this item.

There was no public testimony.

By a unanimous vote of the Board, the item was deferred.
(Nekoba/Yuen)

Dean Uchida suggested that yesterday's approval of D-18 should be reconsidered with today's D-12. A motion was made to defer D-18 of January 23, 1997.

There was no public testimony.

By a unanimous vote of the Board, yesterday's D-18 item was deferred. (Yuen/Nekoba)

ITEM D-14 ISSUANCE OF A REVOCABLE PERMIT TO MR. AND MRS. XIN XU FOR GARAGE PURPOSES AT THE AUWAIOLIMU LOTS, AUWAIOLIMU, HONOLULU, OAHU, TMK: 1ST/2-2-06: 42

Member Nekoba asked how the appraiser came up with \$39 a month and why doesn't the Board sell this piece to the abutting property owner? The Board felt that the rental rate was too low and the issue of selling state land may require an opinion of the AG.

There was no public testimony.

By a unanimous vote of the Board, the item was deferred. (Nekoba/McCrory)

ITEM D-15 ASSIGNMENT OF GENERAL LEASE NO. S-3750, LOT 8, KANOELEHUA INDUSTRIAL LOTS, WAIAKEA, SOUTH HILO, HAWAII, TMK: 2-2-50:76

There was no public testimony.

By a unanimous vote of the Board, the item was approved. (Yuen/Nekoba)

ITEM D-16 REQUEST FOR APPROVAL OF TENANCY AGREEMENT BETWEEN THE LIHUE PLANTATION COMPANY, LIMITED, THE LANDLORD, AND THE STATE OF HAWAII, BY ITS BOARD OF LAND AND NATURAL RESOURCES, ON BEHALF OF THE DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS, HAWAII PUBLIC BROADCASTING AUTHORITY, THE TENANT, MOLOAA, KAUAI, TMK: 4TH/4-9-08: POR. OF 1

There was no public testimony.

By a unanimous vote of the Board, the item was approved. (McCrory/Nekoba)

ITEM D-17 AMENDMENT OF LEASE OF TELEVISION TRANSLATOR SITE FOR THE DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS, AT KAHUKU, NORTH HILO, ISLAND OF HAWAII, TMK: 3RD/3-2-04: 4

There was no public testimony.

By a unanimous vote of the Board, the item was approved.
(Yuen/Nekoba)

ITEM D-18 SUBLEASE OF COMMUNICATIONS TOWER SPACE FOR DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS, HAWAII PUBLIC BROADCASTING AUTHORITY, AT KULANI CONE, KEAUHOU, KAU, ISLAND OF HAWAII, TMK: 3RD/90-9-01: PORTION OF 7

There was no public testimony.

By a unanimous vote of the Board, the item was approved.
(Yuen/Kennison)

ITEM D-19 REQUEST BOARD APPROVAL FOR THE DIRECT ISSUANCE OF A PERPETUAL NON-EXCLUSIVE AFTER-THE-FACT EASEMENT TO GASCO INC. FOR GAS LINE PURPOSES AT KEEHI LAGOON AND KALIHI-KAI, MOANALUA, OAHU, TMK: 1ST/1-1-03: 03, 04, 07, 138; 1-2-21: 35, 36, 37

There was no public testimony.

By a unanimous vote of the Board, the item was approved.
(Nekoba/McCrory)

ITEM D-20 PERMISSION TO HIRE CONSULTANT TO CONDUCT DAM SAFETY INSPECTIONS

Uchida showed a list of the dams for inspection to the Board. He stated that this is the 5th year of a five year program to inspect all the dams in Hawaii. However, not all the dams will have been inspected at the end of the timeframe. The focus of the inspections are now the highly hazardous areas (ie. Lake Wilson). He stated that the State has added concerns because sugar companies may not be assessing their dams on their land, due to the end of sugar production.

The item was unanimously approved by the Board. (Yuen/Nekoba)

ITEM K-1 CONSENT TO ASSIGNMENT OF LEASE, HILO INTERNATIONAL AIRPORT, ISLAND OF HAWAII, (ANNA K.Y. KAMAHELE TO AH LAN HIRO)

The item was unanimously approved by the Board. (Yuen/Kennison)

ITEM K-2 ISSUANCE OF REVOCABLE PERMIT, HILO INTERNATIONAL AIRPORT, ISLAND OF HAWAII (WESTERN PCS II CORP.)

The item was unanimously approved by the Board.
(Matsumoto/Kennison)

ITEM K-3 ISSUANCE OF LEASE BY DIRECT NEGOTIATION, PIER 38, HONOLULU HARBOR, OAHU (PIER 18 DEVELOPMENT, INC DBA PIER 18 MARINE SERVICE)

This item was unanimously deferred (Nekoba/Kennison)

ITEM K-4 ISSUANCE OF REVOCABLE PERMIT, PIER 18, HONOLULU HARBOR, OAHU (DEPARTMENT OF LAND AND NATURAL RESOURCES, DIVISION OF CONSERVATION AND RESOURCES ENFORCEMENT)

ITEM K-5 ISSUANCE OF REVOCABLE PERMIT, KAHULUI HARBOR, MAUI (DEPARTMENT OF LAND AND NATURAL RESOURCES, DIVISION OF CONSERVATION AND RESOURCES ENFORCEMENT)

Item K-4 and Item K-5 was unanimously deferred (Nekoba/Kennison)

ITEM K-6 REPORT ON REVOCABLE PERMITS ISSUED BY THE DEPARTMENT OF TRANSPORTATION FOR CONSISTENT USES

There was no action required by the Board.

The meeting was adjourned by Chairman Wilson.

APPROVED FOR SUBMITTAL:


MICHAEL D. WILSON