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

Date: March 14, 1997
Time: 9:00 a.m.
Place: Kalanikou Building
Land Board Conference Room 132
Honolulu, Hawaii

Chairperson Michael Wilson called the meeting to order at 10:05 a.m.

Members:
Mr. William Kennison
Mr. Michael Nekoba
Ms. Lynn McCrory

Mr. Michael Wilson
Mr. Christopher Yuen
Mr. Colbert Matsumoto

Staff:
Cliff Inn - Public Information
Ralston Nagata - Parks
Dean Uchida - Land
Randy Young - Deputy AG

Guests:
George Aoki D-12
Danny Arriola D-3
Juliet Begley D-18
Amy Esaki E-1
Raynelie Foster
Mike Fuke D-14
Peter Garcia
Glenn Laborea E-1
Russell Segano D-18
Troy Tanigawa D-18
Barry Usagawa D-14

Chairperson Wilson began the meeting saying that the executive session is complete.

Note: All materials listed on this agenda are available for review in the DLNR Chairperson’s Office.

Approval of the minutes of September 27, 1996.

Member Chris Yuen stated for the record, Item D-2 (Amendment to Conservation District Use Permit HA-1447), that the denials of future fencing, proposed ridge construction, and proposed restroom construction are without prejudice to them being
By a unanimous vote of the Board, the minutes of September 27, 1996, were approved with amendment that the future fencing, proposed ridge construction and proposed restroom construction are without prejudice to them being submitted at a later time. (Yuen/Matsumoto)

Approval of the minutes of October 11, 1996.

Member Lynn McCrory amended the minutes to include grammatical and gender corrections.

By a unanimous vote of the Board the minutes of October 11, 1996 were approved as amended. (McCrory/Nekoba)

D-15 GTE HAWAIIAN TELEPHONE COMPANY INCORPORATED REQUEST FOR PERPETUAL, NON-EXCLUSIVE EASEMENT FOR TELECOMMUNICATION PURPOSES, LAIOPUA, KEALAKEHE, NORTH KONA, HAWAII, TMK: 7-4-20

There was no discussion or public testimony.

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

D-14 CDUA (NO. OA-2857) FOR THE MAKAZHA VALLEY DEBRIS BARRIER IMPROVEMENTS AT MAKAZHA VALLEY, WAIANAE, OAHU, TMK: 8-4-02: 14

Dean Uchida, Administrator of the Land Division presented the staff submittal and stated that this was an emergency authorization situation, as staff believed that there was a public safety issue.

Barry Usagawa of the Board of Water Supply (BWS) showed the Board enlargements of the erosion area from the top of the cliff to the parking lot area. He expressed concerns regarding a recurrence that another big rain will bring some of those larger boulders down. Mike Fuke, the BWS engineer explained the intended retention structure that has been designed to enhance the existing rock wall. The design is to attract the water to flow through a wire cage filled with rocks, directing the water to flow around the apartment property. Fuke said BWS’s intention is just to move the water to the existing structures that are designed to take the flow.
In response to Member Colbert Matsumoto, Fuke said they have two alternatives, one is $300,000 and the second is $800,000 which would be paid for by the BWS.

Member Michael Nekoba commented that citing of the project in the middle of a dry riverbed was bad planning. He noted the developer has tried to divert the water and now BWS is penalized because it owns the mountain.

Usagawa said BWS bought the mountain in the early 1990s as a watershed area after the condo was developed and did not predict what would happen below. He said BWS wanted to protect the quality of the water. Member Yuen pointed to the enlarged photograph and cited the palace slope on the mountain. What makes a palace slope? Rocks falling off a mountain. Member Yuen pointed to the picture of the building and said it is sitting right where the rocks fall off the mountain and when there is more rain, rocks will fall. He said you aren’t going to stop rocks falling off the mountain.

There was no public testimony.

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

D-18 UNAUTHORIZED USE OF CONSERVATION DISTRICT LAND FOR THE STORAGE OF ABANDONED VEHICLES, AT WAILUA, KAUAI
(TMKB: 3-9-05: 01)

After the staff presented their submittal to the Board, there was discussion. Member Nekoba referred to Recommendation 2, "No additional vehicles shall be stored at the site". The vehicles that are being stored has been approved by the Department of Health (DOH). Member Nekoba asked if this new site is not approved by the DOH, where will people take their cars?

Uchida explained that there is no Land Board approval for any use of the facility or for the storage of cars. The County request is to process the cars. There are two components to what the County is doing, one is taking the cars because Department of Transportation (DOT) removed them out of the airport area. The request in September was for processing the cars to get them off the site. Neither the storage component nor processing component were approved by the Land Board. The Department is in a situation where it is trying to help the County but found that this is an on-going operation and the rules requires a violation to be cured before any other action can be taken.

In response to Member Matsumoto, Uchida explained the kind of issues that are relevant to evaluate the item. The Department had a similar situation with the County of Honolulu, not on
Conservation land at the sewer plant at Sand Island. Similar to what Kauai County said, they needed a place to get rid of all these vehicles, and that area was for expansion of the sewer treatment plant. City Finance, who handles the abandoned vehicle program for the City started storing cars at the site. The cars started piling up, so they began to smash the vehicles for more space. In doing so, battery acid, crankcase oil, gasoline, hazardous waste, according to the EPA, was being deposited on the ground (not purposely). This caused the Public Works people who manage the sewage facility to get nervous regarding what Finance was doing because ultimately Public Works would be responsible. So EPA and DOH came in to investigate and there was a massive clean-up effort. So the concern would be environmental, if in fact they are allowed to operate there, there has to be enough mitigation measures in place to provide for clean-up. The Environmental Assessment (EA) is still in process, however the action would allow the Division to complete the EA, then bring a recommendation to the Board.

Member Nekoba stated his concern about what happens to newly abandoned vehicles if the site cannot accept more vehicles. Staff suggested that the Board allow interim storage of vehicles at the site, cure the violation and approve the existing use. Uchida said that they would come back to the Board for a temporary variance for processing.

Russell Segano, Chief of Operations, Road Maintenance Branch, read his written testimony regarding the reason they used the golf course area. He stated that the County was given five days notice of the closure of Masterworks at the Department of Transportation airport site. Segano stated that many vehicles were dumped around the island making the situation an emergency as abandoned cars created dumping areas for appliances also. The County testified that these dumping sites were hazardous for road travel, since they blocked vision on the sides of the road. The Wailua site was chosen over several other sites due to its proximity to the airport. The County received from DOH a Solid Waste Management permit in February 1996, which they thought was sufficient for this operation. In July 1996, they discovered they needed a CDUA permit which the County immediately applied for. Segano requested that they be allowed to take in derelict cars and process them at the Wailua site.

Troy Tanigawa, Solid Waste Engineer stated in response to Member Nekoba that based on correspondence with DOH, they could not start actual site preparation until after the EA is completed. He said, the worst case scenario is that the EA would take eight months, the County anticipates 2 months for site preparation and would concurrently pursue the necessary design. Tanigawa estimates the whole process will take 10 months.
County Attorney Amy Esaki said the site is not purchased yet but that they have had discussions with the landowner regarding the terms of the license agreement and are nearing finalization. Tanigawa explained that they have stacked cars but have not moved or processed any of the cars. He said they have flattened the cabs and have not touched any of the engine components or anything that would cause leaks. Usagawa interjected that he has had to tell the police to stop towing cars.

Tanigawa said there are approximately 200 to 250 vehicles on the site. Past statistics show an average of 4 vehicles per day, 1,400 derelicts per year.

There was discussion about another disposal service who was evicted because of default on their lease with DOT, owing back rent of approximately $250,000. The company went bankrupt and left town. It was noted that the company changed hands a few times.

In response to Member Matsumoto’s question on the County’s intention, Tanigawa said their intention is to provide a site and contract it out. He said they have the cooperation of the Kauai police and fire department for monitoring and maintaining control of the site. Tanigawa said the County would like to contract out the process operation to a contractor that is familiar with DOH regulations which the County requires that they have a Solid Waste Management Permit to do this type of work.

Chairperson Wilson clarified that what Member Matsumoto was referring to was the fact that this land was originally given by Executive Order to the County of Kauai for use as a park. The Board may have to make changes to the Executive Order in order for this to be used for something other than a park, like storage of abandoned vehicles.

Randy Young in answer to Member McCrory query of #4 said, if there was noncompliance of the Board’s action and the matter was referred to the AG, options would have to be explored for compelling compliance with the Board’s action which would possibly include litigation.

There was discussion about the capacity of the site and the restricted access to the site. Isagawa said the capacity would be approximately 800 cars and that they have had to turn people away because the restriction is that only vehicles from County hauling contracts are allowed on the lot. He said the County put a cushion and sand on the top layer of the lot as they were required to treat the ground prior to storage.

There was discussion about the classification for use of the site. Tanigawa said it was not in the SMA. Chairperson Wilson offered the Department’s land agents to help them with any
questions with regards to the designations on the land.

There was no public testimony.

By a unanimous vote of the Board, the item was approved with amendment that the County be allowed to store additional vehicles at the site pending the issuance of a temporary variance. (McCrary/Yuen)

D-17 DECLARATIONS OF INTENT TO DISPOSE OF INTENSIVE AGRICULTURE AND A PASTURE LEASE OF PUBLIC AUCTION, TMK'S: VARIOUS, KAUAI

Uchida said all of the leases will expire November, 1999. He explained that the Division is doing this in advance to prepare for public auction and to notify the lessee of the Divisions intentions.

Member Yuen noted that the Department is supposed to give a year's notice of the intent to change the use if the Board is going to release it for a new use before the lease runs out. Uchida said this is the item of what this item is suppose to do, if within two years the Department wants to change it from intensive agriculture to something else, then the Division's declaration would indicate the change in use.

There was no public testimony.

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

D-3 DANNY ARRIOLA'S REQUEST FOR THE STATE OF HAWAII TO WAIVE OR EXERCISE REPURCHASE RIGHTS CONTAINED IN SPECIAL SALE AGREEMENT NO. S-5597 COVERING lots 77-A AND 77-C, HANAPÉPE TOWN lots, FIRST SERIES, HANAPÉPE, WAIMEA, KAUAI

Uchida said the delinquent amount on the property is $25,393.50. He then elaborated on the ceded land issue for this property. Uchida stated that if the staff's proposal of repurchasing the land is followed, Arriola will only pay for the delinquent interest amount. The funds used to repurchase the land comes from the Special Land Development Account (SLDA), which is comprised of income from non-ceded lands. The Arriola property was ceded land.

Uchida said the Division is using non-ceded revenues to repurchase lands that were once ceded. He said if it is sold again, where do the proceeds of that sale go? Uchida would like to ask the AG's office if the Division can recoup at least what was taken from the SLDA and if they choose to deposit the rest
into the General Fund. The SLDA is used as the Division’s land maintenance money for any type of clean-up, evictions, agriculture and survey costs. It also pays for some dispositions and appraisal costs.

There was discussion about the land development fund limited to $750,000 a year. Uchida said there is more than $750,000 in the account and the Division is authorized to spend $750,000 for land maintenance purposes. He said the Division will not be dipping into the $750,000, there may be enough funds for money that was appropriated for AG costs. He noted for the Board that the Division is running a slight negative in the SLDA as the Division has spent more money in the past two years than revenues collected.

Uchida said 20% of the proceeds from ceded lands goes to OHA and 80% to the General Fund. The only money that goes into the SLDA is from non-ceded revenues. There was discussion about the account balance of $10 million, 3 or 4 years ago. Chairperson Wilson said a lot of that money was taken out for Hurricane Iniki, the budget crunch hit and the Special Funds began draining, which was part of what was used for the deficit. Uchida said in the SLDA fund there is little over $2 million. He said this is the first time that this has come up with a repurchase of ceded lands and that it’s a technical legal question that needs to be resolved.

There was discussion on the different options the Board could take from letting Arriola sell the land, pay the total purchase price and repay the State to buying Arriola out and reselling the land.

Danny Arriola testified when he purchased the property, he discovered that there were 2 lots. He was told that the maximum build-out was 1,200 square feet (the 2 lots equal 3,200 square feet). The property is on a flood zone which required that the house be raised five feet off the ground. Arriola said there were many design limitations placed on construction which he was not aware of when he purchased the property. He said the zoning is open, so if he consolidated the 2 lots, he would lose the grandfathered lots, thereby losing building area because of open zoning. He also said that the property contained many Hawaiian burials. Members Yuen and Matsumoto stated that the best thing that the State could do would be to not enforce the buy-back clause of the sale agreement. The Board discussed the options and the ceded land issue that impacted it.

There was no public testimony

By a unanimous vote of the Board, the item was approved with amendment to allow Arriola to sell the lot separately and the buy back be waived. (McCrorry/Yuen)
Staff submitted to the Board five agreements between community organizations and the State for the care and management of State-owned historic sites.

Glen Laborea and Raynelle Foster presented testimony before the Board. The caring of Pu‘u O Mahuka Heiau is a direct result of their Hawaiian language study. Butch Halemano is their instructor, who has been able to work with the North Shore Community and the Historic Preservation Division of DLNR. Laborea said the heiau was a sacrificial heiau. He said their interest in the heiau is to be able to work on the heiau speaking only in Hawaiian and to learn their culture. Foster said their presence could be beneficial to tourists as well.

Juliet Begley suggested placing appropriate signage at the heiau site. Staff stated that they have some camera ready artwork coming soon.

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

D-12 DIRECT LEASE OF A UTILITY BOOSTER STATION SITE, WAIKEA, SOUTH HILO, HAWAII, TMK: (3) 2-2-27-2

George Aoki of the Gas Company said there is a utility pipeline that helps distribute the gas.

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

D-1 REQUEST AUTHORIZATION TO MODIFY PERFORMANCE BOND REQUIREMENT FOR GENERAL LEASE NO. S-4205 ASSIGNED TO FLOWERS INCORPORATED, WAIKEA, SOUTH HILO, HAWAII, TMK: (3) 2-4-49-31

Uchida said the applicant has already put $75,000 worth of improvements to the property.

There was no public testimony.

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

D-2 SALE OF LEASE AT PUBLIC AUCTION FOR INTENSIVE AGRICULTURE PURPOSES, SITUATED AT OMAOPIO, KULA, MAKAWAO, MAUI, TMK: 2-3-03: 06

There was no public testimony or discussion.
By a unanimous vote of the Board, the item was approved.
(Kennison/Nekoba)

D-4 REQUEST TO APPROVE SUPPLEMENTAL AGREEMENT NO. 4
EXTENDING DEPARTMENT OF ARMY LEASE CONTRACT NO. DACA
84-1-76-31 FOR FORT SHAFTER ELEMENTARY SCHOOL, FORT
SHAFTER MILITARY RESERVATION, HONOLULU, HAWAII, TMK: 1-
1-08: POR. 05

There was no public testimony or discussion.

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

D-5 AMENDMENT TO BOARD ACTION OF JANUARY 23, 1997 (AGENDA
ITEM NO. D-5), CONSENT TO THE ASSIGNMENT OF GENERAL
LEASE NO. S-4448, LOT 22, VOLCANO FARM LOTS, OLAA,
PUNA, HAWAII, TMK: 1-9-1: 18

There was no public testimony or discussion. Staff explained
that this item was a name change to the General Lease.

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

D-6 RESCIND PRIOR ACTION FOR ISSUANCE OF A REVOCABLE PERMIT
TO HAMAKUA/NORTH HILO AGRICULTURAL COOPERATIVE,
PAAUHAU, HAMAKUA, HAWAII

Member Yuen requested that the item be deferred so that the Land
Division could make sure that all the parties have been informed.

There was no public testimony.

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

D-7 FORFEITURE OF GENERAL LEASE NO. S-3631, A&A HAWAII INC.
LOT 11, KANOELAHUA INDUSTRIAL LOTS, WAIAKEA, SOUTH
HILO, HAWAII - TMK: 3RD/2-2-50: 79

Staff stated that the forfeiture of the General Lease was for the
tenant's failure to post a performance bond.

There was no public testimony.

By a unanimous vote of the Board, the item was approved.
(Yuen/Kennison)
Uchida stated that the forfeiture of the General Lease was due to the tenant's failure to post the required liability coverage. Staff has tried to contact the lessee twice.

There was no public testimony.

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

Uchida said the amendment is for the correction of a staff oversight, where 68 acres of land was given in an RP when it was to be set aside to the Division of Forestry and Wildlife.

There was no public testimony.

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

Staff recommended cancellation of an Executive Order (EO) of 1992 for 29 acres at Sand Island. According to staff, the City and County had not fulfilled a condition that was part of the setaside, the removal of 2 incinerators, one in Kapalama and the other in Kakaako within two years of the EO, as agreed. There has been no activity by the City.

There was no public testimony.

By a unanimous vote of the Board, the item was approved. (Matsumoto/Nekoba)
D-13 DECLARATIONS OF INTENT TO DISPOSE OF PASTURE LEASES AT PUBLIC AUCTION, TMKS: VARIOUS, KAUAI

There was no public testimony or discussion.

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

D-16 REQUEST FOR TIME EXTENSION OF NOTICE OF DEFAULT AFFECTING GENERAL LEASE NO. S-5042, SAM T. TAO AND DOROTHY M. TAO, AND GRACE K. TAO, LOT 87, KOKEE CAMP SITE lots, WAIMEA (KONA), KAUAI, TMK: 1-4-4: 52

Staff stated that the time extension is for securing liability insurance. Member McCrory stated that she believed that the tenant had already obtained it.

There was no public testimony.

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

D-19 CERTIFICATION OF ELECTION AND APPOINTMENT OF SOIL AND WATER CONSERVATION DISTRICT DIRECTORS (PATRICK SUGAI)

There was no public testimony or discussion.

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

D-20 CERTIFICATION OF ELECTION AND APPOINTMENT OF SOIL AND WATER CONSERVATION DISTRICT DIRECTORS (RANDALL C. MOORE AND SUMMER ERDMAN)

There was no public testimony or discussion.

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

D-21 SET ASIDE TO THE DIVISION OF FORESTRY AND WILDLIFE, NORTH KONA, HAWAII

D-23 SET ASIDE TO THE DIVISION OF FORESTRY AND WILDLIFE, KAU, HAWAII

D-24 SET ASIDE TO THE DIVISION OF FORESTRY AND WILDLIFE, SOUTH KONA, HAWAII

Staff grouped the above three items. Uchida said these represented approximately 15,000 acres of land at three different sites for Forest Reserve purposes.
Member Yuen asked about Item D-21, page 3, regarding statements about cattle removal and it was his understanding that after this happened there was a subsequent agreement by DOFAW, to allow Pulani Ranch to continue to raise cattle with notice to give them a one year for removal. Uchida said Greenwald spoke to Mike Buck and have apparently worked out their concerns.

There was no public testimony.

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

D-22  REQUEST FOR AUTHORIZATION TO WAIVE PERFORMANCE BOND REQUIREMENT FOR GENERAL LEASE NO. S-4632 ASSIGNED TO MID PACIFIC FLORAL EXCHANGE, INC., PANAEOA, SOUTH HILO, HAWAII, TMK: (3) 2-4-49-32

Uchida stated that the lessee never received a bill from the State so consequently did not pay their lease rent until they received a bill. Member Matsumoto commented that lessees relying on a billing knowing that they have a lease rent to pay will create trouble. He said with all of the cut-backs in personnel, the tenants cannot rely on the State to be a billing service and felt that it was an unnecessary expense. Board members concurred that the people are expected to pay their lease rent without notification from DLNR.

Member McCrory had reservations with waiving the performance bond (unfortunately the specifics were inaudible on the tape). Discussion ensued between Members Nekoba, Yuen and McCrory regarding fire coverage.

There was no public testimony.

By a unanimous vote of the Board, the request was denied.  
(Yuen/Nekoba)

D-25  PERMISSION TO HIRE CONSULTANT FOR JOB NO. 12-KW-B, KAPA HOME STEADS WELL NO. 3, KAUAII

There was no public testimony or discussion.

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

K-1  CONSTRUCTION RIGHT-OF-WAY FOR INSTALLING CENTER FIELD WIND INSTRUMENTS, KAULUI AIRPORT, MAUI (FAA)

There was no public testimony or discussion.

By a unanimous vote of the Board, the item was approved.  
(Kennison/Nekoba)
There was no public testimony or discussion.

By a unanimous vote of the Board, the item was approved.

(McCrory/Nekoba)

There was no public testimony or discussion.

By a unanimous vote of the Board, the item was approved.

(Nekoba/McCrory)

There was no public testimony or discussion.

By a unanimous vote of the Board, the item was approved.

(Kennison/Matsumoto)

Chairperson Wilson asked how often does the provision that says upon termination the applicant will remove all sand and pipeline happen? Peter Garcia said DOT takes into account whether it is necessary to remove the pipelines or not. In cases where it is not necessary to remove the pipelines, they are permitted to clean the lines and fill them with cement slurry so that there will be no residue. Chairperson asked about the re-arranging of the pipelines for this project. Garcia said the portion that the State needs will have to be re-routed and the removal and construction is covered under the EA. He said the pipeline is a relocation because the State wants to use some of the area to add on the new pier.

There was no public testimony.

By a unanimous vote of the Board, the item was approved.

(Nekoba/McCrory)
Staff submitted that the remnant parcel had the value of $6,000. In response to Member Nekoba's question of the appraisal method, Garcia stated that the Department is saddled with liability coverage and keeping these remnant parcels clean. He said the procedure for notifying abutting landowners to purchase parcel remnants is a letter of notification that the land is available. Garcia said most people are not interested because their fences are already up or that the parcel is too small.

There was no public testimony.

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

By a unanimous vote, the Board moved into executive session.

The public meeting ended at 1 pm.

APPROVED FOR SUBMITTAL:

MICHAEL D. WILSON
Chairperson
Board of Land & Natural Resources