

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

**DATE:** THURSDAY, MARCH 27, 1997  
**TIME:** 9:00 A.M.  
**PLACE:** Board Room  
Kalanimoku Building, Room 132  
1151 Punchbowl Street  
Honolulu, Hawaii 96813

Chairperson Michael D. Wilson called the meeting of the Board of Land and Natural Resources to order at 9:20 a.m. The following were in attendance:

**MEMBERS:**

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

<b>STAFF:</b> Dean Uchida, Land Division	Carol Ogata
Mike Buck	Andy Monden
Michelle Bradley	Bill Devick

**OTHERS:**

Linnel Nishioka, Pam Matsukawa (Attorney General's Office)  
Juliet Begley  
George Yokoyama (HCEOC)  
Ivan Nakano (Big Island Toyota)  
Harold Edwards (Molokai Ranch)  
William Hancock & Martin Kahn (Kanahan, Inc.)  
Colette Sakoda, Clyde Nagata, D. Codiga (HELCO)  
Greg Bretner (Kekena Beach)  
Duane Cariago (Seaview Friends")  
Athena Peanut (Friends of the Red Road)  
Peter Garcia  
Craig Heiser (Kalapana Seaview)  
Martin Kahn (Kanahan, Inc.)  
Helen Kam (Waimanalo Farm)

**Business:**

**Approval of the minutes of August 24, 1996.**

- 1) Page 1. Correct statement should read, "...in which his father's uncle was one of the developers..."

**It was moved and unanimously approved that the minutes of August 24, 1996 be accepted as amended. (McCrorry/Nekoba).**

**ITEM D-16: AMENDMENT TO PRIOR BOARD ACTION OF FEBRUARY 14, 1997 (AGENDA ITEM D-2), DEPARTMENT OF HEALTH REQUESTS AUTHORIZATION TO ISSUE REVOCABLE PERMIT TO THE HAWAII COUNTY ECONOMIC OPPORTUNITY COUNCIL, OLD HONOKAA HOSPITAL, HONOKAA, HAWAII, TMK: 4-5-10: 27.**

Dean Uchida briefed the Board. He said that in reviewing the records, it was discovered that asbestos was present in the old hospital facility. The permittee is aware of the situation and agrees that there is to be no renovation work or disturbance of the areas containing asbestos. Uchida said the staff's recommendation is that the Board amend its action of February 14, 1997 by adding the following condition: The revocable permit between the Department of Health and the Hawaii County Economic Opportunity Council (HCEOC) shall include the condition that HCEOC not renovate or disturb any areas of the facility containing asbestos, including, but not limited to, flooring material, interior walls, ceiling tiles, insulation around waterlines, and the boiler room; and HCEOC is agreeable to abatement work to asbestos affected areas of the facility when necessary for health and safety reasons.

George Yokoyama testified and said it was clarified that they were not in violation.

**Unanimously approved as submitted. (Yuen/Kennison).**

**ITEM D-17: AMEND PRIOR BOARD ACTION OF EXTENSION OF LEASE TERM, MODIFICATION OF FIXED RENTAL PERIOD AND CONSENT TO MORTGAGE OF GENERAL LEASE #S-4303 AND #S-4379, WAIAKEA SOUTH HILO, HAWAII.**

Uchida said in February, 1996, the Board approved an additional reopening on the fortieth (40) year which put a tremendous burden on the staff which is already struggling with ten year reopenings and the lessee for financing. The staff's recommendation is that the Board: 1) Rescind Land Board amendment of February 9, 1996, which was to change rental reopenings to 35th, 40th, 45th and 55th; and 2) All other terms and conditions approved at the February meeting to remain the same.

**Unanimously approved as submitted. (Yuen/Kennison).**

**ITEM D-1: CDUP (MO-2806) FOR WETLAND HABITAT CONSTRUCTION AT KAUNAKAKAI, MOLOKAI, TMK: 5-3-05: 06.**

Uchida said in November, 1996, the Board granted approval for a CDUP for the Kaunakakai Wetland Enhancement project. The Board included a requirement that they construct a moat around the perimeter of the facility. Subsequently, DOFAW has indicated that a moat surrounding a wetland is not as effective as perimeter fencing and this was concurred by the USFWS.

The staff's recommendation is that the Board approve the request for an amendment to Condition 3 to read: "Perimeter fencing located on top of the boundary berm shall be used to keep predatory animals out and to reduce human disturbance in the project area"; subject to the condition that the permittee shall comply with all other conditions approved by the Board under MO-2806.

**Unanimously approved as submitted. (Kennison/Nekoba).**

Member Yuen referred back to the minutes of August 24, 1996, Item K-13, page 21 and 22. He explained that this was the meeting which was going to be recessed because there was going to be another meeting on Kauai. The last sentence in the last paragraph of page 21, "...this meeting has to be reset to be continued on Kauai to discuss the item." Corrected to read, "...meeting has to be recessed to be continued until the Kauai meeting to discuss the item."

Member Yuen corrected the motion on page 22 to read, "Motion made to recess the Board meeting until Monday, August 26, 1996 in Kauai."

Correct the sentence, "Meeting was adjourned." to read, "Meeting was recessed until Monday, August 26, 1996".

**It was moved and unanimously approved that the minutes of August 24, 1996 be accepted as further amended. (Yuen/Nekoba).**

**ITEM D-18: ASSIGNMENT OF GENERAL LEASE NO. S-4257 BETWEEN MARTIN J. AND CAROLE KAHN, ASSIGNOR, TO KAHNAHAN, INC. ASSIGNEE, EXTENSION TO THE TERM OF GENERAL LEASE NO. S-4257; AND CONSENT TO MORTGAGE BETWEEN KAHNAHAN, INC., MORTGAGOR, AND U.S. FINANCIAL MORTGAGE CORP., MORTGAGEE, LOTS 3 AND 4, BLOCK 1, KAPAA TOWN LOTS, 1ST SERIES, KAPAA, KAUAI, HAWAII, TMK: 4TH/4-5-09: 08.**

Uchida briefed the Board. The current lessees, Martin and Carole Kahn and new shareholder William Hancock wish to assign the lease to Kahnahan, Inc. The loan for the

property is \$250,000 and the value of the property is \$650,000. Uchida said the lease should be updated with current conditions of the standard industrial/commercial lease form.

The staff's recommendation is that the Board: A) Consent to the assignment of General Lease No. S-4257 from Martin J and Carole Kahn, Assignor, to Kahnahan, Inc., B) Grant Kahnahan, Inc. a five (5) year extension to their term of General Lease No. S-4257 to qualify the lessee for mortgage landing purposes, subject to terms and conditions; C) Consent to the mortgage between Kahnahan Inc., Mortgagor, and U.S. Financial Mortgage Corp., Mortgagee, subject to terms and conditions.

Martin Kahn proposed an amendment to the recommendation that if they are unable to gain the lender's approval, that Section B be removed. Uchida did not have a problem with that.

There was concern and discussion about the re-opening of the annual lease rent. It was understood that the State is not at a risk on the lease rental.

Unanimously approved to delete Section B . (McCrorry/Nekoba).

**ITEM D-10: REQUEST BOARD APPROVAL FOR CONSENT TO ASSIGNMENT OF LEASE, CONSENT TO MORTGAGE, AND EXTENSION OF LEASE, GENERAL LEASE NO. S-3860, YONG KAM TRUSTEE OF THE YONG KAM TRUST AND HELEN Y. KAM, TRUSTEE OF THE HELEN Y. KAM TRUST, WAIMANALO, OAHU, TMK: 4-1-24: 62, 63.**

Uchida said the request is the consent to Assignment of General Lease from Yong Kam to Hawaiian Sunshine Nursery, Inc. and consent to mortgage of \$245,000 to be used to construct new improvements needed for the nursery operation and to pay off the existing mortgage. He said the Kams have agreed to pay back rent due DLNR.

The staff's recommendation is that the Board: A) Consent to the Assignment of General Lease No. S-3860 with conditions, B) Consent to the mortgage of General Lease No. S-3860 to Hawaiian Sunshine Nursery, Inc. for the Loan amount of \$245,000 subject to conditions, C) Approve the extension of General Lease No. S-3860 for nine (9) years from August 13, 2010 to August 12, 2019 subject to terms and conditions.

Unanimously approved as submitted. (Nekoba/Kennison).

**ITEM D-4: DIRECT GRANT OF PERPETUAL, NON-EXCLUSIVE UTILITY EASEMENT TO HAWAII ELECTRIC LIGHT COMPANY, INC. (HELCO) FOR ELECTRICAL TRANSMISSION LINE PURPOSES AT KEHENA AND KEEKEE, PUNA, ISLAND OF HAWAII, TMK: 3RD/1-2-09: PORTION OF 3.**

Uchida said this is for a utility easement over and across State land for electrical transmission lines that was approved by the Land Board at its March 22, 1996 meeting.

Athena Peanut said this hearing is in violation of the Sunshine Law with regards to the posting of the agenda and asked that Member Yuen recuse himself based on his involvement with the Association. Member Yuen made the disclosure that his father's uncle was the original developer of the Kehena Beach Estates subdivision which is serviced by this electric line and that his immediate family or himself have never had any financial interest in the subdivision. Yuen also said he is the attorney for the Kalapana Seaview Community Association in which the Association has never taken an official position by the vote of the Board and therefore will not disqualify himself.

Uchida said that after the March, 1996 meeting, a complaint was filed by the Friends of the Red Road in the 3rd Circuit Court and Judge Amano ruled that the County of Hawaii Department of Public Works had not read the Final Environmental Assessment, therefore all the permits issued and dated in that year would be null and void. The County went back through the process, completed an EIS which was published in March, 1997 in the Environmental Notice.

The staff's recommendation is that the Board: A) Authorize the direct sale of the previously described easement to HELCO, subject to terms and conditions; B) authorize the issuance of an immediate construction right-of-entry to HELCO, subject to terms and conditions.

Athena Peanut introduced herself as President of the Friends of the Red Road. She said the Land Board is in violation of the Sunshine Law in the posting and mailing of the agenda and notices. She read Section 92-11 "Voidability. Any final action taken in violation of sections 92-3 and 92-7 shall be voidable upon proof of willful violation." Peanut said the meeting should not take place or continue. Chair Wilson said the Board will consult with the Deputy Attorney General after the testimony portion is concluded.

Ms. Peanut asked that Member Yuen be recused because of his involvement with the association and felt that the Board members would side with Member Yuen. Member Yuen said he made a statement of disclosure a year ago and was not challenged. Ms. Peanut said being a lay person, she did not know what her rights were at the time but now that she knows her rights, she is challenging it. She also questioned the acceptance of the minutes of the [March 22, 1996] meeting which contained this item on the same day that it is on the agenda. She requested a copy of the minutes. A discussion about the BLNR mailing list took place.

Chair Wilson stated that the Board will go into executive session to discuss the notice situation with the attorney general and in the event that a determination is made that the notice was not in compliance, the item will not be addressed today, otherwise, the Board will move forward and testimonies will continue.

**Motion to move into executive session to discuss the Sunshine Law issue with the Deputy Attorney General. (Yuen/Nekoba).**

**Vote: all in favor.**

The Board meeting was recessed at 9:55 a.m. and reconvened at 10:35 a.m.

Chair Wilson said it is determined that the notices of the meeting were sent out as required by the Sunshine Law and therefore, the discussion on the item will continue. He also stated since Member Yuen has no financial connection to this issue he will not have to recuse himself. Linnel Nishioka said a year ago Member Yuen, under the Board's rule of conflict of interest and under the State's Ethics law he was not required to recuse himself.

Ms. Peanut said all permits were canceled by the judge who ruled that the accepting authority did not read the FEA prior to signing the negative declaration and that the judge also found that the geologic and cumulative affects were not addressed in the FEA. Ms. Peanut stated that there is a 60 day period in which to file a challenge to the EIS and said there is more than a month left in the challenge period.

Ms. Peanut referred to page 3, paragraph 1 of the DLNR background report and read, "HELCO plans to construct a...", she asked to have this portion corrected to read that, "HELCO has already constructed all the estate portion of the project and 95% of the whole project". She said construction began in 1994 and HELCO did not have a single permit or easement.

Ms. Peanut then referred to page 3, item 6, paragraph 2 which states, "DLNR has received letters from individuals who want to stop the electric poles. However, DLNR has also received many letters signed by over 130 property owners..." She asked that these statements be corrected to reflect that DLNR also received a bound book, containing signatures and TMK numbers representing more than 300 lots in the project areas.

Ms. Peanut said they want the records to reflect that proof of the hundreds of TMK property owners, residents and frequent visitors were submitted. Also note that DLNR documents refer to those opposed to the project as "protesters" and HELCO supporters as "property owners and residents". She said the background report is presented in a very prejudicial way favoring the smaller number of HELCO's subscribers and wanted this corrected. She said the residents are complaining about the endangerment to themselves from falling poles and live wires during emergencies. Ms. Peanut said it should be noted that the project was completed in its entirety last year and the easement is after the fact. She said this hearing is illegal and the Friends recommend that DLNR redraft the background report and that the hearing be delayed until the environmental review process is complete.

Chairman Wilson excused himself at 10:50 a.m. and Member Yuen presided as the Chair.

Member Yuen asked whether there would be any harm if the Board granted the easement today. Ms. Peanut said yes and went on to explain. Member Yuen clarified that she said if the electricity was turned on and then turned off as a result of a court decision, people would be more angry than they would have been if it had simply been a delay.

Colette Sakoda introduced herself as an agent for HELCO. She said there has been no changes to their project plans since it was presented to the Board a year ago. Clyde Nagata said the portion of the state property was constructed after the easement was granted but that after the court session all construction work was stopped. Everything is complete in the State easement portion and the poles are in but that they are not energized. Nagata said if the line is energized, there is no legal change in the status of the customer. He said if the Board grants the easement, HELCO first intends to seek clarification from Judge Amano as to whether HELCO could energize portions outside of the SMA area before any buttons are pushed.

There was a discussion about the issue of putting power lines along the highway and whether a permit was required. Sakoda said HELCO is required by the County to have plans for the Planning Department to review. She said one of the alternatives was for the lines to run from Kalapana to the Red Road and then to the subdivision which was considered and discussed in the EIS document. Sakoda said if the lines were to go into State property, HELCO would have to go through the permitting process with a possible CDUA and additional departmental reviews.

When asked about endangering the birds, Sakoda stated that two studies were conducted for the whole project area. One by a biologist from Kona and the other, a radar survey by ADR. She said the studies showed an infrequent number of flights in the area and that the impact would be insignificant

Greg Bretner testified that there is hardship in the area because of the lack of electricity. He addressed the matter of the structural fires and he questions whether they were acts of vandalism or whether it was caused because everyone deals flammable liquids.

D. Codiga, legal counsel for HELCO answered some questions with regards to the SMA, Endangered Species Act and whether HELCO has legal liability to those consumers who have bought appliances, etc. He said the federal litigation with the Endangered Species Act will affect the entire project. Codiga said HELCO has decided to file a motion to clarify whether or not they are liable to the consumers who have purchased appliances.

Duane Cariaga introduced himself as a property owner in Seaview Estates and testified that he is opposed to the granting of the easement. He stated that the studies conducted for the endangered species were not adequate because they were done in 1995 and not done during the months that the birds would have been around.

Carlisle Knudsen testified in favor of the granting of the easement. He stated that the signatures and letters from the Friends of the Red Road has nothing to do with owning lands in the area or even living in the area. He said the people that are building structures in the area are waiting for the power to come in.

Ms. Knudsen testified in favor of the granting of the easement. She worries every time they

have to carry the gas and oil for the generators.

Craig Heiser introduced himself and said he lives in Seaview with his wife and three children. He said they breathe carbon monoxide every night from the generator. Heiser said his children study by candle light and he worries about his house catching fire.

Member Yuen said he has a note from Chair Wilson saying that there is another aspect of the notice that he is concerned about and suggested that the item be deferred until Chair Wilson returns. The Chair will return at 1:30 p.m.

A short break was taken and the meeting was reconvened at 12:05 p.m.

**ITEM D-9: REQUEST BOARD CONSENT TO ASSIGNMENT OF GENERAL LEASE, EDWIN YASUKICHI UYECHI, ASSIGNOR, TO HAROLD M. H. MAU NURSERY, INC. ASSIGNEE, GENERAL LEASE NO. S-5399, WAIMANALO, OAHU, TMK: 4-1-08: 71.**

Unanimously approved as submitted. (McCrorry/Nekoba).

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

Unanimously approved as submitted. (McCrorry/Nekoba).

**ITEM C-1: REQUEST FOR APPROVAL OF A CONTRACT WITH THE DEPOT, LTD. OF SULLIVAN (A.K.A. SPORT'EN ART), FOR PRODUCTION AND MARKETING SERVICES OF THE 1997-1998 HAWAII WILDLIFE CONSERVATION STAMP AND ART PROGRAM.**

Mike Buck briefed the Board and said the staff's recommendation is that the Board authorize the Chairperson to enter into the attached contract agreement, subject to the Attorney General's modification and approval as to form, and carry out the Department's responsibilities pertaining to it.

Unanimously approved as submitted. (McCrorry/Nekoba).

**ITEM D-8: PERMISSION TO HIRE CONSULTANT FOR JOB NO. 31-OL-P, PAUKAUILA STREAM MOUTH DREDGING, OAHU.**

Uchida briefed the Board and asked that the Board authorize the Land Division to hire a consultant to prepare plans and specifications for the subject project and authorize the Chairperson to sign the necessary documents pertaining to the project.

Unanimously approved as submitted. (Nekoba/Kennison).

**ITEM D-15: PERMISSION TO ENTER INTERGOVERNMENTAL AGREEMENT WITH THE HONOLULU BOARD OF WATER SUPPLY TO PURCHASE WATER CREDITS FOR STATE PROJECTS.**



Uchida said the Land Division was responsible for developing the water sources for various State projects but haven't had enough projects developed to satisfy the water needs to yield additional State projects. The Division entered into an agreement with the Board of Water Supply to purchase water credits. The agreement is to allow the Division to convey money to the BWS who will then develop the site. The staff's recommendation is that the Board authorize the Chairperson to sign the necessary document to enter into the agreement with the Honolulu Board of Water Supply, subject to the Attorney General's approval as to form.

There was a discussion about the amount of \$10.24 per gallon being high. Andy Monden explained that if the well was closer it would be cheaper but in this case BWS would have to develop a well site. He said the water allocation can be disbursed throughout the system. Uchida said because the Division has not been doing exploratory drilling and development and with the Governor's push for the CIP project, the Division is caught in a situation to find the wells in order to accommodate the demand for water.

**Unanimously approved as submitted. (Nekoba/Kennison).**

**ITEM B-1: REQUEST FOR APPROVAL TO ENTER INTO AN AGREEMENT WITH THE RESEARCH CORPORATION OF THE UNIVERSITY OF HAWAII FOR "SERVICES TO FACILITATE THE DESIGN AND IMPLEMENTATION OF A REVISED FISH CATCH ASSESSMENT SYSTEM FOR THE STATE OF HAWAII: PHASE I" UNDER THE DIVISION'S COMMERCIAL FISHERIES BRANCH.**

Bill Devick briefed the Board. This project is planned as a cooperative effort under the Division's Commercial Fisheries Branch, with joint funding and technical support from the Main Hawaiian Islands Marine Resources Investigation (MHI-MRI), the Commercial Fisheries License Special Fund (CFLSF) and the Interjurisdictional Fisheries Act (IFA) of the National Oceanographic and Atmospheric Administration (NOAA).

Funds for the MHI-MRI are available in the Operating Budget of the Aquatic Resources Program. The total cost for fiscal year 1996-1997 would be \$93,368 (\$58,000 State General Fund; \$10,300 State Special Fund and \$25,068 Federal Funding).

The staff's recommendation is that the Board authorize the Chairperson to negotiate and execute, subject to the Governor's approval, the subject Agreement with the Research Corporation of the University of Hawaii for Fiscal Year 1996-1997.

**Unanimously approved as submitted. (Nekoba/McCrory).**

**ITEM D-2: CONSENT TO THE ASSIGNMENT OF GENERAL LEASE NOS. S-4464, S-4465, S-4471, AND S-4474, SOUTH KOHALA AND HAMAKUA, HAWAII, TMK: (3) 6-5-1-6, 6-6-1-20, 4-4-15-2 AND 6-2-1-3- AND -15.**

Uchida briefed the Board. The lease states "the Lessee shall not transfer, assign or permit

any other person to occupy or use the said premises or any portion thereof, or transfer or assign this lease or any interest therein, either voluntarily or by operation of law except by way of devise, bequest or intestate succession, and any transfer or assignment so made shall be null and void; provided, that with the prior written approval of the Board, the assignment and transfer of this lease or unit thereof may be made if (1) the Lessee becomes mentally or physically disabled; (2) extreme economic hardship is demonstrated to the satisfaction of the Lessor; or (3) it is to the corporate successor of the Lessee."

The staff's recommendation is that the Board consent to the assignments of the general leases from Warren J. Gunderson, Richard S. Hendrick and Melvin B. Hewett, who are named as Personal Representatives of the Estate of Richard Smart, aka Richard Kaleioku Palmer Smart, Richard Palmer Smart and Richard P. Smart, Deceased, Assignor, to Parker Ranch, Inc., Assignee, subject to terms and conditions.

Member Yuen asked Linnel Nishioka to clarify if the leases would be terminated if someone dies or if their will says their business goes on to their child, does the lease go with it. Nishioka explained that if one dies and there is an existing lease, one can by will devise, bequest or intestate succession. If one is still living, there is a restriction on the ability to transfer according to the five provisions. She said the bottom line is if it's by will through the Corporation, then he could have willed it to his child or to anyone. Nishioka said the Board can review an assignment but that the Board would have to be specific with "immense good reason" if they are going to deny it under those circumstances.

**Unanimously approved as submitted. (Kennison/Nekoba).**

**ITEM D-3: AMEND PRIOR BOARD ACTION FOR DIRECT SALE OF A ROADWAY AND UTILITY EASEMENT TO HELEN C. TEXEIRA, HAMAKUA, HAWAII.**

Uchida said the Land Board at its September 14, 1990 meeting approved an action with a condition concerning with consent of the easement area by the existing tenant, Hamakua Sugar Company. With the demise of Hamakua Sugar, the recommendation by the staff is that the Board: 1) Delete consent requirement from Hamakua Sugar Company, 2) All other terms and conditions to remain the same, and 3) such other terms and conditions as may be prescribed by the Chairperson to best protect the State's interest.

**Unanimously approved as submitted. (Nekoba/Kennison).**

**ITEM D-5: RESCIND PRIOR BOARD ACTION FOR DIRECT SALE OF A ROADWAY EASEMENT TO JOHN ANDRADE, JR.**

Uchida said the Land Board took action on February 25, 1993 to approve the direct sale of a roadway easement. There have been two attempts in May, 1995 and January 1997 to get information from John Andrade, Jr. and there has been no response. The staff recommendation is that the Board: 1) Rescind Land Board approval of February 25, 1983,

and 2) Such other terms and conditions as may be prescribed by the Chairperson to best protect the State's interest.

**Unanimously approved as submitted. (McCrorry/Nekoba).**

There was a brief discussion about whether the no response cases should be brought before the Board. The consensus of the Board was that if the party is not interested in responding, the lease should be canceled.

**ITEM D-6: RESCIND PRIOR BOARD ACTION FOR DIRECT SALE OF A PERPETUAL EASEMENT TO HAWAII ELECTRIC LIGHT CO., OLAA, PUNA HAWAII.**

Uchida said the Board in July of 1976 approved the direct sale of a perpetual, non-exclusive easement for four electric pole and wire lines. In March, 1997, Hawaii Electric notified the Division that the two parcels were sold to individuals and the other two parcels are under the Department of Hawaiian Home Lands jurisdiction.

Uchida said the staff's recommendation is that the Board: 1) Rescind the Land Board approval of July 9, 1976 and 2) Such other terms and conditions as may be prescribed by the Chairperson to protect the State's interest.

**Unanimously approved as submitted. (Nekoba/Kennison).**

**ITEM D-7: REQUEST FOR PERPETUAL, NON-EXCLUSIVE EASEMENT OVER STATE LAND FOR ACCESS AND UTILITY PURPOSES, KALOPA, HAMAKUA, HAWAII, TMK: 4-4-03: POR.3.**

Uchida briefed the Board. He said this involves a half acre of land and one-time lump sum payment for the easement. Uchida said the staff's recommendation is the that Board: 1) Find the subject area to be an economic unit in terms of the intended use, 2) Authorize the issuance of the subject easement to Wachi, Inc., subject to any applicable conditions cited which are referenced and subject to terms and conditions.

**Unanimously approved as submitted. (Kennison/McCrorry).**

**ITEM D-11: AMENDMENT PERMIT AREA, REVOCABLE PERMIT NO. S-6982, ISLAND RECYCLING, INC. KALIHI-KAI, OAHU, TMK: 1-2-23:34 (PORTION)**

Uchida recalled for the Board that the Board took action in November, 1996 to return the area back to Department of Transportation, and the documents are currently being worked on. In the interim, the Division continues to manage the area. There is a drainage pipe that was installed through a 2,000 sq. ft. portion of the original permit area.

The staff's recommendation is that the Board amend Revocable Permit No. S-6982 issued to

Island Recycling, Inc. to increase the area by 15,840 sq. ft. for a total area of 42,531 sq. ft. and to approve the relocation of 2,000 sq. ft. subject to the conditions.

Unanimously approved as submitted. (Nekoba/McCrory).

**ITEM D-12: WITHDRAWAL OF LANDS FROM GOVERNOR'S EXECUTIVE ORDER NO. 1348 AND RESET ASIDE TO THE DEPARTMENT OF TRANSPORTATION, STATE OF HAWAII FOR SIDEWALK PURPOSES, AT ALA MOANA BOULEVARD AND ATKINSON DRIVE, IN CONJUNCTION WITH THE ALA MOANA BOULEVARD INTERSECTION IMPROVEMENTS PROJECT NO. 92A-01-97 AT ALA MOANA PARK KALIA, HONOLULU, OAHU, TMK: 1ST/2-3-37: 01 (PORTION).**

Uchida said the staff's recommendation is that the Board: 1) Recommend to the Governor the issuance of an Executive Order withdrawing approximately 3, 230 sq. ft., more or less, from Governor's Executive Order No. 1348 with additional terms and conditions and 2) Recommend to the Governor the issuance of an Executive Order to the Department of Transportation, State of Hawaii for Sidewalk Purposes under the terms and conditions referenced and additional terms and conditions.

Unanimously approved as submitted. (Nekoba/McCrory).

**ITEM D-13: REQUEST BOARD APPROVAL, RIGHT-OF-ENTRY TO THE DEPARTMENT OF TRANSPORTATION, REVOCABLE PERMIT NO. S-6814, MOKULEIA, OAHU, TMK: 6-9-01: 03.**

Uchida briefed the Board. He said the Department of Transportation has a reservoir site on the *mauka* side of the existing quarry. During the heavy rains the water diverted onto the utility road causing extensive damage. The DOT is requesting a Right-of-Entry to get to a site above the quarry to construct an earth berm to direct the run-off from the uplands at Kealia straight down into the pond of the quarry below.

The staff's recommendation is that the Board authorize a construction Right-of-Entry to the Department of Transportation, Airports Division for repair work upon a portion of State owned lands at Mokuleia, Oahu above the former Bitumuls Quarry as cited, subject to conditions.

Unanimously approved as submitted. (Nekoba/McCrory).

**ITEM D-14: REQUEST FOR CONSENT TO DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT AND TOURISM REVOCABLE PERMIT NO. 015, PORTION OF THE HAWAII FILM STUDIO SITUATE AT KAPAHULU, WAIKIKI, OAHU, HAWAII, TMK: 1ST/3-1-42: 09 (PORTION).**

Unanimously approved as submitted. (Nekoba/McCrory).

**ITEM D-19: CONSENT TO MORTGAGE, ASSIGNMENT AND AGREEMENT OF SALE OF GENERAL LEASE #S-3163, WAIAKEA, SOUTH HILO, HAWAII, TMK: (3) 22-1-29.**

Uchida said this is a complicated issue because the assignment of mortgages are without consent from the Board. There was an agreement of sale on a purchase money mortgage in 1990. The seller financed the deal in March 1994, the finance company assigned the mortgage with another finance company in November, 1995 without Land Board approval. The action before the Board is that the Board: 1) Consent to the mortgage of General Lease #S-3163 between Michael James Thomas and Cynthia Kuulei Thomas, Mortgageors and Investors Finance, Inc., Mortgagee, 2) Consent to the assignment of the mortgage of General Lease #S-3163 between Investors Finance, Inc., Assignor to Realty Finance, Inc., Assignee, and 3) Consent to the assignment and agreement of sale of General Lease #S-3163 between Michael James Thomas and Cynthia Kuulei Thomas, Assignors, Seller, and G. J. Lisle Willed, Trustee under that certain G.J. Lisle Willed Trust Agreement dated May 25, 1983, Assignee, Buyer, subject to terms and conditions.

**Unanimously approved as submitted. (Kennison/Nekoba).**

**ITEM E-1: REQUEST TO CHANGE PARK NAME FROM KONA COAST STATE PARK TO KEKAHA KAI STATE PARK, NORTH KONA, ISLAND OF HAWAII.**

Uchida spoke on behalf of Ralston Nagata who requested withdrawal of item pending approval of the whole committee.

**Unanimously approved to withdraw. (Kennison/Nekoba).**

Meeting was recessed at 12:50 p.m. and reconvened at 1:30 p.m.

**ITEM K-1: LEASE FOR CENTER FIELD WIND INSTRUMENTS, KAHULUI AIRPORT, MAUI (FAA).**

Peter Garcia briefed the Board on this lease for Kahului Airport. The FAA is requesting a lease for the installation, operation and maintenance of Center Field Wind (CFW) Instruments for Runways 2 and 5. The CFW Instruments will enhance the operation of both runways with the availability of accurate wind condition information. The DOT, in the public interest, has no objection to granting the FAA's request.

**Unanimously approved as submitted. (Kennison/Nekoba).**

**ITEM K-2: REPORT ON REVOCABLE PERMIT ISSUED OR RENEWED BY THE DEPARTMENT OF TRANSPORTATION FOR CONSISTENT USES.**

**ITEM K-3: REPORT ON REVOCABLE PERMITS ISSUED OR RENEWED BY THE DEPARTMENT OF TRANSPORTATION FOR CONSISTENT USES.**

Garcia reported on the permits and said no action is required by the Board.

**ITEM D-4: DIRECT GRANT OF PERPETUAL, NON-EXCLUSIVE UTILITY EASEMENT TO HAWAII ELECTRIC LIGHT COMPANY, INC. (HELCO) FOR ELECTRICAL TRANSMISSION LINE PURPOSES AT KEHENA AND KEEKEE, PUNA, ISLAND OF HAWAII - TMK: 3RD/1-2-09: PORTION OF 3.**

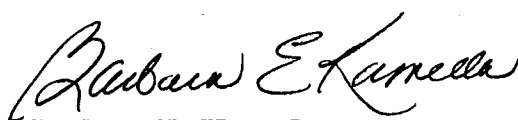
Chair Wilson asked whether there were further discussions for Item D-4. Member Yuen said there weren't any vital impacts in the area of the easement itself although he was sympathetic to the issues of the visual affects. He felt other power lines could be brought into this area in a much worse alignment along Highway 137.

**Unanimously approved as submitted. (Yuen/Kennison).**

The meeting was adjourned at 1:45 p.m.

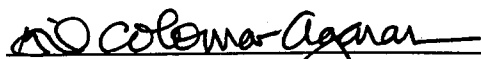
Tapes of the meeting and all written testimony submitted at the meeting are filed in the Chairperson's Office and are available for review. Certain items on the agenda were taken out of sequence to accommodate applicants or interested parties present.

Transcribed by,



Barbara E. Kameda

Approved for submittal:



MICHAEL D. WILSON

Chairperson

Board of Land and Natural Resources