

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

DATE: June 13, 1997
TIME: 9:00 a.m.
PLACE: Kona Surf Hotel
Mauna Loa Conference Room
78-128 Ehukai Street
Kailua-Kona, Hawaii 96740

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

MEMBERS:

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

STAFF:

Mr. Dean Uchida, Land	Mr. William Devick, Aquatic Resources
Mr. Ralston Nagata, State Parks	Mr. Charles Supe, State Parks
Mr. Harry Yada, Land	

OTHERS:

Mr. Ed Watson, Esq. Deputy Attorney General	Mr. Peter Garcia, State Department of Transportation
Mr. Keith Kurahashi, D-40	Mr. Bob McLaren, U.H. Institute of Astronomy, D-1
Ms. Meredith Ching, A&B, D-11, 12, 13, 14	Mr. Garrett Hew, EMI, D-11, 12, 13, 14
Mr. Steve Holiday, HC&S, D-11, 12, 13, 14	Mr. Steve Torkildson, Alta Hawaiian, D-15
Ms. Lynn Higashi, Cades Schutte, D-15	Mr. Norman Krug, Equinox Hotel Management, D-15
Mr. Mark Guildes, D-15	Mr. Mervin Rapozo, D-34
Mr. Alan Oshima, Esq., D-41	Mr. Scott Vuillemot, American Divers, Inc., B-2
Mr. Dave Jolley, Amer. Deep-water Engineering, B-2	Mr. Clarence Greff, Captain Zodiac, E-2
Mr. Walter Hong, Esq., D-28	
Mr. Mario Cardone, D-18	
Mr. Bill Mielcke, D-22	

** Member Matsumoto entered the meeting at 9:18 a.m.

Business:

ITEM D-40 Cдуа (OA-2849) FOR THE CONSTRUCTION OF A PERSONAL COMMUNICATIONS SYSTEM (PCS) CELL SITE AT NANAKULI, OAHU, TMK: 8-7-06: POR. 22

Mr. Uchida informed the Board that several members of the public had raised concerns regarding electro-magnetic fields and public notification for the public hearing. Mr. Uchida stated that although it is not required by law, staff routinely notifies people in close proximity to proposed projects. However, he stated that staff had inadvertently failed to notify some of the adjacent property owners. Mr. Uchida also told the Board that, according to the Telecommunications Act, local government and communities should not decide land use issues based on electro-magnetic field (EMF) concerns.

Mr. Uchida also apprised the Board that the consultant for the applicant had informed staff that the applicant company was currently in Chapter 11 bankruptcy proceedings. He stated, however, that the consultant was proceeding to secure the necessary permits for the site.

Mr. Keith Kurahashi, representing the applicant, informed board members about the neighborhood board actions on the subject application.

Item D-40 was approved as submitted (Nekoba/Kennison).

ITEM D-1 AMEND ISSUANCE OF A DIRECT LEASE TO UNIVERSITY OF HAWAII, KAOHE, HAMAKUA, HAWAII, TMK: (3) 4-4-15-PORION 1

Member Yuen questioned whether the lease would entail the selling of refreshments, beverages & snacks; he stated that some flexibility should be allowed.

Mr. Robert McLaren, U.H. Institute of Astronomy, testified that the amendment would allow the Institute to operate 7-days a week, selling T-shirts and postcards to support the visitor station.

Item D-1 was approved as submitted (Yuen/Kennison).

ITEM D-2 WITHDRAWAL OF LANDS FROM GENERAL LEASE NO. S-4191, KAOHE, HAMAKUA, HAWAII, TMK: (3) 4-4-15-10 AND -11

Mr. Uchida informed the Board that the subject submittal was a housekeeping measure. No public testimony was presented.

Item D-2 was approved as submitted (Yuen/Kennison).

ITEM D-11 REQUEST FOR AN ISSUANCE OF A REVOCABLE PERMIT BY EAST MAUI IRRIGATION COMPANY, LIMITED FOR WATER DEVELOPMENT, DIVERSION AND USE PURPOSES ON GOVERNMENT LANDS, DESIGNATED BY TMK: 1-1-01:44, KOOLAU FOREST RESERVE, HONOMANU, HANA, MAUI

Mr. Uchida stated that Items D-11 through D-14 were related items involving revocable permits and would be addressed simultaneously.

Ms. Meredith Ching representing A&B Hawaii introduced Mr. Garrett Hew, East Maui Irrigation Company (EMI) and Mr. Steve Holiday, General Manager, HC&S. Ms. Ching presented a background and history of A&B Hawaii's and EMI's involvement in protecting the watershed and providing HC&S with the low cost water which allows the company to remain competitive in world markets.

Ms. Pat Tummons noted that the submittal did not specify the rent and requested information regarding how the rent is determined. She further noted that some discontent had been voiced by taro farmers about the lack of water down line, and suggested that some means be made available to supply those farmers with water.

Mr. Uchida responded that staff would look into determining a monthly rent for the license. Chairperson Wilson requested that the information be forwarded to the Chairperson's office and to Ms. Tummons.

Ms. Ching testified that an appraisal was done in 1992 using comparable and income approaches. She stated that, at the time, it was determined that A&B / EMI was probably paying too much, however, the companies agreed to the rent terms. Ms. Ching stressed to board members that the fee was for "wild" water and could not be compared to county standard water.

Items D-11, D-12, D-13, and D-14 were approved as submitted (Kennison/Nekoba).

ITEM D-12 REQUEST FOR AN ISSUANCE OF A REVOCABLE PERMIT BY EAST MAUI IRRIGATION COMPANY, LIMITED FOR WATER DEVELOPMENT, DIVERSION AND USE PURPOSES ON GOVERNMENT LANDS DESIGNATED BY TMKS: 1-1-01: 50 AND 2-9-14: 01, 05, 11, 12 AND 17, KOOLAU FOREST RESERVE, HUELO, HANA, MAUI

See Item D-11.

ITEM D-13 REQUEST FOR AN ISSUANCE OF A REVOCABLE PERMIT BY EAST MAUI IRRIGATION COMPANY, LIMITED FOR WATER DEVELOPMENT, DIVERSION AND USE PURPOSES ON GOVERNMENT LANDS DESIGNATED BY TMK: 1-1-02: PORTION 02, KOOLAU FOREST RESERVE, KEANAE, HANA, MAUI

See Item D-11.

ITEM D-14 REQUEST FOR AN ISSUANCE OF A REVOCABLE PERMIT BY A&B-HAWAII, INC. FOR WATER DEVELOPMENT, DIVERSION AND USE PURPOSES ON GOVERNMENT LANDS, DESIGNATED BY TMK: 1-2-04: 05 AND 07, KOOLAU FOREST RESERVE, NAHIKU, HANA, MAUI

See Item D-11.

ITEM D-15 ASSIGNMENT OF GENERAL LEASE NOS. S-3831, S-3840, AND S-4647, WAILUA RESORT SITE, KAWAIHAU, KAUAI, TMK: 3-9-6: 16 AND 20

Mr. Uchida provided background on the subject submittal.

Member Matsumoto requested that staff review whether performance bonds had been waived by a prior Board.

Mr. Steve Torkildson, representing Alta Hawaiian (seller), informed that Board that the performance bonds had not been waived and were currently in effect.

Ms. Lynn Higashi, Cades Schutte Fleming & Wright, and Mr. Norman Krug, representing the buyer were present to answer the Board's questions. Ms. Higashi noted that, although it was not part of the current submittal, the buyer was requesting an early rent determination.

Mr. Norman Krug representing Equinox Hotel Management (buyer), informed the Board that the company had obtained a Holiday Inn franchise approval. He noted, however, that an early rent determination was needed in order for necessary renovations to begin. Mr. Uchida responded that, if the buyer utilized conventional means of financing the re-opening negotiations could begin immediately.

Item D-15 was approved as submitted (McCrorry/Nekoba).

ITEM D-41 REQUEST BOARD APPROVAL FOR CONSENT TO ASSIGNMENT, AT&T
SUBMARINE SYSTEMS, INC., ASSIGNOR, TO TYCO INTERNATIONAL,
LTD., ASSIGNEE, GENERAL LEASE NO. S-5219, SAND ISLAND,
OAHU, TMK: 1-5-41: 333
(TO BE DISTRIBUTED)

Mr. Uchida provided members with background on the subject submittal and explained to the Board how the lease premium was derived. He further noted that the State reserved the right to make an upward adjustment in the premium should it be determined (by taxes) that a higher selling price should have been reflected.

Mr. Alan Oshima, representing AT&T, informed the Board that the subject submittal referred to a stock transaction involving AT&T Submarine Systems, Inc. (AT&T/SSI), not AT&T Corporation (page 2 of the submittal had incorrectly named AT&T Corp.). He noted the difficulty in assigning a price tag to a stock transfer and stated that staff had worked with the company to determine a fair monetary value for the transfer.

Members and Mr. Oshima discussed in length the method used in determining the lease premium and whether a more accurate determination could be made using other methods.

Member Matsumoto questioned whether any financial records had been provided to staff; Mr. Oshima answered in the affirmative.

Member Yuen questioned whether the ground lease value could be used to determine an assignment value. It was concluded, however, that the current lease remained in force, thus it would not be possible to determine an assignment value by the lease rent. Mr. Oshima noted that the method used in calculating the premium was identical to the method used by the Department of Transportation, however, because of the difficulty in assigning a value to the transfer of the stock, reasonable assumptions are utilized. He noted to the Board that even slight variations in the multiplier of the depreciation drastically altered the premium amount.

In response to Member Matsumoto's question, Mr. Oshima stated that the basic operation included the laying of cable around Hawaii and the Pacific Rim.

Member Yuen offered the suggestion that the premium be calculated, not from the time the lease began, but rather, from the time the investment was made. Mr. Oshima concurred that it was an alternate method that could be used. He further agreed that applying the 8% to actual costs and expenditures

ITEM D-41 (cont.)

may increase the premium payable. Mr. Oshima noted, however, that the rounding of the figures (eg. the number of years or the multiplier) often offset one another. A lengthy discussion ensued regarding the premium which would be paid using the alternative method.

Condition #4 of the submittal was therefore amended to reflect that the assignment premium be calculated as follows:

- a. Using an 8% appreciation applied to the costs of the investments for each year starting from the issuance of the lease. Flexibility is given in calculating investments so as not to require looking at each individual transaction individually;
- b. Using the actual multiplier (no rounding) derived by dividing the total sales price by the net book value of the assets;
- c. 1991 mid-year figures includes eligible expenses used in the calculation of costs expended prior to November, 1991.
- d. The Chairperson is authorized to approve the figure derived using the specified method of calculation.

Mr. Ed Watson, Deputy Attorney General, stressed to the Board the importance of reaching an agreement on a figure prior to the June 27, 1997 close of the stock sale.

Member Yuen asserted that, by using the methodology suggested and allowing for some flexibility in the calculation of expenditures, a reasonable and fair number can be reached.

Item D-41 was approved as amended (Nekoba/Yuen).

ITEM D-34 FORFEITURE OF GENERAL LEASE NO. S-5243 TO MERVIN RAPOZO, KAPAA HOMESTEADS, FIRST SERIES, LOT A, PARTS 1 AND 2 AT KAPAA, KAWAIHAU (PUNA), KAUAI, TMK: 4-6-2: 1, 13 17 AND 19

Mr. Uchida provided the background on the subject submittal. Mr. Uchida explained to board members that Mr. Rapozo's lease was auctioned off at a time before pre-qualification when speculation sometimes inflated valuations.

ITEM D-34 (cont.)

In response to Member Yuen's question, Mr. Mervin Rapozo, the lessee, stated that the property consisted of 50 acres. Mr. Rapozo testified to the economic difficulties faced by himself, and cattle ranchers in general, on Kauai subsequent to Hurricane Iniki. Member McCrory noted that Mr. Rapozo was a lessee in good standing with regards to other leases held.

Member Matsumoto inquired as to whether Mr. Rapozo would tender a bid should the same lease go to public auction in the future; Mr. Rapozo responded that he would consider putting in a lower bid.

Member Kennison questioned whether the forfeiture of the lease would affect the other leases held by Mr. Rapozo, or Mr. Rapozo's ability to bid on future leases. Mr. Uchida noted that, under the state statutes, a forfeiture due to a default would indeed preclude Mr. Rapozo from bidding on state leases for five years. He noted that the situation could more appropriately be handled by "mutual" cancellation, however, the Attorney General's Office had earlier determined that the Board should not approve any mutual cancellations until a state-wide mutual cancellation policy was in place. Members discussed the Board's authority to mutually cancel the subject lease, regardless of the Attorney General's determination, in this specific instance.

Member McCrory moved to 1) amend Condition A of the submittal to authorize the mutual cancellation of subject lease; 2) delete the current Condition D; add a Condition D retaining the performance bond; and add a Condition E stating that any future mutual cancellation must await the approval of a state-wide policy.

Item D-34 was approved as amended (McCrory/Nekoba).

ITEM D-25 REQUEST BOARD APPROVAL, AMEND RENT, REVOCABLE PERMIT NO. S-3528, HILTON PIER, WAIKIKI, OAHU, TMK: 2-6-08: 29

Mr. Uchida informed the Board that, because of conflicts in scheduling, the applicant's attorney had requested the deferral of the item.

No public testimony was presented.

Item D-25 was deferred (Matsumoto/Yuen).

ITEM D-9 CONSENT FOR AN AFTER-THE-FACT SUBLEASE AND REQUEST TO AMEND GENERAL LEASE NO. S-5284-A BY HAWAIIAN CEMENT COMPANY, ON STATE LANDS IDENTIFIED BY TMK: 3-8-08: POR. 31, SITUATE AT PORTION OF PULEHUNUI AND WAIKAPU, WAILUKU, MAUI

No public testimony was presented.

Item D-9 was approved as submitted (Kennison/Nekoba).

ITEM B-2 REQUEST FOR APPROVAL OF A PERMIT TO TAKE OR POSSESS PINK CORAL AND GOLD CORAL FOR COMMERCIAL PURPOSES

Mr. Bill Devick presented the submittal. He informed members that the subject harvest application was the first since 1983, and therefore, staff has attached (with the help of a coral expert) very stringent conditions to the permit to ensure the protection of the coral beds.

Mr. Devick further informed members that the division had received a letter from the Sierra Club of Hawaii, which contended that the approval of the application required an environmental assessment (EA) and a conservation district use permit (CDUP). He stated that prior permits had required neither an EA nor a CDUA. Mr. Devick told members that staff had not been able to get a response from the Office of Environmental Quality Control or the Attorney General's Office regarding the Sierra Club's charge.

In response to Member Matsumoto's question, Mr. Devick stated that the coral is located in a channel six miles seaward, however, it is still considered a State resource. He further responded that, although it was presumed that the coral would eventually be sold, staff was not certain about where the bulk of the manufactured coral would end up.

Mr. Dave Jolley, American Deepwater Engineering, provided members with the background of the coral and the company's operations. He informed members that the targeted coral are stand-alone "trees" and not the stony coral which provide the reef habitat for aquatic life. He stated that the size of the bed was currently unknown but estimated at four-mile diameter or larger.

Mr. Scott Vuillemot, President, American Divers, Inc., familiarized members with the members of the partnership, the Hawaii coral industry and the technology used to harvest the coral. He stated that American Deepwater would provide the

ITEM B-2 (cont.)

technical expertise; American Divers would provide the equipment and capital funding; and Maui Divers, Ltd. would handle the manufacturing and sales of coral purchased at auction.

Discussion with Member McCrory clarified that the "company" would provide the State the use of its technology to research, map and monitor the precious coral bed in return for its right to harvest. However, all coral harvested would be put out to public auction; Maui Divers would, like its competitors, be required to tender bids.

Member Nekoba cautioned members about the jurisdictional disagreements between the state, federal and foreign governments.

Further discussion identified a standing crop of 53,000 to 55,000 kilograms for coral which falls under the category of precious coral.

Member Yuen moved to resolve into executive session; motion was seconded by Member Kennison. By a unanimous vote of the six members present, the meeting resolved into executive session at 12:10 p.m.

Chairperson Wilson reconvened the meeting at 12:35 p.m.

Member Nekoba noted that discussion with the Deputy Attorney General had concluded that no CDUA was necessary. However, Member Nekoba further noted that the right to harvest a valuable state resource should include some royalty payments. Member Nekoba therefore moved to approve Item B-2 with the condition that the staff work with the applicant to determine if the State should receive royalties, and authorize the Chairperson to approve a mutually agreed upon amount, if any.

Member Matsumoto requested a further amendment requiring that all auctions be held in state.

Item B-2 was approved as amended (Nekoba/Kennison).

ITEM D-38 CDUA (OA-2845) FOR THE CONSTRUCTION OF A TELEVISION TRANSLATOR FACILITY AT KANEOHE, OAHU, TMK: 4-4-12: POR. 01

Chairperson Wilson reminded staff about the importance of notifying the appropriate neighborhood board whenever a telecommunication facility is being proposed. No public testimony was presented.

Item D-38 was approved as submitted (Nekoba/Kennison).

ITEM D-6 SET ASIDE OF THE KEKAHA ARMORY TO THE OFFICE OF HAWAIIAN AFFAIRS, FOR HAWAIIAN CULTURAL AND EDUCATIONAL PURPOSES, SITUATE AT POR. KEKAHA HOUSE LOTS AND KEKAHA RESIDENCE LOTS, KEKAHA, KAUAI, TMK: 1-3-2:23

Discussion determined that the submittal should be amended to reflect that the right-of-entry is given to the Office of Hawaiian Affairs (OHA) on behalf of Aha Punana Leo.

Ms. Pat Tummons noted her concern with regards to protecting the State from liability should the applicants not follow up with the clean-up and mitigation. She suggested something "more than just a disclosure."

Chairperson noted that the conditions included a standard indemnification.

Deputy Attorney General Ed Watson stated that the area in question was an executive order set-aside, therefore the liability burden was placed on OHA.

Item D-6 was approved as amended (McCrory/Nekoba).

**ITEM D-28 REQUEST FOR CONSENT TO SUBLEASE BY HIROSHI AND PATSY T. AZEKA AND NORMAN D. AND KAREN F. THOMPSON, SUBLESSORS, TO DEREK YODER DBA ISLAND LIQUIDATORS, SUBLESSEE, GENERAL LEASE NO. S-4575, NAWILIWILI, LIHUE, KAUAI, TMK: 3-2-04:
14**

Mr. Uchida informed members that the subject consent had been brought to the Board in 1996; the Board deferred action in order to have staff determine if any sandwich profits were involved. He stated that staff had determined that no sandwich profits were involved and thus, has brought the matter back to the Board.

Mr. Walter Hong, attorney representing the applicant, voiced his concern regarding Condition K which allowed for raising the rent. Mr. Uchida noted that Mr. Hong was not addressing the most current submittal (the subject submittal's Condition B required a review of the rent only if any major condition of the sublease is revised).

Item D-28 was approved as submitted (McCrory/Nekoba).

ITEM D-19 RESCIND PRIOR BOARD ACTION OF OCTOBER 22, 1993 (AGENDA ITEM F-5), CANCEL EXECUTIVE ORDER NO. 1331, RESET ASIDE TO THE COUNTY OF HAWAII FOR TRANSFER STATION, BASEYARD AND OTHER ALLIED PURPOSES, AND SET ASIDE TO THE DEPARTMENT OF TRANSPORTATION FOR HIGHWAY PURPOSES, HONALO, NORTH KONA, HAWAII, TMK: 7-9-17: 9 AND 22

No public testimony was presented.

Item D-19 was approved as submitted (Yuen/Nekoba).

ITEM D-18 REQUEST FOR DIRECT SALE OF GOVERNMENT REMNANT PARCELS 2 AND 11, TO KCOM CORP., TMK: 4-4-01, SITUATE IN HONOKOWAI, LAHAINA, MAUI

Due to his wish to further research the proposed transaction, Member Matsumoto requested that Item D-18 be deferred.

Mario Cardone, Pacific Commercial Realty, was present to answer any questions.

Item D-18 was deferred (Matsumoto/Kennison).

ITEM E-2 REQUEST FOR A ONE-YEAR EXTENSION FOR THREE SPECIAL USE PERMITS TO MAKE COMMERCIAL TOUR BOAT LANDINGS AT THE NA PALI COAST STATE PARK, KAUAI

Mr. Ralston Nagata presented the submittal. He stated that the subject extensions were unchanged from prior years. Discussion clarified that the landings and pick-ups at Kalalau were worked out between the two subject operators.

Ms. Pat Tummons noted that, due to a suit, a possible conflict existed for Member McCrory; Member McCrory responded that the suit did not involve her company. Ms. Tummons questioned the reason for the final clause in the submittal stating that "only provisions having to do with landings along the Na Pali Coast State Park are covered by any extended Special Use Permit issued through State Parks." Mr. Nagata responded that the clause, which had been included for several years, was inserted because earlier permits had covered activities outside of the Park (eg. Hanalei & Tunnels). He stated that the Division had been advised that State Parks permits should be limited to landings at Na Pali Coast State Park because the Parks Division had no jurisdiction in other areas.

Mr. Clarence Greff, General Manager for Captain Zodiac, voiced the company's thanks for allowing landings at Na Pali Coast. Mr. Greff assured the Chairperson that the company would be on the alert for any violations occurring within the Park.

Item E-2 was approved as submitted (McCrory/Nekoba).

ITEM D-3 MODIFICATION OF THE PERFORMANCE BOND FOR GENERAL LEASE NO. S-4308, WAIAKEA, SOUTH HILO, HAWAII, TMK: (3) 2-2-58-2

No public testimony was presented.

Item D-3 was approved as submitted (Yuen/Kennison).

ITEM D-4 DEPARTMENT OF HEALTH REQUEST AUTHORIZATION TO ENTER INTO AN AGREEMENT WITH DENNIS NAKANO, KONA HOSPITAL, KANAUEUE, HAWAII, TMKs: 7-9-10-1, 7-9-13-15, 8-1-1-24

No public testimony was presented.

Item D-4 was approved as submitted (Matsumoto/Kennison).

ITEM D-5 CANCELLATION OF EXECUTIVE ORDER NO. 393 (RESERVOIR AND TANK SITE AND WATER DISTRIBUTING CENTER FOR THE HAWAIIAN HOMES COMMISSION SITUATED AT KAHANUI AND KALAMAULA, MOLOKAI, HAWAII, TMK: 2ND/5-2-10: 02

No public testimony was presented.

Item D-5 was approved as submitted (Kennison/Yuen).

ITEM D-7 PERMISSION TO HIRE CONSULTANTS FOR DLNR CIP PROJECTS

Ms. Tummons questioned why the Ala Wai Promenade, if under the jurisdiction of the City and County, is listed as a CIP project. Chairperson Wilson responded that a portion of the promenade, adjacent to the State Convention Center is owned by the State.

Item D-7 was approved as submitted (Matsumoto/Nekoba).

ITEM D-8 AUTHORIZATION TO EXECUTE RIGHT-OF-ENTRY DOCUMENT PREPARED BY THE CITY AND COUNTY OF HONOLULU, DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

No public testimony was presented.

Item D-8 was approved as submitted (Nekoba/McCrory).

ITEM D-10 ISSUANCE OF REVOCABLE PERMIT TO MANUEL H. ANDRADE, POR. KAPAA RICE AND KULA LOTS, KAWAIHAU, KAUAI, TMK: 4-5-15: POR. 17

No public testimony was presented.

Item D-10 was approved as submitted (McCrory/Nekoba).

ITEM D-16 ASSIGNMENT OF GENERAL LEASE NO. S-5084, LOT 59, PUU KA PELE PARK LOTS, WAIMEA (KONA), KAUAI, TMK: 1-4:2: 59

No public testimony was presented.

Item D-16 was approved as submitted (McCroory/Nekoba).

ITEM D-17 PERPETUAL, NON-EXCLUSIVE UTILITY EASEMENT, WAIAKEA, SOUTH HILO, HAWAII, TMKS: (3) 2-1-7-15, -50 AND -51 AND 2-1-9-7

No public testimony was presented.

Item D-17 was approved as submitted (Yuen/Kennison).

ITEM D-20 TIME EXTENSION REQUEST - CONSERVATION DISTRICT USE PERMIT MO-2680 FOR FISHPOND RESTORATION AT TWO LOCATIONS IN EAST MOLOKAI, TMKS: 5-8-1: 02 AND 5-8-02: 58

No public testimony was presented.

Item D-20 was approved as submitted (Kennison/Nekoba).

ITEM D-21 AMENDMENT TO PRIOR BOARD ACTION OF NOVEMBER 22, 1996 (AGENDA ITEM D-12), MATSUKO MATSUMOTO, GENERAL LEASE NO. S-4011, WAIMANALO, OAHU, TMK: 4-1-27: 04

No public testimony was presented.

Item D-21 was approved as submitted (Nekoba/Matsumoto).

ITEM D-23 REQUEST BOARD APPROVAL FOR THE DIRECT ISSUANCE OF A PERPETUAL NON-EXCLUSIVE EASEMENT TO THE CITY AND COUNTY OF HONOLULU, DEPARTMENT OF WASTEWATER MANAGEMENT, FOR A WASTEWATER PUMP STATION AT LOT 75 OF THE SAND ISLAND INDUSTRIAL PARK SUBDIVISION, KAHOLALOA, SAND ISLAND, HONOLULU, OAHU, TMK: 1ST/1-5-41: 93

No public testimony was presented.

Item D-23 was approved as submitted (Nekoba/Matsumoto).

ITEM D-24 REQUEST BOARD APPROVAL FOR PUBLIC AUCTION, SALE OF GENERAL LEASE, DIVERSIFIED AGRICULTURAL PURPOSES, WAIMANALO, OAHU, TMK: 4-1-10: 32

No public testimony was presented.

Item D-24 was approved as submitted (Matsumoto/Yuen).

**ITEM D-26 CONSENT TO ASSIGNMENT OF GENERAL LEASE NO. S-4138,
PANAWEA, WAIAKEA, SOUTH HILO, HAWAII, TMK: (3) 2-4-49-25**

Member Matsumoto requested that the submittal be amended to state that the assignment is conditioned on the lease rents being current.

No public testimony was presented.

Item D-26 was approved as amended (Yuen/Kennison).

**ITEM D-27 SALE OF LEASE AT PUBLIC AUCTION FOR PASTURE PURPOSES,
SITUATE AT AHUALOA, HAMAKUA, HAWAII, TMK: (3) 4-5-11-6**

No public testimony was presented.

Item D-27 was approved as submitted (Yuen/Kennison).

ITEM D-29 AMEND CONSENT TO THE ASSIGNMENT OF GENERAL LEASE NOS. S-4464, S-4465, S-4471 AND S-4474, WAIMEA AND KAOHE, SOUTH KOHALA AND HAMAKUA, HAWAII, TMKS: (3) 6-5-1-6, 6-5-1-20, 4-4-15-2, AND 6-2-1-3 AND -15

No public testimony was presented.

Item D-29 was approved as submitted (Yuen/Kennison).

ITEM D-30 AMEND ISSUANCE OF A REVOCABLE PERMIT TO OLU KAI, LTD. AT KAILUA-KONA, HAWAII, TMK: (3) 7-5-9-35

No public testimony was presented.

Item D-30 was approved as submitted (Yuen/Kennison).

ITEM D-31 TERMINATION OF REVOCABLE PERMIT NO. S-6539 TO BIG ISLAND BROADCASTING CO. AND ISSUANCE OF A NEW PERMIT TO BIG ISLAND RADIO, KALAOA, NORTH KONA, HAWAII, TMK: (3) 7-3-10-PORION 33

No public testimony was presented.

Item D-31 was approved as submitted (Yuen/Kennison).

ITEM D-32 PERPETUAL, NON-EXCLUSIVE EASEMENT, KEAHOLE AGRICULTURAL PARK, NORTH KONA, HAWAII, TMK: (3) 7-3-49-1

Mr. Uchida, informing members that the Department of Agriculture will be taking the lead, requested that Item D-32 be withdrawn.

Item D-32 was withdrawn (Yuen/Kennison).

ITEM D-33 REQUEST TO AMEND PRIOR BOARD ACTION OF FEBRUARY 28, 1997 (AGENDA ITEM D-28) AUTHORIZING SALE OF AN INTENSIVE AGRICULTURE LEASE, PORTION OF LOT 173, KAPAA HOMESTEADS, 3RD SERIES, KAPAA, KAWAIHAU (PUNA), KAUAI, TMK: 4-6-8: 1

No public testimony was presented.

Item D-33 was approved as submitted (McCrary/Nekoba).

ITEM D-35 STAFF REQUEST FOR ESTABLISHMENT OF POLICY REGARDING PREVIOUS LESSEES OF THE STATE OF HAWAII WHO HAVE GONE THROUGH BANKRUPTCY

Mr. Uchida informed the Board that the policy would serve as guidance for the staff in dealing with issue of tenant bankruptcy.

No public testimony was presented.

Item D-35 was approved as submitted (McCrary/Nekoba).

ITEM D-36 PERMISSION TO HIRE CONSULTANT FOR JOB NO. 93-KP-B7 KOKEE/WAIMEA CANYON COMPLEX, KOKEE WELL DEVELOPMENT, KAUAI

No public testimony was presented.

Item D-36 was approved as submitted (McCrary/Nekoba).

ITEM D-37 AUTHORIZATION TO AMEND REVOCABLE PERMIT NO. S-6745, MEADOW GOLD DAIRIES, INC., INCREASE IN AREA AT WAIMANALO, KOOLAUPOKO, OAHU, TMK: 1ST/4-1-08: 05 & 79

No public testimony was presented.

Item D-37 was approved as submitted (Nekoba/Yuen).

ITEM E-1 CONSENT TO THE ASSIGNMENT OF GENERAL LEASE NO. S-5283, LOT A-13, PHASE II SUBDIVISION, KAHANA VALLEY STATE PARK, KAHANA, KOOLAULO, OAHU

No public testimony was presented.

Item E-1 was approved as submitted (Nekoba/McCrary).

ITEM E-3 APPROVAL OF VARIOUS GRANTS-IN-AID

Chairperson Wilson requested that the three subject agencies (not including the Friends of Iolani Palace) be required to provide the Board with an expenditure report. Mr. Nagata responded that the agencies are already required to file a report at the end of the grant term. Chairperson Wilson requested that the agencies file an interim report for the subject grants prior to the next legislative session.

ITEM E-3 (cont.)


Member Matsumoto further requested a breakdown of revenues received by the various agencies.
No public testimony was presented.

Item E-3 was approved as submitted (Matsumoto/Nekoba).


There being no further business, Chairperson Wilson adjourned the meeting at 2:05 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.

Respectfully submitted,


Gail Y. Murayama
Secretary

Approved for submittal:


MICHAEL D. WILSON
Chairperson
Board of Land and Natural Resources