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

DATE:

FRIDAY, FEBRUARY 22, 2002

TIME:

9:00 A.M.

PLACE:

KALANIMOKU BUILDING

LAND BOARD CONFERENCE ROOM 132

1151 PUNCHBOWL STREET

HONOLULU, HAWAII

Chairperson Gilbert Coloma-Agaran called the meeting of the Board of Land and Natural Resources to order at 9:17 a.m. The following were in attendance:

#### MEMBERS:

Mr. Gilbert Coloma-Agaran

Dr. Fred Holschuh

Mr. Ted Yamamura

Ms. Lynn McCrory

Mr. Timothy Johns

### STAFF:

Mr. Harry Yada, Land Division

Mr. Sam Lemmo, Land Division

Ms. Linnel Nishioka, Enforcement Taskforce

Mr. Paul Conry, Division of Forestry

and Wildlife

### OTHERS:

Mr. Bill Wynhoff, Department of the

Attorney General

Mr. Robert Garcia, D-16

Mr. Keith Kirschbraun, D-6

Mr. Kali Watson, K-2

Mr. Patrick Vahey, D-11

Ms. Raina Rodriguez, D-10

Mr. Charles Dudoit, D-9

Mr. Peter Garcia, Department of

Transportation

Mr. Stephen DeLuz, D-16

Mrs. Barbara Locricchio, D-15

Mr. John Corbin, D-11

Mr. Gayson Ching, D-3

Ms. Marie Terri, D-10

Mr. Randy Hashimoto, D-8

{Note: language for deletion is [bracketed], new/added is <u>underlined</u>.}

ADDED

ITEM C-1: MONTH-TO-MONTH EXTENSION OF THE LANAI COOPERATIVE GAME DEVELOPMENT AND MANAGEMENT AGREEMENT PENDING NEGOTIATION OF THE LONG TERM RENEWAL

Unanimously approved to add item to the agenda (Holschuh/McCrory).

ITEM A-1: APPROVAL OF THE DECEMBER 14, 2001 MINUTES

Unanimously approved as submitted (McCrory/Holschuh).

ITEM D-16: EXTENSION OF LEASE TERM AND CONSENT TO MORTGAGE, GENERAL LEASE NOS. S-4472 AND S-4473, MR. ERNEST DELUZ AND MRS. MARIAN A. DELUZ, LESSEES, HAMAKUA, HAWAII, TMK: 3<sup>RD</sup>/4-1-06: 07 AND 4-2-08: 02

Mr. Harry Yada, Administrator of the Land Division, briefed the Board and recommended that the Board approve an extension of the subject lease, and consent to the mortgage, in accordance with terms and conditions.

Chairperson Coloma-Agaran was concerned about the management of the existing koa standson the property. He requested that the lessees work with the Division of Forestry and Wildlife in re-looking at whether there would be some benefit in managing the area. Mr. Stephen DeLuz, son of Mr. Ernest and Mrs. Marian DeLuz agreed to work with the division on this matter.

In response to a question raised by Member McCrory regarding the mortgage being a small amount for a long period of time, \$50,000 for 20 years, Mr. Robert Garcia, representing the lessees, indicated that the 20 years was part of the lessees request, and the bank has advised the lessees that they would prefer a longer lease. Mr. Stephen DeLuz indicated that they have a prior loan for the property and this would be an add-on for construction of a cattle corral and a 1-million gallon reservoir.

Unanimously approved as submitted (Holschuh/McCrory).

ITEM D-6: AFTER-THE-FACT GRANT OF TERM, NON-EXCLUSIVE EASEMENT TO MS. MARY C. SANFORD AND MS. CLAIRE C. SANFORD, CO-TRUSTEES OF THE WALLACE G. SANFORD RESIDUARY TRUST UNDER AGREEMENT DATED OCTOBER 3, 1998 AND MS. MARY C. SANFORD AND MS. CLAIRE C. SANFORD, CO-TRUSTEES OF THE WALLACE G. SANFORD MARITAL TRUST

## DATED OCTOBER 3, 1998 FOR SEAWALL PURPOSES, KIHEI, MAUI, TMK: (2) 3-9-12: SEAWARD OF 1

Mr. Yada briefed the Board and recommended that the Board authorize the issuance of a term, non-exclusive easement for seawall purposes, in accordance with terms and conditions.

Mr. Keith Kirschbraun, Attorney for the Applicant, was present to answer questions.

Unanimously approved as submitted (Yamamura/McCrory).

ITEM D-15: RESCIND LAND BOARD APPROVAL OF DECEMBER 14, 2001, ITEM D-11: RECONSIDERATION OF WITHDRAWAL ACTION TO FORFEIT GENERAL LEASE NO. S-5097, MR. ANTHONY & MRS. BARBARA LOCRICCHIO AND MS. PATRICIA EWING, LOT 82, PUU KA PELE PARK LOTS, WAIMEA (KONA), KAUAI, HAWAII, TMK: 1-4-2: 79

Mr. Yada briefed the Board and recommended that the Board rescind its action of December 14, 2001, in accordance with terms and conditions.

Mrs. Barbara Locricchio was present to answer questions.

Unanimously approved as submitted (McCrory/Holschuh).

ITEM K-2: ISSUANCE OF AN INCONSISTENT USE REVOCABLE PERMIT TO QUALITY HOMES OF THE PACIFIC, LLC, KALAELOA AIRPORT, OAHU, TMK: 9-1-13-32

Mr. Peter Garcia, Property Management Officer for the Department of Transportation, briefed the Board and recommended that the Board approve the revocable permit to the Applicant.

Mr. Kali Watson, Quality Homes of the Pacific, agreed to remove the materials stored in the hangar as suggested by the Department of Transportation, however, asked that they be able to get an offset on the rent, less the expenses incurred in transporting and disposing of the materials, and for the period that they were precluded from using that portion of the hangar.

Member Johns made a motion to amend the submittal by adding a condition, that the Board authorize the Department of Transportation to work with the Applicant on the offset of the lease rent regarding the removal of materials, and that a report be brought back to the Board on the arrangements made.

Unanimously approved as amended (Johns/Holschuh).

ITEM K-1: GRANT OF PERPETUAL NON-EXCLUSIVE EASEMENT TO THE FEDERAL AVIATION ADMINISTRATION AND U.S. DEPARTMENT OF AIR FORCE FOR UNDERGROUND UTILITY PURPOSES, HONOLULU INTERNATIONAL AIRPORT, OAHU, TMK: (1) 1-1-03-1P

Mr. Garcia briefed the Board and recommended that the Board authorize the issuance of a perpetual-non-exclusive easement to the Federal Aviation Administration and Department of the Air Force for utility purposes, subject to terms and conditions.

Unanimously approved as submitted (Johns/Holschuh).

ITEM D-11: ISSUANCE OF DIRECT LEASE TO MR. PATRICK VAHEY FOR AQUACULTURE PURPOSES, WAIMANALO, KOOLAUPOKO, OAHU, TMK: (1) 4-1-018: 051

Mr. Yada briefed the Board and recommended that the Board approve the issuance of a direct lease, in accordance with terms and conditions.

Mr. John Corbin, Manager of the Aquaculture Development Program, Department of Agriculture, testified in support of the project.

Mr. Patrick Vahey, Applicant, was interested, should the Board approve the lease, in moving on the site as soon as possible.

The Board amended staff's recommendation by adding a condition, that staff work with the Applicant to accommodate the earliest occupancy possible.

Unanimously approved as amended (Johns/McCrory).

ITEM D-3: TIME EXTENSION REQUEST – CONSERVATION DISTRICT USE PERMIT NO. OA-2998B FOR WAIHEE 265 RESERVOIR DRAINAGE IMPROVEMENT PROJECTS, KOOLAUPOKO, OAHU, TMKS: (1) 4-7-47: 13; 4-7-7: 05; AND 4-7-33: 36

Mr. Sam Lemmo, Senior Staff Planner for the Land Division, briefed the Board and recommended that the Board amend condition no. 5 of Conservation District Use Permit No. OA-2998B to provide that the initiation deadline is January 26, 2003 and the completion deadline is January 26, 2005.

Mr. Gayson Ching, Board of Water Supply, Design Section, was present to answer questions.

Unanimously approved as submitted (Johns/Holschuh).

ITEM D-10: CONSENT TO ASSIGN, EXTENSION OF LEASE TERM AND CONSENT TO MORTGAGE, GENERAL LEASE NO. S-3780, NAPUANANI FARMS, ASSIGNOR; MS. RAINA RODRIGUEZ, ASSIGNEE; WELLS FARGO HOME MORTGAGE, MORTGAGEE; WAIMANALO, KOOLAULOA, OAHU, TMK: (1) 4-1-026: 019

Mr. Yada briefed the Board and recommended that the Board consent to the assignment of the lease, authorize the extension of the lease, and consent to the mortgage, in accordance with terms and conditions.

Ms. Raina Rodriguez and Ms. Marie Terri were present to answer questions.

Unanimously approved as submitted (Johns/Holschuh).

ITEM D-9: CONSERVATION DISTRICT USE APPLICATION NO. OA-3074B, AFTER-THE-FACT APPROVAL FOR A CONCRETE PLATFORM WITHIN THE SHORELINE, TMK: (1) 5-3-008: 013

Mr. Lemmo briefed the Board and recommended that the Board approve this application for an after-the-fact approval for a concrete platform structure, subject to terms and conditions.

Mr. Charles Dudoit, Applicant, was concerned about the cost of the lease given his age. The Board advised Mr. Dudoit that the value issue would come up when the disposition comes back to the Board. Mr. Dudoit was also concerned about his pending shoreline certification that he understood would expire in April. The Board asked Mr. Dudoit to work with staff on this issue.

The Board amended condition no. 5, by directing staff to bring the lease disposition back to the Board within the next 4 Board meetings.

Unanimously approved as amended (Johns/McCrory).

#### ADDED

ITEM C-1: MONTH-TO-MONTH EXTENSION OF THE LANAI COOPERATIVE GAME DEVELOPMENT AND MANAGEMENT AGREEMENT PENDING NEGOTIATION OF THE LONG TERM RENEWAL

Mr. Paul Conry, Wildlife Program Manager for the Division of Forestry and Wildlife, briefed the Board and recommended that the Board approve the temporary extension of the Cooperative Game Development and Management Agreement between the Board of Land and Natural Resources and Castle and Cooke, on a month-to-month basis not to exceed one year while the Department and the Cooperator negotiate the renewal of the 10-year agreement.

# ITEM D-8: REQUEST FOR PUBLIC HEARING ON A PETITION TO AMEND TITLE 13, CHAPTER 222, HAWAII ADMINISTRATIVE RULES (SHORELINE CERTIFICATION RULES)

Mr. Lemmo briefed the Board and recommended that the Board approve Land Division's request to process the subject petition to amend Chapter 13-222, Hawaii Administrative Rules; authorize the forwarding of a request for public hearings to the Governor, on the proposed rule amendment; upon executive approval, publish public hearing notices; and upon executive approval, appoint a representative of the Board of Land and Natural Resources as public hearing master for the proposed rule amendment's public hearings.

Mr. Randy Hashimoto, State Land Surveyor, explained that workshops have been held on the neighbor islands, to let private surveyors know about the proposed administrative rule change and to get their input, and since then there have been no responses. The last workshop will be held on Oahu and the date is still pending.

The Board asked for comments from Mr. Hashimoto regarding written testimony that the Board received from Mr. Kendall Hee, Engineers Surveyors Hawaii, Inc.

- In reference to Section 13-222-7 (b), Item 12, that calls for the property owner or authorized agent to submit signed statements by other landowners granting representatives of the State of Hawaii the right to enter their land for purposes of shoreline inspection. Mr. Hee commented that the property owner or agent should be given the choice of submitting signed statements of other landowners or escorting the State representatives across other lands for shoreline inspection. In the end, the goal of allowing the State to inspect the shoreline is accomplished, but this option would dissipate the undo burden. Mr. Hashimoto mentioned that the Hawaii Association of Land Surveyors, of which Mr. Hee is an Officer of, sponsored the workshops that were held on the neighbor islands. He was somewhat surprised at the comments in the testimony, which seemed to be written as an individual, not on behalf of the association, and indicated that he needed to get back to Mr. Hee on this particular issue because he wasn't sure what his intentions were.
- In reference to Section 13-222-7 (b), Item 13, that calls for a copy of all prior shoreline certifications that have been approved or denied. Mr. Hee commented that by including this requirement it increases the efforts of both the State Survey Office, and DLNR staff that needs to review all documents that are packaged (more documents means more review), and the agent, without any significant benefit except that the State would gain additional revenue from selling copies of past certifications. Mr. Hashimoto explained that within the past couple of years they have been keeping a copy of the rejected shoreline certifications and all the original documents are sent back to the Land Division. The reason was that in the past when a shoreline

certification was rejected, all the documents were returned, and the history of the property was lost by not keeping a copy. There has been situations where shorelines were rejected and they came right back with the same application.

• In reference to Section 13-222-11 subsection (b) that says the department shall have the authority to review any shoreline during its twelve-month validity and shall have the authority to rescind. Mr. Hee commented that any questions or discrepancies should be reviewed and worked out before the certification is given. Mr. Hashimoto indicated that he drafted this, and the reason was in past situations shorelines were certified based on false information, and they found out later during the process that there were illegal encroachments on the property, and there was nothing they could do.

There were written testimonies received regarding Section 13-222-26, that reads: Appeal of shoreline certification. (a) A property owner or a person or organization with a legitimate property interest may appeal a shoreline certification or rejection thereof to the board by [requesting in writing a contested case hearing no later than 20 calendar days from the date of public notice of shoreline ... advocated by petitioner.] filing a notice of appeal with the department no later than 15 calendar days from the date of the public notice of the proposed shoreline certification or rejection." Mr. Hee commented that the word legitimate is used without clear definition and perhaps should be defined to adjoining property owner or something more specific. Mr. David Kimo Frankel asked that the phrase "with a legitimate property interest" be deleted, that the appeal time be restored from 10 to 20 days, and that the automatic rejection of appeals be eliminated before this goes out to public hearing. Mr. Isaac David Hall on behalf of Hui Alanui O Makena, Mrs. Dana Naone Hall, and Ms. Leslie Apio Kuloloio, urged the Board to not adopt the rules without expanding the time to appeal and the capacities of those persons entitled to appeal.

In response to a question raised by the Board, Deputy Director of the Commission on Water Resource Management Linnel Nishioka, former Deputy Attorney General, indicated that "legitimate property interest" is a little bit narrower then the language in Section 13-1, because someone that has a public interest that is not identical to the public may not have a legitimate property interest. The Board asked if "legitimate property interest" could be replaced with "standing". Deputy Director Nishioka indicated that it could go either way, but it should clarify standing as defined in Section 13-1, or legitimate property interest.

The Board decided to amend the staff submittal as follows:

Section 13-222-7, Item 13, to read: "A copy of all prior shoreline certifications that has been approved or denied, if reasonably available.

Section 13-222-26(a), include language from Section 13-1-31(a), regarding the admission of parties on an appeal, and language from Section 13-1 on standing to replace "legitimate property interest".

Unanimously approved as amended (Johns/McCrory).

ITEM D-13: APPOINTMENT AND SELECTION OF A HEARING OFFICER TO CONDUCT ALL HEARINGS FOR A CONTESTED CASE HEARING (DOCKET NO. 02-04-OA – A PETITION CONTESTING A BOARD FINDING OF AN ALLEGED UNAUTHORIZED CONSTRUCTION OF A SHORELINE STRUCTURE, AT TMK: (1) 5-3-02: 037, HAUULA, OAHU)

Mr. Lemmo briefed the Board and recommended that the Board authorize the appointment of a Hearing Officer to conduct all the hearings relevant to the subject petition for a Contested Case Hearing, and that the Board delegate the authority for selection of the Hearing Officer to the Chairperson.

Unanimously approved as submitted (Johns/Holschuh).

ITEM H-1: REQUEST FOR APPROVAL TO CONDUCT PUBLIC HEARINGS TO AMEND HAWAII ADMINISTRATIVE RULES, CHAPTERS 13-1, 13-95, 13-104, 13-130, 13-221, AND 13-146

Deputy Director Nishioka, Enforcement Taskforce Chairperson, explained that this request is a first for the Department in that it is a consolidated department request instead of each division requesting separate approval from the Board. The taskforce believes that by one request it will reduce the paperwork required for the administrative rule making process, avoid duplicative efforts, and save on costs for the public notice and public hearing and address enforcement issues across the department in one comprehensive effort. The recommendation is that the Board approve the request to hold public hearings to amend Hawaii Administrative Rules, Chapter 13-1, 13-95, 13-104, 13-130, 13-221, and 13-146.

There was some discussion about the definition of "camping". Member McCrory was concerned that the definition of "camping" was not uniform. Sections 13-104, 13-130 and 13-221, were not the same as Section 13-146. Deputy Director Nishioka explained that they purposely treated Section 13-146 differently because the parks have designated closing and opening hours. Member McCrory was concerned that there may be parks that don't have any closing and opening hours. Deputy Nishioka indicated that she would check with the Administrator of the Division of State Parks on this matter. Member McCrory asked that the definition of "camping" under Section 13-146 be added to Sections 13-104, 13-130 and 13-221, so that, whether they are in a forest reserve or in a state park, they must have a permit.

The Board amended the submittal by adding language from the definition of "camping" under Section 13-146, to Sections 13-104, 13-130 and 13-221.

Unanimously approved as amended (Johns/Hoslchuh).

## ITEM D-14: ANNUAL REVIEW OF REVOCABLE PERMITS ON THE ISLAND OF HAWAII, MAUI, MOLOKAI, KAUAI AND OAHU

Mr. Yada briefed the Board and recommended that the Board approve the continuation of the revocable permits on a month-to-month basis for another one-year period up to December 31, 2002, except for permits that are in arrears of rental payment for more than 60 days, permits in arrears of rental for 60 days or more shall not be renewed; and, approve the continuation of current rents up to December 31, 2002 for the revocable permits.

The Board approved the submittal with the following amendments:

- RP5985 Mr. Curtis Carlsmith is deceased. The Board requested that staff review the status of the permit and the permittee.
- RP6271 Mr. Duke Kahala. The Board wanted to make sure that this and any other permit for Kahana Valley be coordinated with the Division of State Parks. The Board did not want any conflicts with instructions that may have been given in recent actions.
- RP7263/4/5/6 Alexander & Baldwin, Inc. These permits are involved with the EMI Irrigation system that were holdover by prior action involving a contested case. The Board removed these permits from the list. However, in connection with these permits, the Board made a request that the rental rate on these permits be reviewed and a briefing be held on the rate issued upon appraisal or research into the rates.
- RP5346 Mr. Richard Smart is deceased. The Board requested that staff review the status of the permit and the permittee.
- RP6040 Mr. John & Ms. Junedale Hashimoto. Mr. John Hashimoto is deceased. The Board was not aware of the daughter, Ms. Junedale Hashimoto, being added as an additional permittee. Additionally, the Board had some concerns about the rental rate on this property and asked that this rental rate be reviewed.
  - The Board requested that all non-governmental permits with \$0 rent rates be reviewed.
    - The Board requested that all permits that were involved in the Kaneohe Bay Piers program be reviewed to insure that the impact of these renewals is consistent with their prior actions on these piers. The Board did not want to trigger billing those permits that are supposed to be on hold until implementation of the leases.
    - The permit to JAS. W. Glover was added to the list:

TMK: 3/2-1-12: 04 Use: Industrial & Quarry Monthly Rent: \$10,416.67 Area: Approximately 45 acres ITEM D-1: CANCELLATION OF REVOCABLE PERMIT NO. S-7207 AND RE-ISSUANCE OF A NEW REVOCABLE PERMIT TO THE KONA PALISADES ESTATES COMMUNITY ASSOCIATION, OOMA 1<sup>ST</sup>, KALAOA, NORTH KONA, HAWAII, TMK: 3<sup>RD</sup>/7-1-10: PORTION OF

Mr. Yada briefed the Board and recommended that the Board authorize the cancellation of Revocable Permit No. S-7207, and authorize the issuance of a new revocable permit, in accordance with terms and conditions.

Unanimously approved as submitted (Johns/Yamamura).

ITEM D-2: RESCIND PRIOR BOARD ACTION OF APRIL 9, 1998 (AGENDA ITEM D-28), SET ASIDE TO THE COUNTY OF HAWAII FOR PARK AND RECREATION PURPOSE, KAHEI, NORTH KOHALA, HAWAII, TMK: 3<sup>RD</sup>/5-5-03: PORTION OF 19 AND 25

Mr. Yada briefed the Board and recommended that the Board rescind its prior action of April 9, 1998, in accordance with terms and conditions.

Unanimously approved as submitted (Johns/Yamamura).

ITEM D-4: AMEND PRIOR BOARD ACTION OF DECEMBER 11, 1998 (AGENDA ITEM D-4), SET ASIDE TO CITY AND COUNTY OF HONOLULU, DEPARTMENT OF PARKS AND RECREATION FOR ADDITION TO MEMORIAL PARK, HONOLULU, OAHU, TMK: (1) 3-1-31: SEAWARD OF 3

Mr. Yada briefed the Board and recommended that the Board amend its prior action of December 11, 1998, by approving of and recommending to the Governor issuance of an executive order withdrawing 17,747 square feet from the Governor's Executive Order No. 1786, in accordance with terms and conditions.

Unanimously approved as submitted (Johns/Yamamura).

ITEM D-5: CANCELLATION OF GOVERNOR'S EXECUTIVE ORDER NOS. 1534 & 1550 AND RESET ASIDE TO DEPARTMENT OF LAND AND NATURAL RESOURCES, DIVISION OF STATE PARKS FOR PACIFIC WAR MEMORIAL SITE, MOANALUA, HONOLULU, OAHU, TMK: (1) 1-1-03: 04

Mr. Yada briefed the Board and recommended that the Board approve of and recommend to the Governor issuance of an executive order canceling Governor's Executive Order No. 1534 and 1550, and approve of and recommend to the Governor the issuance of an executive order setting aside the subject lands to the Division of State Parks, in accordance with terms and conditions.

Unanimously approved as submitted (Johns/Yamamura).

TITEM D-7: CANCELLATION OF GOVERNOR'S EXECUTIVE ORDER NOS. 1059 & 2324 AND RESET ASIDE TO DEPARTMENT OF EDUCATION FOR AUGUST AHRENS SCHOOL SITE, WAIPIO, EWA, OAHU, TMK: (1) 9-4-59: 72 & 74

Mr. Yada briefed the Board and recommended that the Board approve of and recommend to the Governor issuance of an executive order canceling Governor's Executive Order Nos. 1059 and 2324; and approve of and recommend to the Governor the issuance of an executive order setting aside the subject lands to the Department of Education, in accordance with terms and conditions.

Unanimously approved as submitted (Johns/Yamamura).

ITEM D-12: SET ASIDE TO THE COUNTY OF HAWAII FOR PARK AND ALLIED PURPOSES AND A MANAGEMENT RIGHT-OF-ENTRY, WAIAKEA, SOUTH HILO, HAWAII, TMK: 3<sup>RD</sup>/2-3-10: 01 AND 2-3-12: 46

Mr. Yada briefed the Board and recommended that the Board approve of and recommend to the Governor the issuance of an executive order setting aside the subject lands to the County of Hawaii; and authorize the issuance of a management right-of-entry to the County of Hawaii, in accordance with terms and conditions.

Unanimously approved as submitted (Johns/Yamamura).

ITEM D-17: LAND DONATION TO THE STATE OF HAWAII AND SET ASIDE TO THE DEPARTMENT OF EDUCATION FOR MILILANI MAUKA II ELEMENTARY SCHOOL, SITUATE AT WAIPIO, EWA, OAHU – TMK: (1) 9-5-02: POR. 1

Mr. Yada briefed the Board and recommended that the Board approve of and authorize the acceptance of the subject land donation; upon acquisition of the property, approve of and recommend to the Governor the issuance of an executive order setting aside the subject lands to the Department of Education; and upon acquisition of the property and until the executive

order is issued, authorize the issuance of an immediate right-of-entry to the Department of Education, in accordance with terms and conditions.

### Unanimously approved as submitted (Johns/Yamamura).

There being no further business, Chairperson Coloma-Agaran adjourned the meeting at 11:55 a.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,

Kimberly C. Keliihoomalu

Kim Kelihoonaler

Approved for submittal:

GILBERT S. COLOMA-AGAR

Chairperson

Board of Land and Natural Resources