

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

DATE: FRIDAY, MARCH 14, 2008
TIME: 9:00 A.M.
PLACE: KALANIMOKU BUILDING
LAND BOARD CONFERENCE ROOM 132
1151 PUNCHBOWL STREET
HONOLULU, HI 96813

Chairperson Laura Thielen called the meeting of the Board of Land and Natural Resources to order at 9:08 a.m. The following were in attendance:

MEMBERS

Laura Thielen
Ron Agor
Samuel Gon III

Timothy Johns
Jerry Edlao

STAFF

Morris Atta, LD
Eric Hirano, ENG

Gary Moniz, DOCARE
Curt Cottrell, DOFAW

OTHERS

Randy Ishikawa, Deputy Attorney General
Chester Koga, D-8
Lisa Gruebner, D-3
Chris Sadayasu, D-11
Dave Nakamura, D-11

Eric Leong, DOT-HAR
Anna Mallon, D-9
Reginald Sunada, D-5
Brian Morita, D-11

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

Item A-1 January 25, 2008 Minutes.

Item A-2 February 8, 2008 Minutes.

Item A-3 February 22, 2008 Minutes.

Deferred. (Johns, Edlao) Not ready.

Item L-2 Request for Grant in Part and Deny in Part Request for Contested Case Hearing by Pflueger Properties as to Authorization for Department and its Agents, Employees, and Consultants, to Enter upon Various Private Properties and Easements / Right-Of-Ways for the Purpose of Conducting Investigations and Inspections of the Kaloko Dam, as Directed by Act 118, SLH 2006, Relating to Emergency Relief for Natural Disasters, and Pursuant to Hawaii Revised Statutes Chapter 179D.

Chair Thielen asked for a deferral of 2 weeks because staff's counsel and owner's counsel are involved in settlement discussions.

Deferred (Agor, Gon)

Item M-4 Mutual Termination of Harbor Lease No. H-88-36, Dated July 15, 1988, Issued to Hawaiian Cement at Piers 33 and 34, Honolulu Harbor, Kaholoaloe and Iwilei, Honolulu, Oahu

Eric Leong, Property Manager with DOT Harbors, spoke on submittal.

Unanimously approved as submitted (Johns, Edlao)

Item D-8 Grant of Term, Non-Exclusive Easement to AT&T, Corp. for Telecommunication Line Purposes; Issuance of a Construction and Management Right-of-Entry; Keawaula, Waianae, Oahu, Tax Map key: (1) 8-1-01: 07, 08 (and seaward) and 18.

Item D-9 Grant of Term, Non-Exclusive Easement, to Telstra, Inc. for Telecommunication Lines Purposes; Issuance of a Construction and Management Right-of-Entry; Keawaula, Waianae, Oahu, Tax Map key: (1) 8-1-01: 07, 08 (and seaward) and 18.

Morris Atta, Land Division Administrator, noted Item D-8 and D-9 are related, but are two separate requests from different applicants. He reported on background. There are representatives from both companies here to testify. They request approval.

Both representatives agreed to staff's recommendations.

Unanimously approved as submitted (Gon, Agor)

Item D-3 Issuance of Revocable Permit to SCDC Alahao LLC, for Storage, Parking, Roadway and Office Purposes; Cancellation of Revocable Permit No. S5639 Situated at Kalihi-Kai, Honolulu, Oahu, Tax Map Key: (1) 1-2-021: 037.

Morris Atta representing Land Division informed on the background.

Lisa Gruebner, Attorney for SCDC Alahao, available to respond to questions.

Unanimously approved as submitted (Johns, Gon)

Item D-5 Forfeiture of General Lease No. S-5491, Randy Sunada and Reginald Sunada, Lessee, Waimanalo, Koolaupoko, Oahu, Tax Map Key: (1) 4-1-08: 46.

Morris Atta of Land Division reported on background and reported that staff has been in contact with the lessee. The lessee needs more time to eradicate the chickens and staff supports this.

Discussion held as to why staff brought this back to the Board.

Reginald Sunada, lessee, asked for an extension to July 31st to get rid of 200 chickens. He is looking for another place and has been removing some chickens.

Morris Atta stated that staff didn't find request unreasonable.

Member Johns queried whether to approve staff's recommendation for cancellation, but defer application of it to allow lessee to comply. And if he does comply the Board doesn't have to see it again.

Mr. Atta agreed with Member Johns. Amend the recommendation to read that the forfeiture be stayed pending completion of removal of the chickens and that upon removal of the chickens, the forfeiture will be rescinded.

Chair Thielen added Mr. Sunada must complete the removal by July 31st and if it is not done the lease cancels. If it is done the lease continues.

Member Johns moved to approve staff's recommendation with a new condition #5 that says the cancellation actions #1 to 4 are deferred or stayed until July 31, 2008 pending cure of all the defaults and if those defaults are cured to the satisfaction of the Department then this action would be rescinded.

Member Edlao inquired on condition #3 the date will change as well.

Member Johns confirmed that.

Chair Thielen asked for clarification that Member Johns mentioned all defaults, but he means the chickens.

Member Johns replied he meant in full default. Not only the chickens.

The Board:

Amended staff's recommendation by staying the effective date of the forfeiture and the other terms of the recommendation until July 31, 2008, for the purpose of extending the time in which the Lessee is allowed to cure the default, and adding an automatic rescission of the forfeiture and appurtenant consequences of termination upon a determination by staff that the Lessee has complied with all terms for curing the default within the extended time allowed.

Unanimously approved as amended (Johns, Edlao)

Item D-1 Authorization to Hire a Financial Consultant to Provide Services for the Acquisition of Lands Situated on the North Shore of Oahu, commonly known as Turtle Bay Hotel and Resort, Owned by Kuilima Resort Company, Oaktree Capital, LLC, and Their Successor(s) in Interest.

Submittal was mailed out after agenda was finalized. Agenda needs to be corrected.

Morris Atta for Land Division described background. The Department was asked to coordinate and conduct a search for a financial consultant and the need for Board approval. The \$125,000 was an amount given to staff by the Governor and DBEDT.

Unanimously approved as submitted (Johns, Edlao)

Item D-11 Conveyance of State Land to the Hawaii Housing Finance and Development Corporation and Amend Prior Board Action of September 24, 2004, Under Item D-14, East Kapolei, Honouliuli, Ewa, Oahu, Tax Map Key: (1) 9-1-17: Portion of 71.

Morris Atta representing Land Division informed the Board on background. Staff needs to remove the 17 acres from the DHHL allocation and turn it over to HHFDC to proceed with affordable housing project.

Chris Sadayasu from HHFDC introduced Brian Morita his partner and Dave Nakamura of Mutual Housing Association of Hawaii. Mr. Sadayasu explained DHHL is aware and had approached them.

Dave Nakamura of Mutual Housing Association of Hawaii explained they are a non-profit developer who owns, manages and builds affordable housing. He presented the project and who are involved. He cited Kauai project as an example.

The Board queried if staff had spoken to DHHL.

Mr. Atta replied staff did.

Mr. Sadayasu interrupted stating that DHHL had sent a letter of support to HHFDC's request and noted statement in remarks.

Member Gon asked whether HHFDC is in agreement with the recommendations.

Mr. Sadayasu replied affirmatively. Projected completion date is 2011.

Unanimously approved as submitted (Johns, Gon)

Item B-1 Permission to Hire a Software Developer to develop an Automated Management Information System, Island of Oahu Funded by DOCARE Operating Funds

Gary Moniz, Chief of Law Enforcement for DLNR, requested permission and explained purpose.

Unanimously approved as submitted (Johns, Edlao)

Item C-1 Request for Approval of the Placement of Hazard Warning and Management Signs on Improved Public Lands at Various Locations Under the Jurisdiction of DOFAW on Kauai, Maui and Hawaii Pursuant to Act 82, Session Laws Hawaii, 2003

Curt Cottrell representing Paul Conry of DOFAW asked to remove exhibit B, page 1 map of the Kahaiwai Trail, because there are no arrows to point out where the signs will go. Everything else is fine.

Unanimously approved as amended (Johns, Gon)

Item D-2 Acceptance of Deed from County of Hawaii; Cancellation of Executive Order No. 2196; and Issuance of New Executive Order to Department of Accounting and General Services (DAGS) for the Kona Civic Center, Kealahou, South Kona, Hawaii, Tax Map Key: (3) 8-2-001: 084 (EO2196) and (3) 8-2-001: 072 (Addition).

Item D-4 Request for Deferral; Re-submittal – Affirm the Encroachment Area; Grant of Term, Non-Exclusive Easement to Garrett Frank Saikley Trust for Revetment Purposes, Kuliouou, Honolulu, Oahu, TaxMap Key: (1) 3-8-1:1 portion

Item D-6 Grant of Term, Non-Exclusive Easement to Sarajejan A. Tokunaga, Trustee for Seawall and Filled Land Purposes, Kaneohe, Koolauloko, Oahu, Tax Map Key: (1) 4-5-047: 116 seaward.

Item D-7 Grant of Term, Non-Exclusive Easement to Stanley & Donna Koki for Seawall and Filled Land Purposes, Kaneohe, Koolauloko, Oahu, Tax Map Key: (1) 4-5-104: 021 seaward.

Item D-10 **Withdrawal from Governor's Executive Order No. 3177 and Reset Aside to Department of Land and Natural Resources, Division of Aquatic Resources for Conservation and Management Purposes, Waianae, Oahu, Tax Map Key (1) 8-5-002: 011**

Item E-1 **Request for Approval to Amend Lease S-5291 to Adella Au Johnson Ahupua'a 'O Kahana State Park, Kahana, O'ahu**

Item L-1 **Permission to Hire a Consultant for Rockfall Assesement and Phase II Environmental Site Assessment in Windward Oahu**

Unanimously approved as submitted (Johns, Edlao)

Item M-2 **Amendment No. 2 to State Lease No. DOT-A-78-0009 Extension of Original Lease Term Hawaii Island Air, Inc. Honolulu International Airport**

Richard Hee, Vice-President of Island Air, requested support to extend lease and he understands the recommendations.

Unanimously approved as submitted (Johns, Gon)

Item M-1 **Amendment No. 7 to Lease No. DOT-A-92-0018 Restaurant and Lounge Concession Lease Host International Inc., Honolulu International Airport**

Item M-3 **Amendment No. 8 to Lease No. DOT-A-92-0018 Restaurant and Lounge Concession Lease Host International Inc., Honolulu International Airport**

Unanimously approved as submitted (Johns, Gon)

Adjourned. (Johns, Edlao)

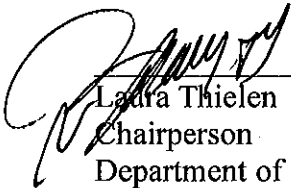
There being no further business, Chairperson Thielen adjourned the meeting at 9:40 a.m. Recordings of the meeting and all written testimony submitted at the meeting are filed in the Chairperson's Office and are available for review. Certain items on the agenda were taken out of sequence to accommodate applicants or interested parties present.

Respectfully submitted,



Adaline Cummings
Land Board Secretary

Approved for submittal:



Laura Thielen
Chairperson
Department of Land and Natural Resources