STATE OF HAWAII DEPARTMENT OF LAND AND NATURAL RESOURCES Land Division Honolulu, Hawaii 96813

May 25, 2018

Board of Land and Natural Resources State of Hawaii Honolulu, Hawaii 96813

PSF: 18HD-031

HAWAII

Withdrawal from Governor's Proclamation dated June 5, 1909, as Modified by Governor's Proclamation dated May 2, 1938, Setting Aside a Portion of Mauna Kea Forest Reserve, and Reset-Aside to the Department of Transportation for Saddle Road Maintenance Baseyard Purposes; Grant of Perpetual, Non-Exclusive Access and Utility Easement; and Issuance of Immediate Construction and Management Special Use Permit, Kaohe IV, Hamakua, Hawaii; Portions of TMKs: (3) 4-4-016:003 and 4-4-016:012.

CONTROLLING AGENCY:

Division of Forestry and Wildlife, Department of Land and Natural Resources.

APPLICANT:

Department of Transportation, State of Hawaii.

LEGAL REFERENCE:

Sections 171-11, 183-11, and 183-12 Hawaii Revised Statutes, as amended.

LOCATION:

Portion of the Government Lands situate at Kaohe IV, Hamakua, Hawaii, identified as portions of Tax Map Keys: (3) 4-4-016:003 and 4-4-016:012, as shown on the attached maps labeled Exhibit A.

AREA REQUESTED:

Baseyard area = 2.913 acres Access Easement = 2.385 acres

ZONING:

State Land Use District:

Conservation

Resource Subzone

County of Hawaii CZO:

Forest Reserve

TRUST LAND STATUS:

Section 5(b) lands of the Hawaii Admission Act.

DHHL 30% entitlement lands pursuant to the Hawaii State Constitution: No

CURRENT USE STATUS:

TMKs (3) 4-4-016:003 (Parcel 3) and 4-4-016:012 (Parcel 12) are part of the Mauna Kea Forest Reserve (MKFR) under Governor's Proclamation dated June 5, 1909, as modified by Governor's Proclamation dated May 2, 1938, and managed by the Division of Forestry and Wildlife (DOFAW). Portions of both parcels are also designated as Mauna Kea State Recreational Area (MKSRA) and managed by the County of Hawaii (CoH) under a Memorandum of Agreement between DOFAW and CoH.

Parcel 12 is a remnant of the Old Saddle Road and currently used to access MKSRA, MKFR and the DOCARE satellite facility.

Parcel 3 is encumbered by 2 easements for utilities as follows:

GL S-3853a to the United States of America for water pipeline and equipment; LOD 28756 to Verizon Hawaii, Inc. for transmission lines, poles and anchors;

Hawaiian Electric Light Company, Inc. has electrical transmission lines and poles traversing parcel 3 with easement documents pending.

PURPOSE:

The Department of Transportation is requesting the set-aside of the subject lands for highway maintenance baseyard purposes.

CHAPTER 343 – ENVIRONMENTAL ASSESSMENT:

The Final Environmental Assessment for the subject project was published in the OEQC's *Environmental Notice* on April 8, 2013 with a Finding Of No Significant Impact.

On January 10, 2014, agenda item K-1, the Board of Land and Natural Resources approved Conservation District Use Permit HA-3683 for the Department of Transportation's Saddle Road Baseyard on the subject lands.

APPLICANT REQUIREMENTS:

- 1) Process and obtain subdivision of the Saddle Road Maintenance Baseyard area at Applicant's own cost;
- Provide survey maps and descriptions for both the Saddle Road Maintenance Baseyard and the access & utility easement according to State DAGS standards and at Applicant's own cost;

- 3) Obtain the written concurrence of the Division of Forestry and Wildlife to the withdrawal of the subject land from Governor's Proclamation dated June 5, 1909 as modified by Governor's Proclamation dated May 2, 1938; and
- 4) Comply with the conditions of Conservation District Use Permit HA-3683.

REMARKS:

The Saddle Road realignment project was a partnership of federal and State agencies to upgrade and modernize Saddle Road from milepost 6 in South Hilo to the junction with Mamalahoa Highway in South Kohala, a distance of approximately 52 miles. The purpose of the project was to provide safe and efficient travel between East and West Hawaii.

The new highway is under the jurisdiction of the State Department of Transportation (DOT). DOT needs a centrally located maintenance baseyard to efficiently operate and maintain the new highway. Without a strategically located maintenance baseyard, highway crews will be required to transport all equipment, vehicles, and machinery on a daily basis from the Hilo baseyard, which would effectively reduce the productive workday by about 30% due to extensive daily mobilization times. A centralized baseyard for Saddle Road will allow crews to report directly to the Saddle Road baseyard and crews will also be able to be drawn from both sides of the island, rather than only utilizing east Hawaii crews from the Hilo baseyard where they would report in order to mobilize the necessary equipment for the day.

The maintenance baseyard project will be sited at the obsolete Nene captive breeding facility and includes the construction of a road maintenance facility with an office building, equipment garage, material and small tool storage facilities, fuel dispensing facility, equipment wash down facility, septic system, site improvements, and other related improvements. Access to the baseyard will be from Saddle Road at the existing entrance to MKSRA and then continue around and mauka to the baseyard facility.

DOT is requesting the set-aside of approximately 2.9 acres of State lands within the MKFR for the maintenance baseyard and granting of a separate perpetual, non-exclusive access and utility easement over MKFR and MKSRA lands between the Saddle Road and the baseyard. DOT is also requesting issuance of an immediate construction special use permit, which it will obtain from DOFAW, to allow commencement of survey and construction activities during the period between Board approval of the subject request and execution of the Executive Order and Easement documents. DOT's target date to begin construction is December 2018.

Based on staff's review of the maintenance baseyard and access easement, none of the prior utility easement areas will be affected by the project. The existing access area from Saddle Road is used by the public to enter MKSRA, by DOFAW to access areas of MKFR, and by DOCARE to access its satellite facility located within MKSRA.

In light of the increased efficiency in use of taxpayer resources effected by a centrally located baseyard for operation and maintenance of the new Saddle Road, staff is of the opinion that the highest and best use of the subject land is for ancillary highway

maintenance purposes. Staff further believes that the proposed use fully utilizes the requested lands.

RECOMMENDATION: That the Board:

- 1. Approve of and recommend to the Governor, issuance of an executive order withdrawing approximately 2.9 acres of land from Governor's Proclamation dated June 5, 1909 as modified by Governor's Proclamation dated May 2, 1938 subject to the following:
 - A. The standard terms and conditions of the most current executive order form, as may be amended from time to time;
 - B. Disapproval by the Legislature by two-thirds vote of either the House of Representatives or the Senate or by a majority vote by both in any regular or special session next following the date of the setting aside;
 - C. Review and approval by the Department of the Attorney General; and
 - D. Such other terms and conditions as may be prescribed by the Chairperson to best serve the interests of the State.
- 2. Approve of and recommend to the Governor the issuance of an executive order setting aside the subject lands to the Department of Transportation for highway maintenance baseyard purposes under the terms and conditions cited above, which are by this reference incorporated herein and subject further to the following:
 - A. The standard terms and conditions of the most current executive order form, as may be amended from time to time;
 - B. Disapproval by the Legislature by two-thirds vote of either the House of Representatives or the Senate or by a majority vote by both in any regular or special session next following the date of the setting aside;
 - C. Review and approval by the Department of the Attorney General; and
 - D. Such other terms and conditions as may be prescribed by the Chairperson to best serve the interests of the State.

- 3. Pursuant to HRS Section 183-11, as amended, authorize the Division of Forestry and Wildlife to conduct a public hearing on the Island of Hawaii regarding the proposed withdrawal and reset-aside of the Saddle Road Maintenance Baseyard from the Mauna Kea Forest Reserve to the Department of Transportation, and further, pursuant to HRS Section 183-12, as amended, authorize the Chairperson to:
 - A. Set the date, location and time of the public hearing; and
 - B. Appoint a hearing master(s) for the public hearing.
- 4. Subject to the Applicant fulfilling all of the Applicant requirements listed above, authorize the issuance of a perpetual, non-exclusive easement to the Department of Transportation covering the subject area for access and utility purposes under the terms and conditions cited above, which are by this reference incorporated herein and further subject to the following:
 - A. The standard terms and conditions of the most current perpetual easement document form, as may be amended from time to time;
 - B. The easement shall run with the land and shall inure to the benefit of the real property noted as Saddle Road Maintenance Baseyard in this document (which will be issued a separate Tax Map Key upon subdivision as required of the Applicant), provided however: (1) it is specifically understood and agreed that the easement shall immediately cease to run with the land upon the termination or abandonment of the easement; and (2) if and when the Governor's Executive Order is cancelled, the Easement shall cease;
 - C. Review and approval by the Department of the Attorney General; and
 - D. Such other terms and conditions as may be prescribed by the Chairperson to best serve the interests of the State.
- 5. Authorize DOFAW to issue an immediate construction and management special use permit to the Department of Transportation, its consultants, contractors, and/or persons acting for or on its behalf, onto the subject lands under the terms and conditions cited above, which are by this reference incorporated herein and subject further to the following:
 - A. The standard terms and conditions of the most current construction and management special use permit form, as may be amended from time to time;

- B. This special use permit is effective upon DOT's execution of the permit and shall continue until the executive order and grant of easement documents are finalized; and
- C. The Department of Land and Natural Resources reserves the right to impose additional terms and conditions at any time if it deems necessary while this special use permit is in force.

Respectfully Submitted,

Candace Martin

Land Agent

APPROVED FOR SUBMITTAL:

Suzanne D. Case, Chairperson

EXHIBIT A



