STATE OF HAWAI‘I
BOARD OF LAND AND NATURAL RESOURCES
POST OFFICE BOX 621
HONOLULU, HAWAI‘I 96809

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

DATE: AUGUST 13, 2021, 9:00 A.M.
LOCATION: Online via ZOOM, Livestream via YouTube

MEMBERS
Suzanne Case
Sam Gon (absent)
Chris Yuen
Kaiwi Yoon
Tommy Oi (absent)
Vernon Chari
Doreen Canto

STAFF
Russell Tsuji-Land
Ian Hirokawa-Land
Tanya Rubenstein-DOFAW
Scott Fretz-DOFAW
Alan Downer-SHPD
Ed Underwood-DOBOR
Michael Cain-OCCL
Kevin Moore-Land
David Smith-DOFAW
Marigold Zoll-DOFAW
Michael Cain-OCCL
Megan Statts-DOBOR
Richard Howard-DOBOR
Trevor Fitzpatrick-OCCL

OTHERS
Linda Chow/AG
Olivia Pham/DOT HAR
Cody-Allen Ching/DOT HWYS
Carter Kimsey/C2
Tom Pierce/C3
Joy Galtro/J4
Douglas Johnson/K1
Gregory Barbour/D1
Sonny Borges/D3
David Schulmeister/D4
Bob Rechtman/I1
Nicole Kanda/I1
Douglas Johnston/K1
Abby Lareau/DOT AIR
Jennifer Tomita/DOT HAR
Cody Harden/M8
Rep. Lisa Marten/C2
Jim Hammett/C3
Bob King/J4
Jeff Overton/K1
Milton Holt/D3
Kimo Frankel/D4
Patrick Wong/I1
Cacilie Craft/I1
Matthew Clark/I1
Jeff Overton/K1

ITEM A-1
Chair Case called the meeting to order and noted that due to Covid-19 pandemic, the meeting is being held via Zoom and live-streamed on YouTube. Those who requested to provide oral and written testimony have done so in advance of the meeting and members of the public may watch the meeting live streaming on YouTube.

08.13.2021(1)/00:02:18
Member Canto read the standard contested case statement.

08.13.2021(1)/00:03:08
Chair Case relayed that Item K-2 has been withdrawn from the agenda. There are a few violations on the agenda and Chair Case asked for Item I-1(Kanda), and K-1 (Johnson) if they wanted to request a contested case. All parties reserved the right after the Board’s decision. Chair Case conveyed the order of the agenda items for the meeting.

08.13.2021(1)/00:12:17
ITEM A-1 Approval of the May 28, 2021, Meeting Minutes.

ITEM A-2 Approval of the June 10, 2021, Meeting Minutes.

Board Discussion-None

Public Testimony-None

MOTION
Approved as submitted Item A-1 and Item A-2 (Yoon, Yuen) 4-Ayes (Canto did not vote)

ITEM A-3 Approval of June 25, 2021, Meeting Minutes. Deferred because of lack of quorum of board members eligible to vote.

08.13.2021(1)/00:15:20
ITEM M-1 Issuance of a Revocable Permit for a T-Hangar for storage and maintenance of Aircraft, Ai Vu and Philip Guisse, Daniel K. Inouye International Airport, Tax Map Key: (1) 1-1-76: Portion of 22.

ITEM M-2 Issuance of a Revocable Permit for a T-Hangar for storage and maintenance of Aircraft, Alex Ress, Daniel K. Inouye International Airport, Tax Map Key: (1) 1-1-76: Portion of 21.


ITEM M-4 Issuance of a Revocable Permit for construction vehicle parking and construction staging area, Hensel Phelps Construction Co., Daniel K. Inouye International Airport, Tax Map Keys: (1) 1-1-002: Portion of 014 and (1) 1-1-003: Portion of 001.
ITEM M-5  Issuance of Amendment to Concession Lease No. DOT-A-92-0018 for additional food and beverage and storage space restaurant and lounge concession, Host International, Inc., Daniel K. Inouye International Airport, Tax Map Key: (1) 1-1-003: Portion of 001.

ITEM M-6  Issuance of a Revocable Permit for a T-Hangar for storage and maintenance of Aircraft and office space, Daniel L. Chadbourne, Jr, Kahului Airport, Tax Map Key: (2) 3-8-1: Portion of 195.

ITEM M-7  Issuance of Amendment to Concession Lease No. DOT-A-92-0014 for an office space, Host International, Inc., Restaurant and Lounge Concession, Kahului Airport, Tax Map Key: (2) 3-8-001: Portion of 236.

Abby Lareau, DOT Airports present to answer any questions on Items M-1, M-2, M-3, M-4, M-5, M-6, and M-7.

Board Discussion - None

Public Testimony - None

MOTION
Approved as submitted Items M-1, M-2, M-3, M-4, M-5, M-6, and M-7 (Char. Canto) unanimous.

08.13.2021(1)/00:16:08
ITEM M-8  Issuance of a Revocable Permit for Aircraft Parking, K & S Helicopters, Inc., Lanai Airport, Tax Map Key: (2) 4-9-02: Portion of 41.

Abby Lareau, DOT Airports presented the submittal.

Board Discussion

Public Testimony
Cory Harden, Sierra Club, summarized her written testimony.

Amendment:
Chair Case to submit another letter to the new FAA Administrator regarding the scope of the Board’s powers regarding helicopter regulations.

MOTION
Approved as amended (Yuen, Yoon) unanimous.

08.13.2021(1)/00:15:20
ITEM M-9  Issuance of a Revocable Permit for office space in the terminal to perform Airline Carrier Operations, Southern Airways Express, LLC, Molokai Airport, Tax Map Key: (2) 5-2-04: Portion of 106.
ITEM M-10  Issuance of a Revocable Permit for ramp space for equipment parking, Aeko Kula, LLC dba Aloha Air Cargo, Ellison Onizuka Kona International Airport at Keahole, Tax Map Key: (3) 7-3-43: Portion of 003.

ITEM M-11  Issuance of a Revocable Permit for Aircraft Parking, Seawings, LLC, Ellison Onizuka Kona International Airport at Keahole, Tax Map Key: (3) 7-3-43: Portion of 003.

Abby Lareau, DOT Airports present to answer any questions on Items M-9, M-10, and M-11.

Board Discussion: None

Public Testimony: None

MOTION
Approved as submitted Items M-9, M-10 and M-11 (Char, Yoon) unanimous.

08.13.2021(1)/00:22:33

ITEM M-12  Request Approval to the Department of Transportation, Harbors Division to relinquish its Rights to use Drainage Easement 1 affecting Parcel A of the Former Kapalama Military Reservation, Tax Map Key:(1) 1-2-025: Portion of 036, Governor's Executive Order Nos. 3947 And 4075.

Olivia Pham, DOT Harbors present to answer any questions.

Board Discussion: None

Public Testimony: None

MOTION
Approved as submitted (Char, Canto) unanimous.

08.13.2021(1)/00:23:09

ITEM M-13  Issuance of a Right-of-Entry to the Honolulu Fire Department, for use of The Ferry Terminal Building and area adjacent for Parking, situated at Pier 19, Honolulu Harbor, Island of Oahu, Tax Map Key: (1) 1-5-039: Portion of 063, Governors Executive Order No. 2903.

Jennifer Tomita, DOT Harbors present to answer any questions.

Board Discussion: None

Public Testimony: None

MOTION
Approved as submitted (Canto, Char) unanimous.
ITEM M-14 Request Authorization to acquire Land for the Department of Transportation, Highways Division, for Highway Purposes, Relating to Hana Highway, Replacement of Uaoa Bridge, Federal Aid Project No. BR-036-1(5), Uaoa, Hamakualoa, Makawao, Island of Maui, State of Hawaii Tax Map Key: (2) 2-8-02:018, Tax Map Key No. (2) 2-8-04:055, Tax Map Key: (2) 2-8-04:060, Tax Map Key: (2) 2-8-06:001 and Tax Map Key: (2) 2-8-Road.

No Representative

Board Discussion-None

Public Testimony-None

MOTION Approved as submitted (Canto, Char) unanimous.

ITEM C-1 Request for Approval of Settlement between Department of Land and Natural Resources and Kona Hills LLC., regarding Trespass of Conservation Easement on the Kealakekua Mountain Reserve Property, Tax Map Key: (3) 8-2-012:001, Kealakekua, South Kona, Hawaii and;

Delegation of Authority to the Chairperson to Negotiate and Sign a Memorandum of Agreement between the State of Hawaii Department of Land and Natural Resources and the Kealakekua Mountain Reserve.

David Smith and Tanya Rubenstein, Division of Forestry and Wildlife presented the submittal. Marigold Zoll (DOFAW) present to answer any questions.

Board Discussion
How did they come up with monetary cost? Rubenstein conveyed they looked at the range of costs for other forest stewardship programs in the area, seedling cost, weed control and worked with the landowner who has a nursery.

Public Testimony-None

Amendment: The Memorandum of Agreement shall include some measure of success of the plantings.

MOTION Approved as amended (Yuen, Yoon) unanimous.

ITEM C-2 Authorize to Execute Agreements for the Realignment of Easement and Acceptance of Perpetual Non-Exclusive Gratis Public Trail Easements to Improve Access to the Ka‘iwa
Ridge Trail, Kailua, Koolaupoko, Oahu, Tax Map Key: (1) 4-2-002: portions of 016, (1) 4-3-07 : Portions of 018 and 077.

Marigold Zoll, Division of Forestry and Wildlife presented the submittal. Carter Kimsey, Bluestone present to answer questions.

Board Discussion
What is the state of the Pillboxes? Zoll replied that restoration has been done and they are safe.

Public Testimony
Representative Lisa Marten stands by her written testimony and in support.

MOTION
Approved as submitted (Char, Yoon) unanimous.

08.13.2021(1)/00:51:11
ITEM C-3 Request to Approve location of the Historic Trail noted as the “Bridle Path” on Registered Map 603, where it crosses through lands identified as Tax Map Keys (2) 2-4-012: 040-045, Makawao District, Maui.

Scott Fretz, Division of Forestry and Wildlife presented the submittal. Tom Pierce representing the Applicant is available to answer questions.

Board Discussion
Certain portions of the map were clarified by Fretz for the Board.

Public Testimony
Tom Pierce noted he was out of the country with little bandwidth.

MOTION
Approved as submitted (Canto, Yuen) unanimous.

08.13.2021(1)/01:02:03 Break

08.13.2021(1)/01:10:39 Back in Session
ITEM J-1 Issuance of Revocable Permit to Cherry Pit Sportfishing, Inc. for Storage and Recreational Purposes, Honokohau Small Boat Harbor, Kealakehe, North Kona, Hawaii, Tax Map Key: (3) 7-4-008:003 (Por).; and

Declare Project Exempt from Requirements of Chapter 343, HRS and Title 11, Chapter 200.1, Hawaii Administrative Rules.

Richard Howard, Division of Boating and Ocean Recreation presented the submittal.
Board Discussion
Clarification regarding Cherry Pit was on the waitlist. Underwood replied yes, and also noted there is an opportunity to a re-moor request if they want to relocate.

Public Testimony-None

MOTION
Approve as submitted (Yuen, Char) unanimous.

08.13.2021(1)/01:13:03

Richard Howard, Division of Boating and Ocean Recreation presented the submittal. Ed Underwood (DOBOR) available to answer questions.

Board Discussion-None

Public Testimony-None

MOTION
Approved as submitted (Yuen, Yoon) unanimous.

08.13.2021(1)/01:13:49
ITEM J-3 Issuance of a Revocable Permit to Island Ice and Water Company LLC, for a Retail Operation of an Automated Ice Machine, Located at the Kahului Boat Ramp, Owa, Kahului, Hawaii, Tax Map Key: (2) 3-7-001:023 (por.); and

Declare the Project Exempt from requirements of Chapter 343, HRS and Title 11, Chapter 200.1, Hawaii Administrative Rules.

Richard Howard, Division of Boating and Ocean Recreation presented the submittal. Ed Underwood (DOBOR) available to answer questions.

Board Discussion-None

Public Testimony-None

MOTION
Approved as submitted (Canto, Char) unanimous.

08.13.2021(1)/01:14:39
ITEM J-4 Issuance of a Revocable Permit to Pacific Biodiesel Logistics, LLC, Maalaea Small Boat Harbor Maalaea, Waikapu, Wailuku, Maui Tax Map Key: (2) 3-6-001:002 (por.): and
Declare Project Exempt from Requirements of Chapter 343, HRS and Title 11, Chapter 200.1, Hawaii Administrative Rules.

Richard Howard, Division of Boating and Ocean Recreation presented the submittal. Ed Underwood (DOBOR), Joy Galatro and Bob King representing the Applicant were available to answer questions.

Board Discussion
Can these be used for cars too? Galatro replied yes.

Public Testimony
Joy Galatro conveyed that they have received a grant to reduce greenhouse gas by using Biodiesel and provided information on the process they are using. Customers have been very receptive.

**MOTION**
Approved as submitted (Canto, Yoon) unanimous.

08.13.2021(1)/01:23:03
ITEM D-1 Consent to Mortgage of Sublease K-36 with Estoppel Certificate of General Lease No. S-Caa(MATS4), Sublessee/Mortgagor, First Hawaiian Bank, Mortgagee, Ooma 1st, North Kona, Hawaii, Tax Map Key: (3) 7-3-043:113.

Russell Tsuji, Land Division presented the submittal. Gregory Barbour and Jason Mats are available for questions.

Board Discussion
It was noted that there was a separate EA for the project and Chapter 343 is covered.

Public Testimony
Greg Barbour provided information on the project. Jason Matsuyama explained their role in the project.

**MOTION**
Approved as submitted (Yuen, Char) unanimous.

08.13.2021(1)/01:31:41
ITEM D-2 Issuance of Right-of-Entry Permit to Department of Health, Clean Water Branch for the Water Quality Monitoring Project in Keehi Lagoon; Moanalua, Honolulu, Oahu; Tax Map Key: (1) 1-1-070: seaward and vicinity.

Russell Tsuji, Land Division presented the submittal.

Board Discussion-None

Public Testimony-None
MOTION
Approved as submitted (Yoon, Yuen) unanimous.

08.13.2021(1)/01:32:41
ITEM D-3 Rescind Prior Board Action of April 25, 1997, Item D-5, as Amended, Request Board Approval, Extension of Time, Completion, Tenant Improvements, General Lease No. 5-5261, Sand Island Business Association, Sand Island Industrial Park, Honolulu, Oahu, Tax Map Key: 1-5-41.

Issuance of Interim Revocable Permit to Sand Island Business Association (SIBA) for Office Trailer and Parking Purposes, Sand Island Industrial Park, Honolulu, Oahu, Tax Map Key: (1) 1-5-041:077 or portion.

Amendment of General Lease No. S-5261, SIBA, Lessee, Sand Island, Honolulu, Oahu. See Exhibit 1 for list of Tax Map Key parcel numbers.

The purpose of the amendment is to change SIBA’s obligations with respect to the dedication of infrastructure improvements under the lease so that SIBA may retain control over such infrastructure until five years prior to lease termination on the condition that SIBA provide sufficient bonding to guarantee the dedication of the improvements to the City and County of Honolulu at lease expiration or earlier termination.

Kevin Moore, Land Division presented the submittal. Milton Holt and Sonny Borges available to answer questions.

Board Discussion
Sewer, drainage and road dedication to the City were discussed in length. Assignments of Lease were clarified.

Public Testimony
Milton Holt stands by their written testimony in support of the submittal. Holt and Borges engaged in discussion with the Board.

08.13.2021(1)/02:19:21
The Board took a break and will come back to Item D-3 later in the meeting and take up Item D-4 upon returning from break.

See time stamp for continuation of Item D-3: 08.13.2021(1)/04:25:50

08.13.2021(1)/02:26:53
ITEM D-4 Decision making regarding:
(1) Alexander & Baldwin, Inc (“A&B”) and East Maui Irrigation Company, LLC’s (“EMI’s”) July 22, 2021, Request for the Issuance of New Revocable Permits for Tax Map Keys (2) 1-1-001:044 & :050, (2) 2-9-014:001, 005, 011, 012 & 017,
(2) 1-1-002:por. 002, and (2) 1-2-004:005 & 007 for Water Use on the Island of Maui; and
(2) Sierra Club of Hawaii’s July 22, 2021, Request for a Contested Case Hearing to Challenge A&B/EMI’s July 22, 2021, Request for the Issuance of New Revocable Permits for Tax Map Keys (2) 1-1-001:044 & :050, (2) 2-9-014:001, 005, 011, 012 & 017, (2) 1-1-002:por. 002, and (2) 1-2-004:005 & 007 for Water Use on the Island of Maui.

Pursuant to Section 92-5(a)(4), Hawaii Revised Statutes (HRS), the Board may go into Executive Session in order to consult with its attorney on questions and issues pertaining to the Board’s powers, duties, privileges, immunities and liabilities.

Ian Hirokawa, Land Division introduced the matter.

Chair Case noted that there is request from the Sierra Club for a contested case hearing and reserved the right after discussion.

Discussion:
Frankel proceeded with his suggestions regarding the scope of the contested case with Board discussion.

08.13.2021(1)/02:57:53
Member Yuen made a Motion to go into Executive Session. Member Canton seconded the motion. Unanimous.

08.13.2021(1)/04:22:11 Back in Session
Amendment:
The Board grants Sierra Club’s request for a contested case hearing on the remainder of the 2021 revocable permits, if applicable, and for their continuation through the end of 2022.

It is the intent of the Board that the contested case hearing not duplicate matters decided in the trial at the Environmental Court or the 2018 CWRM decision.

The Board delegates the exact scope of the hearing and evidence to the Chair and the hearings officer. The Board authorizes the Chair to select and appoint a hearings officer and urges the Chair to serve as the hearings officer with the understanding that the selection is up to her.

Member Yuen clarified that this is in lieu of the three items in the Staff submittal

MOTION
Approved as amended (Canto, Char) unanimous.

08.13.2021(1)/04:25:50 ITEM D-3 Continued:
Russell Tsuji, Land Division relayed upon reviewing the lease, pages 9 to 13, relates to the subleases being transferred or sold. Paragraph 9.5 pertains to the applicable provision to the sublease being transferred, any premiums if any would be assessed and collected by SIBA. There is no sharing of premium’s with the State. The discussion continued to clarify the sublease process.

Amendment:

Recommendations 1 and 2 stay the same. Recommendation 3 to incorporate staff’s amendments as further modified below:

[Leave the dollar amount in the proposed lease amendment language on page 12 of the submittal blank.]

SIBA shall procure and pay for an engineering study evaluating and estimating the costs to bring all infrastructure not yet dedicated and owned by the City and County of Honolulu (City) and not previously evaluated and studied within the last five years (i.e., sewer and drainage system) up to standards acceptable for dedication to the City.

The engineering study and the costs estimated therein shall be subject to review and approval by the Department. The costs approved by the Department shall be added to the costs of the roadway improvements required for dedication presently estimated at $2,733,500. A contingency shall be built into the improvement costs in the amount of 10% for the road right of way and 50% for the sewer and drainage work.

The Department and SIBA shall consult with the City regarding whether the City will accept dedication of the sewer and drainage systems without the roads. The Department and SIBA shall also consult with the City regarding whether it will accept dedication of aged infrastructure. Staff shall return to the Board and report on the outcome of its consultation with the City before the amendments authorized by this action are finalized.

MOTION

Approved as amended (Yuen, Yoon) unanimous

08.13.2021(1)/04:52:29; 08.13.2021(2)/00:00:01 continuation of audio

Chair Case confirmed that the parties are not requesting a contested case at this time, but reserve the right to request one, in which case you will have to make a verbal request by the end of this meeting and follow up in writing within 10-days

ITEM I-1  Enforcement Action against Nichole Kanda, Cacilie Craft, and Garcia and Associates for Unpermitted Grading and Violations of Agreed-Upon Mitigation Commitments, Maka’ula Ahupua’a, North Kona, Hawai’i Island, Tax Map Key: (3) 7-3-002:015

Alan Downer, State Historic Preservation Division presented the submittal. Nicole Kanda, Patrick Wong, Cacilie Craft, Bob Rechtman and Matthew Clark are present for discussion.
Board Discussion
The nature of the historical sites and work done surrounding those sites, the professional guidance that was provided to Kanda were in question as well as Kanda’s role that led to the violation were vetted. The number of sites and features were in question as well. The fine would be allocated as 80% to Ganda and Craft. 20% to Kanda.

Public Testimony
Nicole Kanda, Patrick Wong, Cacilie Craft, Matt Clark, and Bob Rechtman participated in a lengthy discussion with the Board regarding the consultant’s work and responsibilities regarding the historical sites and the work done at the site.

Amendment
The Board reduced the fine to $180,000.00. Ganda and Craft would be responsible for $144,000.00. Kanda’s responsible for $36,000.00, which would be reduced by what she paid to both archaeological consultants ($30,800.00) leaving $5,200.00.

MOTION
Approved as amended (Yuen, Char) unanimous.

Chair Case reminded both parties if they want to request a contested case they would have to do before the end of the meeting in person and follow-up in writing within 10-days. Craft requested a contested case and would consult with her Ganda and may withdraw the request within the 10-days.

08.13.2021(2)/01:41:17 Break

08.13.2021(2)/01:45:40 Back in Session
ITEM K-1 Conservation District Enforcement Case OA 20-38 Regarding the Alleged Unauthorized Modification to an Emergency Erosion Control Structure, Noncompliance with an Emergency Permit, and Encroachment Upon State Land by COZY AT PUNALUU LLC, Douglas W Johnson, and Marie E Krame Within the Conservation District Located Seaward of 53-223 Kamehameha Highway, Punalu’u, Ko’olauloa, O‘ahu Tax Map Key: (1) 5-3-002:035 (Seaward).

Michael Cain, Office of Conservation and Coastal Lands presented the submittal. Trevor Fitzpatrick (OCCL), Douglas Johnston and Jeff Overton present to answer questions. Overton presented a PowerPoint showing the history of the Punalu’u site.

Board Discussion
The pictures of the site were discussed at length as to what was authorized, what was built, and type of materials were used. It was noted that the structure looks semi-permanent. Fitzgerald conveyed that the structure was not in compliance with the permit.
Public Testimony
Douglas Johnson participated in the discussion regarding the materials used for his repair.

Amendment:
1. That the landowners shall remove the unauthorized erosion control structure as well as its associated materials and complete the reconstruction of the emergency temporary erosion control structure by June 1, 2022. If the landowners comply with above actions and complete the reconstruction of the emergency temporary erosion control structure by June 1, 2022, the landowners shall be credited with $10,000.00 of all designated fines and administrative costs levied against them in condition #4;

2. The reconstructed emergency temporary erosion control structure shall be authorized for a period of three (3) years starting from the date of the Board’s action (August 13, 2021, to August 13, 2024);

MOTION
Approved as amended (Char, Yoon) unanimous.

08.13.2021(2)/03:24:40
There being no further business, Chair Case, adjourned the meeting. Recording(s) of the meeting and written testimonies received by the requested deadline can be found on-line with the submittal and available for review. Certain Items on the agenda were taken out of sequence to accommodate applicants or interest parties present.

Respectfully Submitted:
Darlene Ferreira

Approved for Submittal:
Suzanne D. Case, Chairperson
Board of Land and Natural Resources
Department of Land and Natural Resources