

Transcript of Meeting at Sun Cablevision Conference Room
on Tuesday, May 28th, 2002, to discuss with Royal Order of Kamehameha the concept of the
proposed open ocean fish farm, and obtain input on traditional perspectives and cultural issues.

Present : Mahealani Pai, Wayne Iokepa, Paul Chung-Hoon, Edward Nunez, Russell Paio (Royal Order of Kamehameha), Neil Anthony Sims and Dr Dale J. Sarver (Black Pearls, Inc.).

Meeting convened at 6 pm. Mahealani opened the meeting with a prayer.

Neil outlined the status of BPI's proposal, and the process of outreach to concerned community groups. In meetings over the past year or more, with a range of community, ocean recreation and conservation interests, the need for assessment of the cultural and social impacts of the project has been often raised. Dale and Neil said they recognize that these impacts need to be considered, and have begun to address some of the issues.

Neil said that this is a new, and exciting development for Kona. However, Dale and Neil have both spent most of their lives working in aquaculture development, and they recognize that community understanding and acceptance is important to allowing a project such as this to succeed.

Dale reviewed the main points about the proposed project, starting with BPI's background in pearl culture, and our diversification into fish hatchery research. He pointed out the need for more sustainable sources of fish protein in Hawaii, to overcome our present dependence on fish imports. Presently 10,000 lbs of opakapaka and 70,000 lbs of mahi-mahi are imported into Hawaii every week. He believes that we need to begin to accept responsibility for feeding ourselves, and not rely on other islands. Fisheries stocks are being decimated all over the world and we need to take action to solve this problem. He described the new opportunities for offshore fish farming provided by the recent engineering innovations, and how this is an improvement over past practices, such as salmon farming.

Dale then described the process of site selection in Kona, and the advantages of the site BPI has identified. BPI has conducted surveys of recreational activity in this area. Over the course of a couple of months there was only one boat found in the area, he said, and it was just passing through.

Dale also pointed out that in community discussions to date, people had expressed the strong desire to see benefits from this project kept in Kona. This is something that BPI would endorse.

An open discussion then ensued about the experience of the research project and then commercial cage farm off Ewa Beach, in Oahu. The changes in water quality were so slight as to be almost immeasurable. While there was an increase in the number of animals in the sand beneath the Ewa Beach cage, there was not any change in the balance of the community, so this was not considered to be problematic. The cages also acted as a shallow-water FAD, attracting large numbers of fish – particularly palani and loulou. Generally this was considered a benefit. While many fishermen originally opposed Randy Cates' cage application, they are now very

supportive. According to Randy, they keep an eye out over the cage area for him, and have alerted him if there is any suspicious activity around his cage site.

Paul asked if the presence of the cage would have an effect on the Kona crabs, which spawn in this area around Keahole. Dale replied that the data from Ewa indicates that, if anything, the Kona crabs would thrive – there would be more food for them. Neil stated that it was his understanding that while Kona crabs might occur in this area, there was very little fishing for them around the proposed farm site, because the currents were too strong.

Russell asked what sort of surface structures there might be at the farm site, and what it would look like from a distance. Dale and Neil described how the cages would be confined to the central 9 acre area (600 ft x 600 ft). We would generally prefer to use subsurface cages, but we might need to use surface cages for nursery culture or harvesting of some species. As the target fish have not been cultured previously, we don't want to commit to one style of cage, and then have to come back later and ask for changes to the lease to permit other styles of cages. Even for the subsurface cages, there would need to be feeding buoys on the surface, to ensure the fish were fed on days of rough weather.

Mahealani asked what was the chance of a cage breaking free. Dale described the mooring arrays, and indicated that the farm would be even more concerned than the public about breakages, as it would be a loss of the cage and loss of all the fish inside. The specifications have not yet been determined for the anchors, but we would have engineers from the cage company provide specifications. The anchors would be way over-engineered, to meet the most severe storm conditions. These cages are deployed in open waters in the North Sea. There was a trial cage in the Gulf of Mexico that did break free and drifted around for a while, but they had put it out with just a single anchor. We would probably use at least four anchors.

Neil and Dale said that there had been some concerns expressed at earlier meetings about potential impacts from the cages on marine mammals. However, they pointed out that so long as the mooring lines are very taut, there is negligible risk of entanglement by humpback whales or dolphins. Observations on the Ewa cage show that marine mammals are neither attracted nor repelled by the cage; humpbacks swim past unperturbed, and spinner dolphins pass freely through the area, swimming under, over or around the cage. The best scientific information to hand suggests that so long as the cage does not intrude onto the spinner dolphins' resting area in Makako Bay, there will be negligible impacts on the dolphins' daily migration patterns.

Neil stated that there were also some concerns expressed about the loss of public access to the space, because of the lease preventing access to the inner 9 acre area, where the cages would be. He said that BPI would prefer this to be restricted access, for safety and security reasons. BPI recognizes that there is a public cost to our project, and that there must be some commensurate public benefit to be derived. He related some of the earlier discussions with community groups, and described how a possible resolution had been formulated, where some portion of the lease payments could be provided, under the ocean leasing legislation, to a special land fund for aquaculture development. This could support a range of activities, including education, training, nursery rearing of fish or reef restocking work.

The discussion addressed the issues of other impacts on traditional and cultural uses of the area. Neil pointed out that some of the kupuna from Kekaha had expressed reservations about the potential impact on the 'opelu ko'a in the area. Mahealani asked who were our informants on these traditional uses. Neil replied that Robert Punihaole and Val Ako were the principal informants. Mahealani and Wayne agreed that this was appropriate. Neil pointed out that it was BPI's understanding that the cages would not directly block an existing 'opelu ko'a, as we understood these were usually in shallower water, closer to the reef drop-off. We understood that, at night, the 'opelu are more scattered, out towards the "fishing grounds" in deeper water. Nevertheless, BPI was sensitive to any perceived conflict, and was discussing this issue further to try to resolve these concerns in a mutually acceptable manner.

Neil asked if there were other traditional tenure concerns of which BPI should be aware. Mahealani referred him to the Native Hawaiian Rights Handbook, which addressed ahupua'a tenant rights in Makalawena. Most of the information in this section was provided by Tutu Ona and Robert Punihaole.

Mahealani suggested to BPI that it would be a good idea at public meetings to provide video footage of these cages, and the fish in them. He had seen some of the earlier video of the Ewa Beach cage, when the research program was first making the news, and he had been very impressed with the concept. He also indicated that it would be very helpful if BPI or other researchers could make available the water quality monitoring data, so that people could see the results for themselves.

Wayne asked about long term monitoring of water quality and reef health, and Dale described the level of detail that has been required for the Ewa Beach cage.

Mahealani also offered other suggestions on how the project could provide benefits to the local Kona community. He said that the main problem facing local fisheries is the worsening ciguatera problem. He said that it would be very helpful if this project could help support research into what were the root causes of ciguatera, and ways that it might be overcome. Dale replied that ciguatera was very difficult to study, but that the prioritization of the activities that might be supported under the Special Land Development Fund would depend upon public input. At this preliminary stage, BPI is looking to identify non-profit organizations that might be interested in participation in these activities.

Mahealani asked if access to funds from the lease payments would be contingent on the organization supporting the project, and Neil and Dale replied "No." BPI understands that some organizations may have some reservations or concerns about the project, and we want to hear these comments. However, if the project does go ahead, we too would like to see some portion of the lease payments kept here in Kona, and we hope that Kona organizations would be interested in participating, whether or not they support or object to the offshore fish farm proposal.

Dale said that our hope, in holding these meetings over the last year or more, has been to provide a forum for people to express any concerns, and that we would much rather address these issues up front and in advance, before we present a formal proposal to DLNR.

Dale pointed out that in all of BPI's projects, we have never just built a single project for ourselves (whether it be a pearl farm or a fish farm). He said BPI has always tried to act as an industry catalyst, and likes to encourage participation by others in the industries that we are working to set up. In the Marshall Islands, three farm sites are now using spat from the hatchery that BPI established. Dale talked about BPI's hope that others would also see an opportunity for themselves in open ocean fish farming in Kona. BPI had already heard from three displaced bottom-fishermen in Kona who wanted to know about the possibility of jobs on the farm, when it begins operation.

Some general discussion ensued about the overall lease application process, Federal permit requirements and oversight, and the opportunities for public input.

Mahealani indicated that the members would follow up with the moku, and get back to BPI with any further questions of concerns. He said that he appreciated the open approach of BPI, and that their concern as an organization was to strive to leave a legacy for future generations.

Neil concluded the meeting by thanking everyone for their attendance and input. He said that he would follow up by circulating a written transcript of what was said at the meeting, so that everyone could have an agreed-upon record of the discussion. He would circulate a draft by email, and if people had any, additions, corrections or changes to the transcript draft, then he would be happy to make these changes. Wayne thanked Neil for this, and asked that we all keep the lines of communication open.

Mahealani then concluded the meeting with a prayer.
