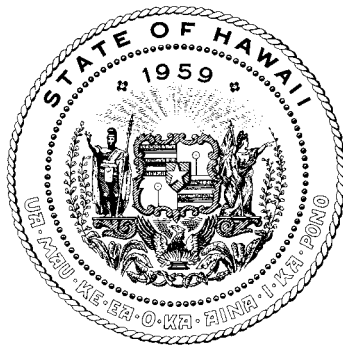


**ANNUAL REPORT TO THE TWENTY-THIRD LEGISLATURE
STATE OF HAWAII
REGULAR SESSION OF 2005**

**ON THE STATUS OF THE ISSUANCE OF INCIDENTAL TAKE
LICENSES FOR ENDANGERED, THREATENED, PROPOSED,
AND CANDIDATE SPECIES; AND THE CONDITION OF
THE ENDANGERED SPECIES TRUST FUND
FOR THE PERIOD JULY 1, 2003 – JUNE 30, 2004**



Prepared by

**THE STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES
DIVISION OF FORESTRY AND WILDLIFE**

In response to Section 195D-26, Hawaii Revised Statutes

Honolulu, Hawaii
December 2004

**ANNUAL REPORT ON THE STATUS OF THE ISSUANCE OF
INCIDENTAL TAKE LICENSES FOR ENDANGERED, THREATENED,
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OF THE ENDANGERED SPECIES TRUST FUND
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PURPOSE

Act 380, Session Laws of Hawaii (SLH) 1997, amended the State Endangered Species law, Chapter 195D, Hawaii Revised Statutes (HRS), to provide for the preparation and implementation of habitat conservation plans and safe harbor agreements, and to provide additional incentives for private landowners to recover and protect threatened and endangered species on their lands. One of the provisions of that law (§195D-26, HRS), required that an annual report be prepared by the Department of Land and Natural Resources (DLNR) on the effectiveness of habitat conservation plans or safe harbors agreements (SHA's) issued under Chapter 195D, HRS, and the status of all species for which incidental take licenses have been issued. In addition, the annual report is to include a description of the condition of the Endangered Species Trust Fund established under §195D-31, HRS, and any recommendations to further the purposes of this chapter. This annual report is submitted to fulfill the reporting requirement for Fiscal Year (FY) 2004.

FINDINGS

Effectiveness Of Habitat Conservation Plans (HCP) And Safe Harbor Agreements (SHA's) Issued Under Chapter 195D, HRS

The following HCPs and SHA's have been issued as of June 30, 2004.

1. Reintroduction of Nene to Puu O'Hoku Ranch, Molokai. Issued: September 4, 2001. The Puu O'Hoku Ranch was the first SHA in Hawaii. The Agreement calls for Puu O'Hoku Ranch to allow the reintroduction of Nene on Puu O'Hoku Ranch, construct a release pen, provide 300 acres of habitat for Nene grazing and breeding, and to control predators in the release pen and nene breeding areas. During FY 2004, a total of 8 Nene were released into the release pen (3 males and 5 females) during one release (April 14, 2004.) There were 6 nesting attempts within the release pen, with 10 goslings produced. The trapping program continued and was expanded to other areas of the Ranch; 179 mongooses were trapped and removed. The Ranch ran a cattle and horse grazing operation to maintain the 735 acre Cape Halawa in pasture and short grass habitat for Nene use, and the release pen was mowed on a monthly basis, and an additional 2 acres were mowed around the release pen on a semi-annual basis. During FY 2004 one Nene was found injured from unknown causes, and subsequently died during treatment. There were no birds taken on the Incidental Take License. Since the start of the project, 63 birds have been released, 13 goslings produced, and 2 deaths due to unknown causes. The current Nene population is 74 on the Ranch.

2. SHA and Habitat Management Plan for Koloa (Hawaiian Duck) and Nene (Hawaiian Goose) on Umikoa Ranch, Island of Hawaii. Issued: December 5, 2001. The Umikoa SHA calls for the creation and management of 2.0 acres of wetland ponds and 150 acres of riparian and associated uplands, fencing ponds, predator and weed control, and outplanting of food items to benefit Koloa and Nene. As per the SHA, 8 permanent and 2 seasonal ponds ranging from 0.05 to 0.57 acres (totaling 2.01 acres) and 151.3 acres of ponds and uplands have been fenced, and are being managed for Koloa and Nene. The Ranch has continued its predator control program using diphacinone mongoose bait in pond areas in FY 2004. The current Koloa population is estimated to be 6 birds, which is 3 times the baseline number at the beginning of the Agreement. There were no birds taken on the Incidental Take License.

3. Programmatic SHA for the Nene on the Island of Molokai, Hawaii. Issued: April 7, 2003. This is the first "programmatic" SHA in the State, such that DLNR'S Division of Forestry and Wildlife (DOFAW) is the permittee and individual landowners ("Cooperators") enroll through Cooperative Agreements with DOFAW, and are covered under DOFAW's Agreement and License. Landowners can voluntarily enroll by signing a Cooperative Agreement with the State, which commits them to make appropriate habitat on their land available to Nene for a period of 10 years, and in return the landowner receives assurances from both the state and federal agencies that they will not be held responsible, if Nene should be accidentally harmed or killed on their property for the duration of the permit, which expires in 2053. There were no landowners enrolled under this agreement prior to the end of FY 2004. DOFAW has initiated a contact with the landowner immediately adjacent to Puu O Hoku Ranch where Nene reintroduction is occurring, and will be negotiating the terms of a Cooperative Agreement in FY 2005.

4. A Conservation Plan for Hawaiian Stilt at Cyanotech Aquaculture Facility Keahole Point, Hawaii. Approved June 13, 2002; Incidental Take License issued December 24, 2003 after the applicant provided DLNR with a security deposit, to ensure that the costs of mitigation and monitoring are secured. The plan covers ongoing operations and maintenance activities at Cyanotech's Aquaculture Facility within the Natural Energy Laboratory of Hawaii (NELHA) along the Kona Coast, and provides mitigation for the accidental loss of juvenile stilts in the facility's production ponds. The following mitigation measures have been implemented:
 - 1) Cyanotech created and maintained a 1.7-acre pond to produce optimum stilt breeding habitat – 48 stilt chicks were fledged before the pond was drained and netted to prevent further nesting at the facility because of safety concerns at the adjacent Kona Airport; 2) predator control was conducted to reduce mortality of stilts present at the facility; and 3) deterrent measures were implemented to discourage stilts from occupying the facility. During FY 2004, 10 dead stilt chicks were recovered from the Cyanotech Facility, as permitted under the Incidental Take License.

5. HCP for *Abutilon menziesii* at Kapolei. Approved April 8, 2004; Incidental Take License not yet issued. This HCP was developed to cover the impacts to the endangered plant species, *Abutilon menziesii*, that will occur on 1,381-acres of state and city-owned property, which is the site of the proposed construction of the North-South Road Highway, Kapolei Parkway and subsequent developments, and the measures that will be taken to mitigate the impacts. Although the Hawaii Department of Transportation (DOT) is the sole applicant, the implementation of the HCP mitigates for the impact of development actions that may be conducted by other agencies/organizations that are not yet identified. The HCP outlines a strategy to take cuttings and collect seeds from the existing plants prior to their removal and using these materials to: 1) maintain genetic representation of the original population by growing cuttings in nurseries and placing seeds in seed storage facilities; and 2) to establish 3 new populations in protected areas elsewhere on Oahu. In addition, the HCP provides funding to protect and maintain the wild populations for a period of 20 years to assure that they will survive. The Incidental Take License will be issued, once DOT transfers the funds to DLNR, to cover the costs of implementing the mitigation and monitoring described in the plan.

6. SHA for the Introduction of the Nene to Piiholo Ranch, Maui – Approved by the Board of Land and Natural Resources (BLNR) May 24, 2004, approval by the United States Fish and Wildlife Service (FWS) pending; Incidental Take License not yet issued. Under this Agreement, Piiholo Ranch will maintain or improve approximately 600 acres of Nene habitat on the Ranch for a period of 10 years by continuing cattle ranching operations, thereby maintaining open, short-grass habitat; establish and maintain a Nene release pen; control predators around breeding and release sites; and outplant native plant species known to be Nene food sources. DLNR will conduct the actual reintroduction of Nene raised at the Maui Bird Conservation Center and Ranch staff will provide food and water to the Nene while they are in the release pen and assist DLNR in monitoring the population on the Ranch. The Incidental Take License will be issued, once the FWS approves the Agreement and issues their Incidental Take Permit.

Endangered Species Recovery Committee

The following individuals served on the Endangered Species Recovery Committee during FY 2004:

Mr. Peter T. Young, Chairperson, BLNR.

Designated Representative - Dan Davidson, Deputy Director for Land, Department of Land and Natural Resources, Honolulu, HI; Mr. Paul Conry, Wildlife Program Manager, Division of Forestry and Wildlife, Honolulu, HI. (Agency Representative)

Dr. Paul Henson, Ecoregion Manager, US Fish and Wildlife Service
(USFWS) - Pacific Islands Ecoregion
Designated Representative - Mr. Jeff Newman, USFWS.

Dr. William Steiner, Director, US Geological Service (USGS)-
Biological Resources Division (BRD), Honolulu
Designated Representative - Dr. James Jacobi, USGS-BRD,
Hawaii National Park, HI. (Agency Representative)

Dr. John Harrison, Executive Director, UH Environmental Center,
University of Hawaii, Manoa, HI. (University Representative)

Mr. Joby Rohrer, Honolulu, HI (Appointed Member, Term expires June 30,
2005).

Ms. Karen Poiani, Honolulu, HI (Appointed Member, Term expires June 30,
2007).

The Committee met 5 times during the reporting period and exchanged correspondence on the processing of applications. The Committee reviewed the HCP for *Abutilon menziesii* at Kapolei, the SHA for the Reintroduction of the Nene to Piiholo Ranch, Maui, and the SHA for Chevron Refinery at James Campbell Industrial Park, Oahu, and submitted recommendations to the BLNR.

Status Of The Endangered Species Trust Fund (S-04-324-C)	
Beginning Balance of Fund on July 1, 2003	54,039
Revenues during FY 2004	2,277
Expenditures during FY 2004:	7,000
Cash Balance as of June 30, 2004	49,316
Unpaid encumbrances as of June 30, 2004:	8,306
Unencumbered Cash for carryover as of June 30, 2004:	41,010

Summary of Revenues FY 2004	
Investment Pool	1,135
Fees from sale of endangered plant tags	42
Donation for Nene Conservation	1,000
Donations for Year of the Forest	100
Total Revenue for FY 2004	2,277

Summary of Expenditures FY 2004	
Expenditures and unpaid encumbrances as of June 30, 2004 (Hamakua Marsh Restoration Project):	15,306
Total Expenditures	15,306

FY 2004 EXPENDITURES

The sources of revenue for the Endangered Species Trust Fund are deposits into the Fund for implementation of SHAs, donations earmarked for endangered species projects, and proceeds from the sale of environmentally themed products such as endangered species stamps, posters, books, etc., sold to the public to raise money for conservation of Hawaii's resources. Act 144, SLH 2004, amended the provisions establishing the Endangered Species Trust Fund to change this Fund from a special fund to a trust fund, and to allow deposits of money provided as security, or to implement the obligations of a habitat conservation plan. Trust funds are not currently assessed central services and administrative costs. This change in the statute should help encourage donations and use of the Fund by contributors and donors that have expectations that monies deposited into the Trust Fund will be protected and available in the future for use on the intended purpose, such as actions required to implement HCPs or SHAs.

All expenditures made from the Endangered Species Trust Fund during FY 2004 were in support of the Hamakua Marsh Restoration Project. The funds were used to purchase a portable solar pump and to complete a boundary survey.

The largest project balance in the Endangered Species Trust Fund is \$29,204 being held for the Hawaii Community Foundation grant for the Restoration of Hamakua Marsh, Kailua, Oahu begun in FY 2002 (activity code 314). The project is being continued in FY 2004 and an operating budget of \$29,204 have been provided for this fiscal year.

Interest income, proceeds from the sale of Endangered Plant Tags, a private donation from Gateway To Paradise, Inc. from the sale of t-shirts for the purpose of Nene conservation and management (\$1000), and a private donation from Hawaiian Forests.com (\$100) for the Year of the Hawaiian Forest account for the revenue into the Fund in FY 2004. The revenue derived from interest will be allotted to the various projects from which it was earned, and the revenue from plant tags will be reserved and used to purchase new tags when time to reorder.

Recommendations

1. None.