WAILUKU, Maui — A tour boat operator who illegally entered the 'Ahihi-Kina'u Natural Area Reserve and damaged coral heads with an anchor has agreed to pay the first-ever administrative fine for violating state rules protecting stony corals.

"From this case we want to send a message that we are extremely serious about protecting coral reefs and that we will not tolerate coral damage by boats because it impacts fisheries, it impacts tourism and it impacts the endemic biodiversity of Hawai'i," said Dan Polhemus, administrator of the Department of Land and Natural Resources Division of Aquatic Resources.

Several other coral-damage cases are under investigation, none at 'Ahihi-Kina'u, according to legal fellow Blaine Rogers, an attorney assisting the Aquatic Resources Division.

Crystal Seahorse Ltd. part-owner and boat captain Peter Wood agreed to the $7,300 settlement Friday with the Board of Land and Natural Resources. DLNR staff had asked for penalties totaling almost $14,000.

The 2,045-acre 'Ahihi-Kina'u Natural Area Reserve on Maui's southern coastline is one of 19 natural area reserves in Hawai'i and the only one that includes marine waters. No motorized boats or commercial activities such as snorkeling, hiking or kayaking tours are allowed within the reserve, which contains pristine reef ecosystems, rare anchialine, or brackish water, ponds, and numerous geological and archaeological features.

The reserve's marine boundaries extend about a half-mile seaward and include a portion of the bay at Keone'o'io, although there are no buoys to identify restricted areas.

Wood was at the helm of the Shangri-La tour boat, owned by Crystal Seahorse, on a special snorkeling charter for a dozen customers on Aug. 18, 2005, when the vessel was observed dropping anchor about 50 feet from shore, according to a DLNR report. The anchor and chain broke off at least 11 lobe and cauliflower coral heads and chipped and fractured other coral along a 34-yard stretch of ocean floor.

Aquatics resources staff were able to reattach four of the coral heads using a quick-drying cement mixture.

Wood, an experienced boat captain who normally conducts tours in Ka'anapali, later admitted to DLNR officials that he made a mistake in entering the reserve, calling it "a stupid bonehead maneuver," the report said.

Wood's attorney, Dennis Niles, said the reserve waters are not marked and that Wood "inadvertently" steered close to shore to avoid windy offshore conditions.

In January 2006, Wood pleaded no contest in Maui District Court to prohibited anchoring and bringing a motorized vessel into the reserve, and was ordered to pay $260.

DLNR officials were not satisfied with the outcome of the court case and initiated an administrative case against Wood and Crystal Seahorse that proposed a $13,750 penalty for illegally conducting a commercial operation within 'Ahihi-Kina'u, operating a motorized water vehicle and anchoring in the reserve, and causing damage to stony corals.
Niles said there was a legal question about whether the administrative case was allowable in addition to the earlier court case, but that Wood decided to settle the matter instead of paying the cost of contesting the violations and pursuing a possible appeal.

As part of the settlement, the violation against the company for conducting commercial activity within the reserve was dropped.

Bill Evanson, Maui District natural area manager for the DLNR, said the agency is seeking a permit to install buoys notifying ocean users of the restricted area.

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