

DAVID Y. IGE  
GOVERNOR



STATE OF HAWAII  
DEPARTMENT OF TRANSPORTATION  
869 PUNCHBOWL STREET  
HONOLULU, HAWAII 96813-5097

FORD N. FUCHIGAMI  
DIRECTOR

Deputy Directors  
JADE T. BUTAY  
ROSS M. HIGASHI  
EDWIN H. SNIFFEN  
DARRELL T. YOUNG

IN REPLY REFER TO:

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

AMENDMENT NO. 1 TO STATE LEASE NO. DOT-A-13-0023  
TO EXTEND THE DEADLINE FOR SUBMISSION OF BUILDING PLANS  
ISSUED TO HELICOPTER CONSULTANTS OF MAUI, INC.  
DBA BLUE HAWAIIAN HELICOPTERS AND SUBSEQUENTLY ASSIGNED TO  
BLUE HAWAIIAN HOLDINGS, LLC  
LIHUE AIRPORT  
TAX MAP KEY: (4) 3-5-01: PORTION OF 8

KAUA'I

LESSEE:

Blue Hawaiian Holdings, LLC, whose business address is 1 Kahului Airport Road, #105,  
Kahului, Hawai'i 96732

LEGAL REFERENCE:

Subsection 171-11, Hawai'i Revised Statutes, as amended

LOCATION AND TAX MAP KEY:

Portion of Lihue Airport, Lihue, Island of Kaua'i, State of Hawaii, identified by  
Tax Map Key: 4<sup>th</sup> Division, 3-5-01: Portion of 8

AREAS:

Area/Space Nos. 011-109A, 011-109B, 011-109C, 011-109D, and 011-109E,  
containing land areas of approximately 11,299, 11,858, 700, 1,400, and 700  
square feet, respectively of improved paved and unpaved general aviation  
lands, as shown and delineated on the attached map labeled Exhibit "A".

**ITEM M-7**

BLNR – Helicopter Consultants of Maui, Inc.  
dba Blue Hawaiian Helicopters and subsequently  
assigned to Blue Hawaiian Holdings, LLC  
Amendment No. 1 to State Lease No. DOT-A-13-0023  
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ZONING:

State Land Use District:           Urban District  
County of Kauai:                 Industrial (IG-STP)

LAND TITLE STATUS:

Section 5(a) lands of the Hawaii Admissions Act: Non-Ceded  
DHHL 30% entitlement lands pursuant to the Hawaii State Constitution: YES \_\_\_ NO X

CURRENT USE STATUS:

Land partially encumbered by Governor’s Executive Order No. 1451, setting aside a portion of Lihue Airport under the control and management of the Department of Transportation, Airports Division, State of Hawaii, for Airport purposes.

CHARACTER OF USE:

Commercial Helicopter operations.

TERM OF LEASE:

Fifteen (15) years: October 1, 2013 through September 30, 2028

CHAPTER 343, HRS – ENVIRONMENTAL ASSESSMENT:

The subject land areas are covered by the Environmental Assessment for Lihue Airport Ahukini Road Realignment and General Aviation Subdivision dated March 6, 1997. This Environmental Assessment evaluated the environmental effects of the recommended Airport Plan to realign Ahukini Road and the development of a General Aviation Subdivision. The assessment was prepared by the State of Hawaii, Department of Transportation, Airports Division.

DCCA VERIFICATION:

Place of business registration confirmed:	YES <u>X</u>	NO ___
Registered business name confirmed:	YES <u>X</u>	NO ___
Good standing confirmed:	YES <u>X</u>	NO ___

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REMARKS:

Under the lease, the Lessee is required to make improvements to the property. Initially, the Lessee intended to install an above-ground fueling facility on the site to support its helicopter operations. However, the environmental assessment and recommendation from the Lessee’s consultant resulted in costs far exceeding those anticipated by the Lessee. As there is already an entity that delivers fuel at the heliport, the tenant can operate its business, as do the rest of the operators at the Lihū’e heliport, without its own independent fuel storage facility.

The Lessee has asked that the lease be amended to allow for additional time to evaluate alternative uses for the location.

RECOMMENDATION:

That the Board approves of and gives its consent to the amending Lease No. DOT-A-13-0032 as herein outlined, subject to: (1) such terms and conditions as may be prescribed by the Director of Transportation to best serve the interests of the State; and (2) review and approval of the Department of the Attorney General.

Respectfully submitted,



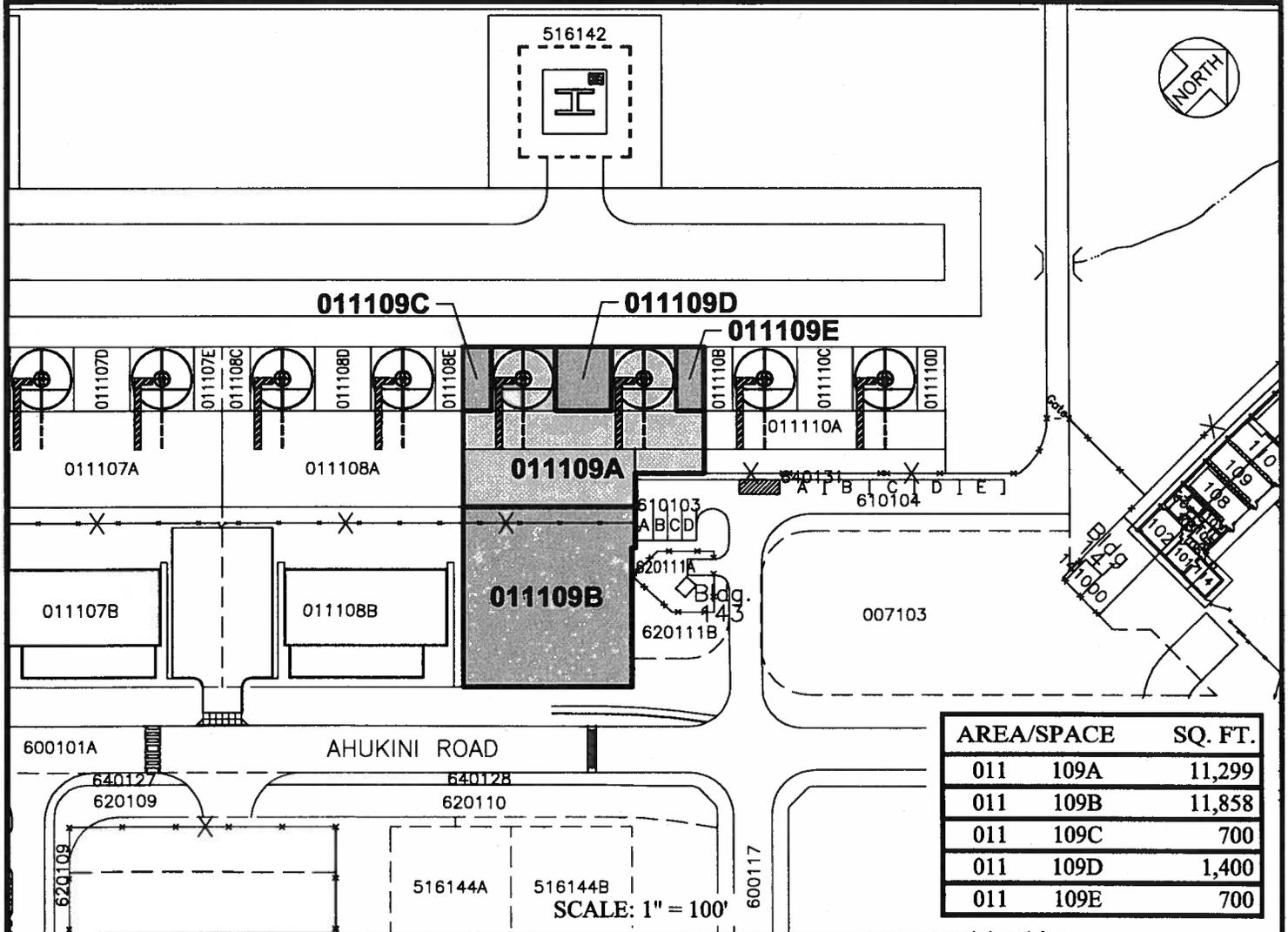
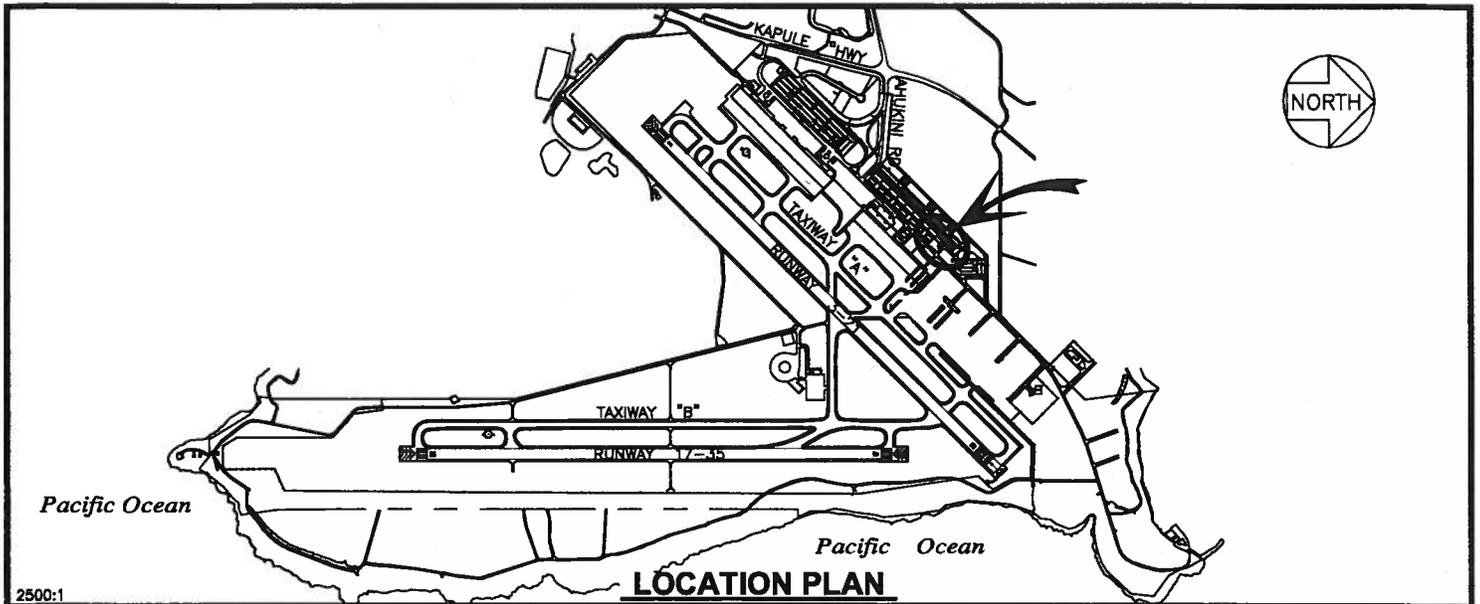
FORD N. FUCHIGAMI  
Director of Transportation

APPROVED FOR SUBMITTAL:



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CARTY S. CHANG  
Acting Chairperson



DOTA-13-0023

DATE : SEPTEMBER 2013

EXHIBIT: **A**



HELICOPTER CONSULTANTS  
OF MAUI, INC. dba  
BLUE HAWAIIAN HELICOPTERS

LOTS

011109A-E  
PLATS B1, 35

**LIHUE AIRPORT**