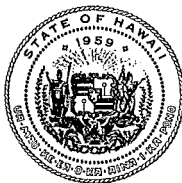


DAVID Y. IGE  
GOVERNOR OF HAWAII



BRUCE S. ANDERSON, Ph.D.  
DIRECTOR OF HEALTH

**STATE OF HAWAII**  
**DEPARTMENT OF HEALTH**  
P. O. BOX 3378  
HONOLULU, HI 96801-3378

In reply, please refer to:  
File:  
**2019-342 SL**

May 29, 2019

Mr. Scott Glenn, Director  
Office of Environmental Quality Control  
235 South Beretania Street, Suite 702  
Honolulu, Hawaii 96813

**Facility/Site:** 760 Halekauwila Street

**Subject:** Notification of Application to Participate in Hawaii Voluntary Response Program

Dear Mr. Glenn:

The Hawaii Department of Health (HDOH), Hazard Evaluation and Emergency Response (HEER) Office recently received an application from Mr. Robert Kurisu of Nalu Aio, LLC to participate in the Hawaii Voluntary Response Program (VRP) for a property located at 758/760 Halekauwila Street in Honolulu [TMK Number (1) 2-1-050: Parcel 003]. In accordance with the Hawaii Environmental Response Law, HRS 128D, Sub-Section 31, we are sending you this short summary of the details of the application.

The building at the site was constructed in approximately 1962 and was a photograph processing and supply store for approximately 40 years. An adjoining property was an automotive parts shop. Limited site investigations conducted in 2007 and 2018/2019 identified areas of soil and groundwater contamination at the site that included cyanide, silver, lead, and petroleum products. I have taken the liberty of attaching a copy of the VRP application letter.

Should there be any questions, or if you would like copies of additional files submitted for the site, please do not hesitate to call me at 586-5815. Thank you,

Sincerely,

A handwritten signature in dark ink, appearing to read "Sven Lindstrom", is written over a horizontal line.

Sven Lindstrom  
Site Discovery, Assessment, and Remediation  
Hazard Evaluation and Emergency Response Office  
Hawaii Department of Health

Enclosure: Nalu Aio VRP Application

RECEIVED  
DEPARTMENT OF HEALTH  
2019 MAY 15 P 8:16  
HEER OFFICE

May 14, 2019

Sven Lindstrom  
Hazard Evaluation & Emergency Response Office  
Hawaii State Department of Health  
2385 Waimano Home Road  
Pearl City, HI 96782

Subject: Hawaii Voluntary Response Program Application  
758/760 Halekauwila Street, Honolulu, Hawaii

Dear Mr. Lindstrom:

This application is submitted by Nalu Aio, LLC ("Nalu Aio") to enter into a Voluntary Response Program ("VRP") agreement with the Hawaii Department of Health for Tax Map Key (1) 2-1-050: Parcel 003 located at 758-760 Halekauwila Street, Honolulu, Hawaii ("Site").

The information below follows the outline in the VRP Eligibility and Application Checklist available on the Hawaii Department of Health website at <http://eha-web.doh.hawaii.gov/eha-cma/documents/d830d679-9cab-4028-a1cc-8cbb1837e586>.

**A. Statutory Criteria.** The Site is not listed on the National Priorities list pursuant to CERCLA, and is not a site for which an order or other enforcement action has been issued under CERCLA.

The US Coast Guard has not issued a federal letter of interest and the Site is not subject to corrective action under Subtitle C of RCRA or HRS Chapter 342J.

An interim EHE/EHMP is being developed, and when implemented, will ensure that the Site does not pose an imminent and substantial threat to human health.

**B. Information about the Requesting Party.** Nalu Aio is the requesting party and the primary contact for Nalu Aio is:

Robert Kurisu  
Nalu Aio, LLC  
1000 Bishop Street, Suite 810  
Honolulu, HI 96813  
Telephone: (808) (808) 523-5644 (main)  
Telephone: (808) 439-8127 (direct)  
Telephone: (808) 228-8896 (cell)  
Facsimile: (808) 533-7829  
E-Mail: [robertk@wkfinc.com](mailto:robertk@wkfinc.com)

**C. Information about the Property Owner.** The property is owned by T. Kaya, Limited. ("T. Kaya") and the primary contact at T. Kaya is:

Estelle E. Kaya  
T. Kaya Limited  
2966 Ala Pue Place  
Honolulu, HI 96818  
Telephone: (808) 927-0846  
E-Mail: [esteeone@gmail.com](mailto:esteeone@gmail.com)

**D. Current Information about the Property.** The property is about 23,800 square feet in size, and further location information is provided below:

**Street Mailing Address:** 758/760 Halekauwila Street, Honolulu, Hawaii.

**Latitude and Longitude:** Approximately Lat: 21.298958 21° 17' 56" N,  
Long: -157.856866 -157° 51' 25" W.

**TMK:** (1) 2-1-050: Parcel 003.

**E. Current and Historic Information about the Property**

**Current Property Use:** The Site is currently improved with a two-story commercial building containing approximately 24,000 square feet of floor space, constructed in 1962. The building is constructed of concrete masonry unit (CMU) structural walls, a concrete slab floor, steel supports/beams, and a corrugated metal roof. The building is currently used as a multi-tenant commercial building that includes a Christian bookstore on the first floor and photography studios, health/fitness clubs, and offices on the second floor. Several of the building spaces are currently vacant.

**Operational History:** The earliest available topographic map, from 1897, depicts the subject property as undeveloped land. No buildings or other structures are depicted on or near the subject property. The five earliest available fire insurance maps, dated from 1914 to 1956, depict residential dwellings that appear first as single-family houses (1914) and further as



multi-family houses on the subject property. An auto parts shop immediately adjacent to the northwest of the subject property is shown on the fire insurance maps from as early as 1950. The 1962 fire insurance map shows the subject property as an undeveloped land lot. The fire insurance maps dated from 1972 to 1993 show the subject property redeveloped with the current structure, labeled as a photo-processing and photo supplies facility, with a parking area on the southern portion of the lot.

The Department of Planning and Permitting database indicates that the current building on the subject property was constructed in 1962. Available records at the City and County of Honolulu Real Property Tax Office indicate that the subject property was owned by Tadasu Kaya from 1956 and by T. Kaya Ltd. from 1957 until present. Leases for an undetermined amount of time were issued to several entities, including Waterhouse Properties Inc. in 1962, Technicolor Inc. in 1967, and Magnicolor Photo Labs Inc. (MPLI) in 1983. According to property records from the City and County of Honolulu Real Property Tax Office, MPLI was merged into ColorCraft Co. (CCC) in December 1988. The lease was reassigned in 1995 to CCC, now known as Qualex Photofinish Labs Inc. (QPLI). Qualex Inc. (QLX) was merged into QPLI in December 2002; and QPLI was dissolved in December 2005, wherein all assets and liabilities henceforth were transferred to and assumed by QLX. QLX ceased all photo-processing procedures in April 2006 and subleased the premises on the subject property to Olanui for the termination of the lease term, that being 113 months from August 2007 until December 2017.

**Known or suspected contamination.** Existing environmental reports are summarized below and are attached to this application.

Geologica Inc. prepared a Supplemental Phase II Subsurface Investigation and Limited Phase III Soil Removal Action report in 2007 which describes the development of four groundwater monitoring wells and the collection of three soil samples from a soil boring (B-2/MW-2) for silver and cyanide analyses. The detected concentrations for silver and cyanide were reported as below the State of Hawaii Department of Health (HDOH) environmental action levels (EALs). Furthermore, soil excavation activities involved removing a six-by-six foot area of soil to a depth of 5 feet below ground surface. Silver and cyanide were detected in two samples at concentrations above unrestricted but below commercial/industrial (C/I) EALs.

ENPRO Environmental (ENPRO) conducted several environmental investigations in 2018 and 2019, including a Phase I ESA in which ENPRO identified evidence of three recognized environmental conditions associated with the project Site, including: 1) the historical release of photo-processing contaminants (i.e., cyanide) in conjunction with a lack of clean-up documentation, including the removal/closure of four sumps associated with photo processing; 2) a witness report regarding a leak from pole-mounted transformers northeast of the building into a trash dumpster, along with a lack of data regarding the polychlorinated biphenyl (PCB) content of the transformers; and 3) a previous detection of methyl tertiary butyl ether (MtBE) in groundwater samples that has not been further investigated. It should be noted that the transformer leak is not listed in the HDOH, HEER database of reported releases.

In October of 2018 ENPRO collected four groundwater samples, three soil vapor samples, four soil samples, and one composite surface soil sample, summarized in a



Groundwater, Soil Vapor, and Multi-Increment and Composite Soil Sampling and Analysis Report. The results indicated elevated concentrations of lube oil range organics, cyanide, and lead in the soil. The helium test and volatile organic compounds (VOCs) for all of the soil vapor samples were less than the HDOH EALs for unrestricted and C/I land use. The groundwater was suspected to contain cyanide due to the elevated concentrations of cyanide found in the soil. The method reporting limit for the laboratory analysis of cyanide in groundwater was reported at 0.01 mg/L or 10 micrograms per liter ( $\mu\text{g/L}$ ), which is greater than the HDOH EAL of 1.0  $\mu\text{g/L}$  for both unrestricted and commercial/industrial land use. Therefore, the groundwater samples may contain cyanide concentrations above the HDOH EAL.

Ford & Associates, Inc. prepared a Phase I Environmental Site Assessment dated February 28, 2019. The report identified onsite impacts from past uses as a recognized environmental condition. The Phase I ESA also revealed the following evidence of onsite environmental conditions: (1) suspect Asbestos-Containing Materials (ACM) in the building at the subject property which was constructed prior to 1980 and may include ACM; (2) suspect Lead-Based Paint (LBP) in the building at the subject property that was constructed prior to 1977 and may include LBP; and (3) fluorescent light ballasts with Polychlorinated Biphenyls (PCBs).

On January 3, 2019 ENPRO met with representatives of the HDOH HEER Office and SHWB Hazardous Waste Section, where it was determined that an Interim Environmental Hazard Evaluation (EHE)/Environmental Hazard Management Plan (EHMP) should be prepared and adhered to, until the project Site is redeveloped. In order to prepare the Interim EHE/EHMP, additional evaluation of the Site conditions was required by the HDOH.

On April 30, 2019, ENPRO prepared a Soil and Groundwater Sampling and Analysis, Results Summary Letter Report. ENPRO states that sampling was conducted on April 2 and 3, 2019 in accordance with the March 7, 2019 "Soil and Groundwater Sampling and Analysis Plan approved by HDOH." ENPRO reported that no chemicals of potential concern were detected in groundwater or soil vapor samples at concentrations equal to or greater than the applicable HDOH EALs. Regarding soil sample results, ENPRO has stated,

Based on the laboratory results provided by Torrent Laboratory, Inc., most of the analytes for the soil and groundwater samples were not detected at a concentration equal to or greater than the laboratory method detection limits (MDLs). Analytes that were detected were present at concentrations less than their corresponding DOH EALs. No cyanide was detected in any of the soil or groundwater samples collected.

Soil sampling results are set forth in full in the enclosed report, but since they have not yet been accepted by HDOH, they are not further summarized here. ENPRO's report concludes with the opinion "that no additional investigation of the areas surrounding the building structure of the project site is warranted."

On May 8, 2019, ENPRO submitted a draft Environmental Hazard Evaluation (EHE) and Environmental Hazard Management Plan (EHMP) to HDOH. The EHE identified potential hazards from RRO (gross contamination), cyanide (gross contamination and a potential



impact to aquatic life), lead (direct exposure and gross contamination), silver (direct exposure and a potential to impact aquatic life), and organochlorine pesticides (direct exposure). The EHMP follows ENPRO's recommendation in the EHE that soil caps be maintained to prevent the disturbance of contaminated soils. The EHE and EHMP are enclosed and, since they have not yet been accepted by HDOH, they are not further summarized here.

**Permits Obtained By Any Facility on the Property:** The DPP database indicates that the building at the subject property was constructed in 1962. A total of 23 permits, dated from 1973 to 2012, were on file for the subject property. These included permits for electrical work and plumbing. In addition, a former tenant of the property, Qualex Inc. identified itself as a Small Quantity Generator on April 17, 1986.

**F. Description of the Intended Scope of Work.** Site investigation is ongoing, and the scope of any remedial work at the Site will be identified in a Remedial Alternatives Analysis to be completed at a later time. There are no planned changes to Site use. Implementation of this voluntary response project will ensure that the contaminants of concern pose an incremental cancer risk no greater than one in a million during a lifetime of exposure.

**G. Description of Civil, Criminal, or Administrative Actions Related to the Property:** Nalu Aio is not aware of any civil, criminal or administrative actions related to environmental matters at the property.

**H. Consent of the Property Owner.** A letter from T. Kaya supporting and giving written consent for the proposed voluntary response action is expected in the near future and will be provided to HDOH upon receipt.

**I. Statement of Financial Viability.** Nalu Aio will invest the required expertise and resources for the VRP project, and has adequate resources to complete the VRP project. Additional information is available upon request.

**J. Application Fee:** Enclosed is a \$1,000 processing fee for this application as required by Haw. Rev. Stat. 128D. We look forward to working with the Hawaii Department of Health on this voluntary response project.

Very truly yours,

NALU AIO, LLC



Robert Kurisu as HICAP, LLC,  
Its Member

Encls: Letter of Consent from T. Kaya, Ltd  
\$1,000 Application Fee (check)

cc: Lisa A. Bail, Esq., Goodsill Anderson Quinn & Stifel LLP  
Dan Ford, Ford & Associates, Inc.

Enclosure: A disc containing the following reports:

*Supplemental Phase II Subsurface Investigation and Limited Phase III Soil Removal Action, Former Qualex Facility, 760 Halekauwila Street, Honolulu, Hawaii 96813.* Prepared by Geologica Inc. on March 13, 2007. Note: this report attaches as Appendix A the previous *Site Closure Walkthrough and Limited Phase II Subsurface Investigation, Former Qualex – Honolulu, 760 Halekauwila Street, Honolulu, Hawaii 96813* which was prepared by Geologica Inc. in November 2006.

*Phase I Environmental Site Assessment, Project No. 1-808-00438-PH1, 760 Halekauwila Street, Honolulu, Hawaii.* Prepared by Enpro Environmental on October 4, 2018.

*Letter re Groundwater, Soil Vapor, and Multi-Increment and Composite Soil Sampling and Analysis 760 Halekauwila Street, Honolulu, Hawaii.* Prepared by ENPRO Environmental on November 29, 2018.

*Phase I Environmental Site Assessment, Commercial Property Located at 758-760 Halekauwila Street, Honolulu, Hawaii, Tax Map Key No. (TMK): (1) 2-1-050: Parcel 002.* Prepared by Ford & Associates, Inc. on February 28, 2019.

*Soil and Groundwater Analyses Summary Letter Report, 760 Halekauwila St., Honolulu, Hawaii, ENPRO Project Number: 1901-00061-PH2.* Prepared by ENPRO Environmental on April 18, 2019.

*Soil and Groundwater Sampling and Analysis, Results Summary Letter Report, 760 Halekauwila St., Honolulu, Hawaii, ENPRO Project Number: 1901-00061-PH2.* Prepared by ENPRO Environmental on April 30, 2019.

*Draft Environmental Hazard Evaluation, 760 Halekauwila Street, Honolulu, Hawaii, (1)2-1-050:003.* Prepared by ENPRO Environmental on May 8, 2019.

*Draft Interim Environmental Hazard Management Plan, 760 Halekauwila Street, Honolulu, Hawaii, (1)2-1-050:003.* Prepared by ENPRO Environmental on May 8, 2019