STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES
Land Division
Honolulu, Hawaii 96813

March 23, 2012

Board of Land and Natural Resources  PSF No.12OD-032
State of Hawaii
Honolulu, Hawaii

Issuance of Right-of-Entry Permit to Fireworks by Grucci, Inc. for Set up and
Firing of Aerial Fireworks Display on March 28, 2012, Waikiki, Honolulu, Oahu,
Tax Map Key: (1) 2-3-037:021 (Portion).

APPLICANT:

Fireworks by Grucci Inc., a New York corporation

LEGAL REFERENCE:

Sections 171-55, Hawaii Revised Statutes, as amended.

LOCATION:

Portion of Government lands of Kalia, situated at Waikiki, Oahu, identified by Tax Map
Key:(1) 2-3-037:021 portion, as shown on the attached map labeled Exhibit A-1 and A-2.

AREA:

1,000 square feet, more or less.

ZONING:

State Land Use District: Urban
City and County of Honolulu LUO: Public Precinct

TRUST LAND STATUS:

Section 5(a) lands of the Hawaii Admission Act

DHHL 30% entitlement lands pursuant to the Hawaii State Constitution: No.

CURRENT USE STATUS:

Requested area is vacant and unencumbered.
CHARACTER OF USE:

Set-up and firing of aerial fireworks display.

TERM:

March 28, 2012, during the hours of 3:00 p.m. to 11:00 p.m.

RENTAL:

$100.00 (one-time payment)

COLLATERAL SECURITY DEPOSIT:

None.

CHAPTER 343 - ENVIRONMENTAL ASSESSMENT:

In accordance with Hawaii Administrative Rule Section 11-200-8(a)(1)(4), the subject request is exempt from the preparation of an environmental assessment pursuant to Exemption Class No. 1, that states "Operations, repairs or maintenance of existing structures, facilities, equipment, or topographical features, involving negligible or no expansion or change of use beyond that previously existing" and Class No. 4, that states "Minor alteration in the conditions of land, water, or vegetation.", as included in Exhibit B.

DCCA VERIFICATION:

Place of business registration confirmed: YES X  NO __
Registered business name confirmed: YES X  NO __
Applicant in good standing confirmed: YES X  NO __

REMARKS:

Fireworks by Grucci, Inc. is requesting a right-of-entry permit for fireworks display services in conjunction with the Boston Scientific HIT Tours Event. The aerial fireworks display is scheduled for March 28, 2012 from 3:00 p.m. to 11:00 p.m. near the lagoon or Duke Kahanamoku Beach as shown on the attached maps labeled Exhibit "A-1 and A-2". Firing time will be between 8:30 p.m. through 9:00 p.m. and break down by 11:00 p.m.

Applicant has not had a lease, permit, easement or other disposition of State lands terminated within the past five years due to non-compliance with such terms and conditions. No comments were solicited from government or community agencies.

Fireworks by Grucci, Inc. will be using the lagoon as the display site, which will consist of approximately 1,000 square feet for pre-display staging set-up firing site.
RECOMMENDATION: That the Board;

1. Declare that, after considering the potential effects of the proposed disposition as provided by Chapter 343, HRS, and Chapter 11-200, HAR, this project will probably have minimal or no significant effect on the environment and is therefore exempt from the preparation of an environmental assessment.

2. Authorize the issuance of a right-of-entry permit to Fireworks by Grucci, Inc. covering the subject area for set-up and firing of aerial fireworks display purposes under the terms and conditions cited above, which are by this reference incorporated herein and further subject to the following:

   a. The standard terms and conditions of the most current right-of-entry permit form, as may be amended from time to time;

   b. Review and approval by the Department of the Attorney General; and

   c. Such other terms and conditions as may be prescribed by the Chairperson to best serve the interests of the State.

Respectfully Submitted,

[Signature]
Steve Lau
Land Agent

APPROVED FOR SUBMITTAL:

[Signature]
William J. Aila Jr., Chairperson
FIREWORKS BY GRUCCI, INC.
SITE INSPECTION REPORT

Program: Boston Scientific-HIT Tours  Event Date: 28 March 2012  Event Time: 2045 HST  Rain Date: None
Pyrotechnic Contact: Thomas Likos, Fireworks by Grucci  Phone: (808) 696-5909  Cell: (808) 348-5000
Event Contact: Mark Saruwatari, HIT Tours  Phone: (808) 386-1245  Cell: (808) 772-2535
Location Coordinator: Linda Iwasaki  Phone: (808) 947-7830  Cell: (808) 228-0050
Fire Marshal: Chuck Perry, Honolulu Fire Department  Phone: (808) 723-7174

![Map with Firing Location and 210' Safety Zone]

Firing Location
Latitude: 21° 16.9' N
Longitude: 157° 50.4' W

Maximum Shell Diameter: 3'
Maximum Height: 700'
Proximate Pyrotechnics: No

<table>
<thead>
<tr>
<th>SITE INSPECTION:</th>
<th>DISTANCES:</th>
<th>Vehicles:</th>
<th>Overhead Obstructions:</th>
<th>Trees/Shrubs:</th>
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<tr>
<td>Inspected by:</td>
<td>Thomas Likos</td>
<td>Audience</td>
<td>&gt;500'</td>
<td></td>
</tr>
<tr>
<td>Date:</td>
<td>February 24, 2012</td>
<td>Occupied Building</td>
<td>210'</td>
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<tr>
<td>Time:</td>
<td>1800 HST</td>
<td>Building Unoccupied:</td>
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EXHIBIT "A-1"
BOSTON SCIENTIFIC- HILTON HAWAIIAN VILLAGE

<table>
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<tr>
<th>Discharge Area Usage Date: 28 March 2012</th>
<th>Discharge Area Usage Time: 1500-2300 HST</th>
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<tbody>
<tr>
<td>Discharge Area Size: 20' X 50'</td>
<td>Product to be used: 3'' shells, multi-shot boxes</td>
</tr>
<tr>
<td>Prepared by: Thomas A. Likos, Jr.</td>
<td>Phone: (808) 696-5909</td>
</tr>
</tbody>
</table>
EXEMPTION NOTIFICATION
regarding the preparation of an environmental assessment pursuant to Chapter 343, HRS and Chapter 11-200, HAR

Project Title: Aerial Fireworks Display at Duke Kahanamoku Beach

Project / Reference No.: PSF 12OD-032

Project Location: Waikiki, Honolulu, Oahu, TMK:(1) 2-3-037: portion of: 021.

Project Description: Aerial Fireworks Display at Duke Kahanamoku Beach

Chap. 343 Trigger(s): Use of State Land

Exemption Class No.: In accordance with Hawaii Administrative Rule Section 11-200-8(a)(1)(4), the subject request is exempt from the preparation of an environmental assessment pursuant to Exemption Class No. 1, that states "Operations, repairs or maintenance of existing structures, facilities, equipment, or topographical features, involving negligible or no expansion or change of use beyond that previously existing" and Class No. 4, that states "Minor alteration in the conditions of land, water, or vegetation."

This Division has permitted similar events in the past. The proposed activity is of a similar type and scope of beach activities that periodically occurred and continues to occur on this and other beach areas across the State. Such activities have resulted in no known significant impacts, whether immediate or cumulative, to the natural, environmental and/or cultural resources in the area. As such staff believes that the proposed event would involve negligible or no expansion or change in use of the subject area beyond that previously existing.

Consulted Parties: Office of Conservation and Coastal Land

EXHIBIT "B"
Recommendation: It is recommended that the Board find that this project will probably have minimal or no significant effect on the environment and is presumed to be exempt from the preparation of an environmental assessment.

William J. Aila Jr., Chairperson

3/12/12
Date