

State of Hawaii
DEPARTMENT OF LAND AND NATURAL RESOURCES
Division of Boating and Ocean Recreation
Honolulu, Hawaii

June 14, 2013

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

REQUEST APPROVAL TO REIMBURSE BIG BLUE BOAT CORPORATION AND SLIP 10, INC. FOR IMPROVEMENTS MADE TO SLIP 10 AND 11 AT THE LAHAINA SMALL BOAT HARBOR, MAUI

BACKGROUND:

Approximately November 2012, we received a call from Mr. Don Kidder requesting to rebuild the finger pier (slips 10 & 11) that services Big Blue Boat Corporation and Slip 10, Inc. at the Lahaina small boat harbor, Maui. He stated that the finger pier was in need of repairs and they wanted to get the improvements completed prior to the start of the busy tourist season. We inquired whether any in water work would take place and we were informed that the pier would be repaired by replacing material in kind with the same design. Mr. Kidder also stated that they had a contractor on site and needed to make a decision whether to proceed or not as soon as possible. We informed Mr. Kidder that as long as the repairs were to the pier itself and no in water work would take place then we would not have an issue with them proceeding but we did inform him that we would need to go before the Board of Land and Natural Resources to request reimbursement for expenses and there was no guarantee that the request would be granted. The cost of the improvements is attached as Exhibit A.

The Hawaii Administrative Rules (HAR) allow for individuals to make repairs to state boating facilities and also allow for a reduction in mooring rates until the individual can amortize the capital cost of the improvements.

HAR, §13-232-43(a), states, "Construction of structures. (a) No building structure, object, site improvement, landscape treatment, or other facility of any nature whatsoever shall be erected, constructed, reconstructed, altered, moved, installed, or demolished at a state boating facility or other property under the jurisdiction of the division of boating and ocean recreation except in accordance with a department permit or as provided by a lease or right of entry issued by the department. All improvements made pursuant to this section, including those improvements made prior to the effective date of these rules, shall be constructed, maintained, operated, or modified to comply with the Environmental Protection Agency's final approved guidelines for best management practices for marinas and recreational boating, i.e., the "National Management Measures Guidance to Control Nonpoint Source Pollution from Marinas and Recreational Boating. EPA, November 2001," or as subsequently amended. The department may require plans, specifications, and other pertinent data to accompany or supplement any application."

HAR, §13-234-14, states, "Mooring fees - facilities constructed by others. Where a mooring facility is constructed by others pursuant to section 13-232-43 the mooring rate shall be thirty per cent of the fee established in section 13-234-3 for a period of time as established by the department which will allow the permittee to amortize the capital cost of the improvements."

Big Blue Boat Corporation and Slip 10, Inc. are requesting to include gross receipts as part of the mooring credit because they will be able to recoup their investment much faster than just applying the credit to mooring fees. We feel that this is an acceptable request since commercial operators pay either twice the mooring rate or three percent of gross receipts, whichever is greater.

A second and preferable option to the division would be to reimburse both companies in full for the improvements made to the facility due to the amount of bookkeeping that will be required to ensure that the credits are done in a timely and accurate manner. The division currently has the funding available to make a full reimbursement for the project.

RECOMMENDATION:

That the Board:

1. Authorize the Division of Boating and Ocean Recreation to either credit mooring and/or gross receipt payments to Big Blue Boat Corporation and Slip 10, Inc. until such time as the capital costs of improvements to slip 10 and 11 have been recovered or make a one-time full reimbursement, whichever is more practical depending on current funding.

Respectfully submitted,



Edward R. Underwood
Administrator

Attachments

APPROVED FOR SUBMITTAL



William J. Aila, Jr.
Chairperson

RIEDEL CONSTRUCTION, INC

GENERAL ENGINEERING CONTRACTOR

GENERAL CONTRACTOR

HI CONTRACTORS LIC. # ABC-20587

PO BOX 1656 KAHULUI, HAWAII 96733

PHONE (808) 573-1151 FAX (808) 573-1151

PROPOSAL

DATE: 9-28-2012

Don Kidder

Maui Adventure cruises

Lahaina, Maui, Hi

JOB: #12-060

Dock Repairs

Lahaina Harbor Between slips 10-11

Revised: 7-30-2012 wr

Revised: 9-28-2012 wr

WE HEREBY SUBMIT THE FOLLOWING PROPOSAL FOR ALL MATERIALS, LABOR AND EQUIPMENT NECESSARY TO COMPLETE IN A WORKMANLIKE MANNER AS OUTLINED BELOW:

PROPOSAL INCLUDES:

Per site visit with Don Kidder 6-3-2012

Remove all wood decking and support beam

Inspect steel structure for integrity and do minor repairs to structure

Install new stud bolt fasteners to steel structure for bolting back beams

\$ 8,521.00

Install new 4x12 beams on outside edges of dock to support new Trex decking

Install new Trex decking (approx. 32" wide)

\$12,582.00

Remove 8x8 beams on concrete side of dock and install new

Remove 3x9 beams on front of 8x8 as is now

Support 2 structures on dock side for replacement of 8x8 and 3x8

\$ 3,500.00

Install 1x4 Trex Curtin 3' in to water full length of dock on south side (approx. 24')

\$ 1,100.00

Estimated USL and H comp insurance not included in above numbers

@33% of labor charge

\$ 1,500.00

Mark up, profit, over head and liability insurance

\$ 2,733.03

\$29,936.03

PROPOSAL EXCLUDES: PERMITS,

TOTAL CONTRACT AMOUNT INCLUDING TAX

\$29,936.03

PAYMENTS TO BE AS FOLLOWS:

50% deposit

\$ 14,968.02

50% upon completion

\$ 14,968.02

total contract amount

\$ 29,936.03

tax included

NOTE: This proposal is submitted as a whole. The individual line items are for clarification purposes only and will remain part of the proposal in its entirety.

EXHIBIT A

Riedel Construction, Inc.
 General Engineering Contractor
 General Contractor
 Hawaii Contractor's License No. ABC-20587
 P.O. Box 1656, Kahului, HI 96733
 808-573-1151 Phone and FAX

3/1/2013
 DEPOSIT PLUS INV(S) 285,286,287

JOB NO(S). 12-060 AND 12-110
 Slip 10 Inc.
 PIER DEMO AND CONSTRUCTION, 8X8 BEAM,KIOSK

<u>CONTRACT PAYMENT</u>		<u>CONTRACT</u>	<u>AMOUNT</u>
<u>DESCRIPTION</u>		<u>AMT</u>	<u>DUE</u>
Slip 10 Inc's PORTION OF PIER DEMO AND CONSTRUCTION		13,468.02	13,468.02
SUB-TOTAL		13,468.02	13,468.02
<u>EXTRAS - OUTSIDE OF CONTRACT</u>			
8X8 BEAM that supports kiosk was rotten - replaced new			1,552.09
SUB-TOTAL			<u>1,552.09</u>
		TOTAL TO DATE	15,020.11
CONTRACT TOTAL	13,468.02	TOTAL BILLED TO DATE	15,020.11
BILLED TO DATE	<u>13,468.02</u>	TOTAL PAID TO DATE	<u>-</u>
REMAINING CONTRACT	-	INVOICE TOTAL	15,020.11

Riedel Construction, Inc.
 General Engineering Contractor
 General Contractor
 Hawaii Contractor's License No. ABC-20587
 P.O. Box 1656, Kahului, HI 96733
 808-573-1151 Phone and FAX

3/1/13
 DEPOSIT PLUS INV(S) 285,286,287

JOB NO(S). 12-060 AND 12-110
 BIG BLUE BAOT CORP
 PIER DEMO AND CONSTRUCTION, 8X8 BEAM,KIOSK

<u>CONTRACT PAYMENT</u>	<u>CONTRACT</u>	<u>AMOUNT DUE</u>
<u>DESCRIPTION</u>	<u>AMT</u>	
BIG BLUE BOAT CORP.'S PORTION OF PIER DEMO AND CONSTRUCTION	13,468.02	13,468.02

SUB-TOTAL	13,468.02	13,468.02
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<u>EXTRAS - OUTSIDE OF</u>		
<u>CONTRACT</u>		
8X8 BEAM		1,552.09

SUB-TOTAL	-	<u>1,552.09</u>
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TOTAL TO DATE 15,020.11

CONTRACT TOTAL	13,468.02
BILLED TO DATE	<u>13,468.02</u>
REMAINING CONTRACT	-

TOTAL BILLED TO DATE	15,020.11
TOTAL PAID TO DATE	<u>-</u>
INVOICE TOTAL	15,020.11