

STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES
Division of Boating and Ocean Recreation
Honolulu, Hawaii 96813

October 9, 2015

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

ISSUANCE OF EASEMENT TO HAWAII FUELING FACILITIES CORPORATION FOR
CONSTRUCTION, ACCESS, AND MAINTENANCE OF MONITORING/RECOVERY
WELLS AND INTERCEPTOR TRENCH AT THE KEEHI SMALL BOAT HARBOR,
TAX MAP KEY NO. (1) 1-2-025:113

APPLICANT:

Hawaii Fueling Facilities Corporation (“HFFC”), a Hawaii corporation who’s mailing
address is Hawaii Fueling Facilities Corporation, 3201 Aolele Street, Honolulu, Hawaii
96819.

LEGAL REFERENCE:

Section 171-55, Hawaii Revised Statutes.

LOCATION:

Portion of Government land at Keehi Small Boat Harbor (KSBH), situated at Honolulu,
Island of Oahu, Identified by Tax Map Key: (1) 1-2-025:113, as shown on the attached
map in Exhibit “A”.

AREA:

1.26 acres, more or less.

ZONING:

State Land Use District: Industrial.

TRUST LAND STATUS:

Section 5(a) lands of the Hawaii Admission Act

DHHL 30% entitlement lands pursuant to the Hawaii State Constitution: YES__ NO X

CURRENT USE STATUS:

The proposed Easement area is currently used for storage and parking. DOBOR’s use of
these areas will not be negatively impacted by the proposed monitoring/recovery wells and
interceptor trench.

CHARACTER OF USE:

For construction, access, and maintenance of monitoring/recovery wells and interceptor trench to be used to monitor and capture potential releases of fuel from the HFFC facility adjacent to Keehi Small Boat Harbor.

COMMENCEMENT DATE:

The commencement date shall be determined by the Chairperson. The construction start date for the installation of the interceptor trench will be scheduled after the appropriate Easement documents have been executed and accepted by DLNR. HFFC will coordinate the actual commencement date with DOBOR.

TERM OF EASEMENT:

The term of the proposed easement shall be 55 years. Term extensions may be allowed, subject to approval of the Board.

RENTAL:

Gratis. A one-time payment for the easement will be required upon completion of an appropriate appraisal.

COLLATERAL SECURITY DEPOSIT:

None.

DCCA VERIFICATION:

Place of business registration confirmed:	Yes
Registered business name confirmed:	Yes
Applicant in good standing confirmed:	Yes

CHAPTER 343 ENVIRONMENTAL ASSESSMENT:

As the proposed project will involve the use of State lands, the applicant will be required to conduct an Environmental Assessment (EA), which shall be done at the applicant's expense.

REMARKS:

The U.S. Environmental Protection Agency is requiring HFFC to construct monitoring/recovery wells and an interceptor trench in response to recent fuel releases from the HFFC facility.

The purpose of the monitoring/recovery wells is to determine, through routine monitoring, whether a fuel release is occurring. In the event of a fuel release, the wells are used to extract released fuel within the soil.

The purpose of the interceptor trench is to provide a means to isolate future fuel releases and prevent the released fuel from entering harbor waters. Extraction wells within the interceptor trench provide a means to extract and capture fuel travelling through the soil.

CONDITIONS:

1. The applicant shall provide, at their expense, a survey map with metes and bounds description of the proposed easement area according to State Department of Accounting and General Services standards.
2. The applicant shall pay for an appraisal to determine the initial one-time payment for the easement, pursuant to HRS 171-13 and 171-17(b).
3. The applicant shall be required to obtain Pollution Legal Liability insurance in favor of the State to cover costs for mitigation/cleanup in the event of a future fuel release onto DOBOR property.
4. The applicant shall indemnify the State for any damages arising from the use of the Easement and for any cleanup costs associated with any future fuel releases.

RECOMMENDATION:

That the Board approve the issuance of an Easement to Hawaii Fueling Facilities Corporation and delegate authority to execute the Easement documents to the Chairperson, subject to the terms and conditions of the Easement.

Respectfully Submitted,



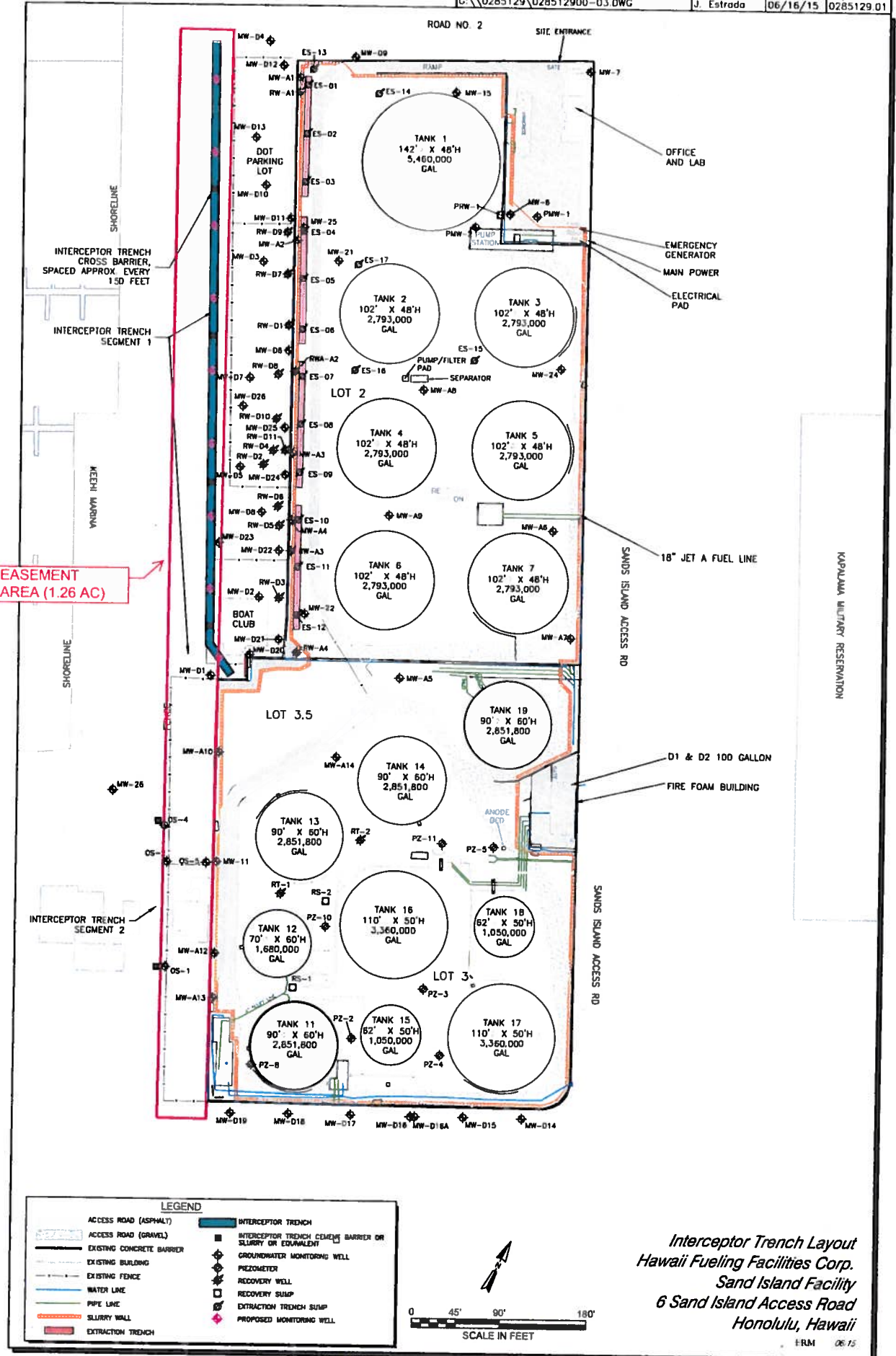
Edward R. Underwood
Administrator

APPROVED FOR SUBMITTAL:



Suzanne D. Case
Chairperson

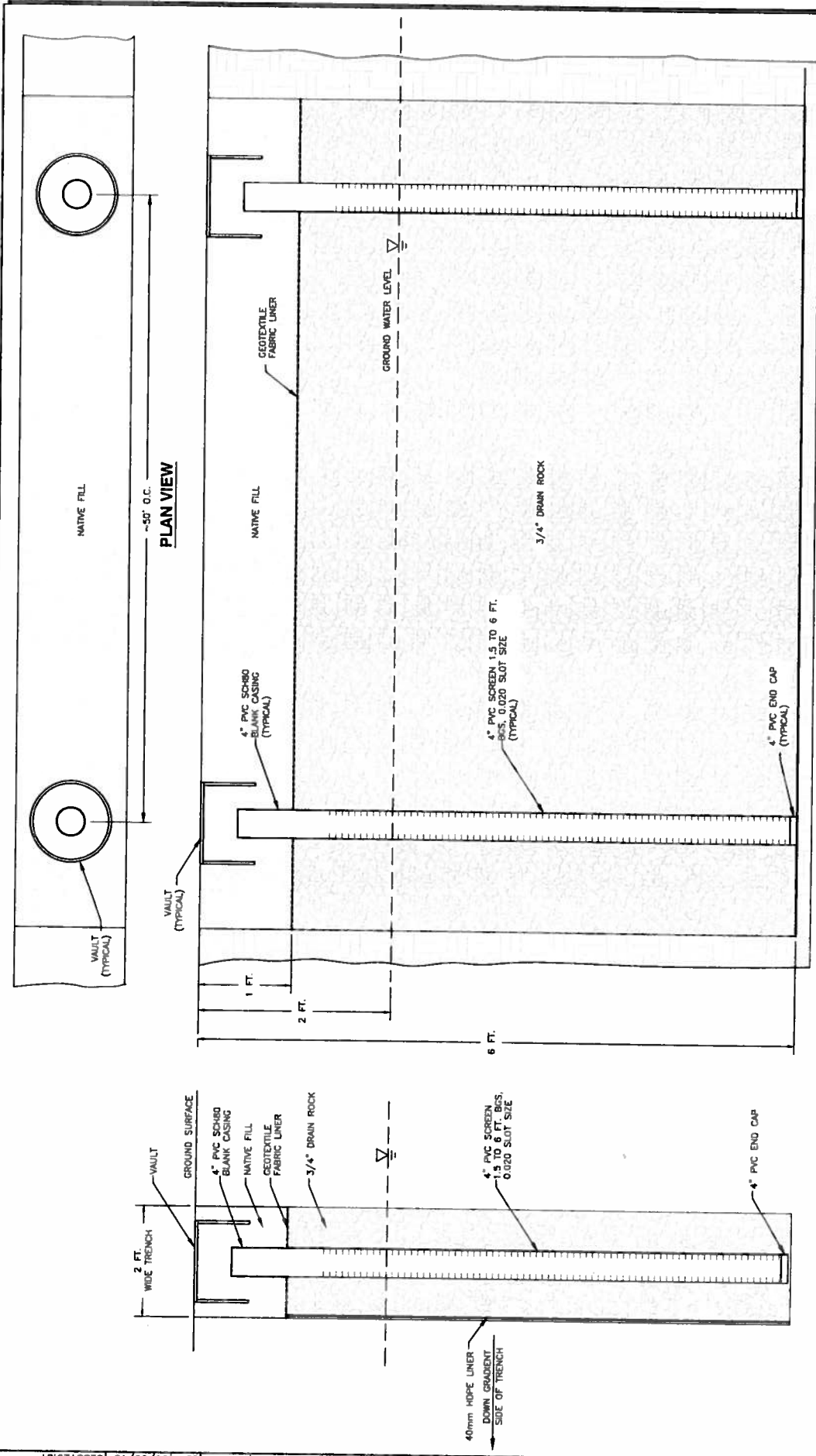
Attachments: Exhibit "A" – Interceptor Trench Layout, Schematic, and Utility Crossing Schematic



EASEMENT AREA (1.26 AC)

*Interceptor Trench Layout
 Hawaii Fueling Facilities Corp.
 Sand Island Facility
 6 Sand Island Access Road
 Honolulu, Hawaii*

EXHIBIT A



PLAN VIEW

PROFILE VIEW

CROSS SECTION VIEW

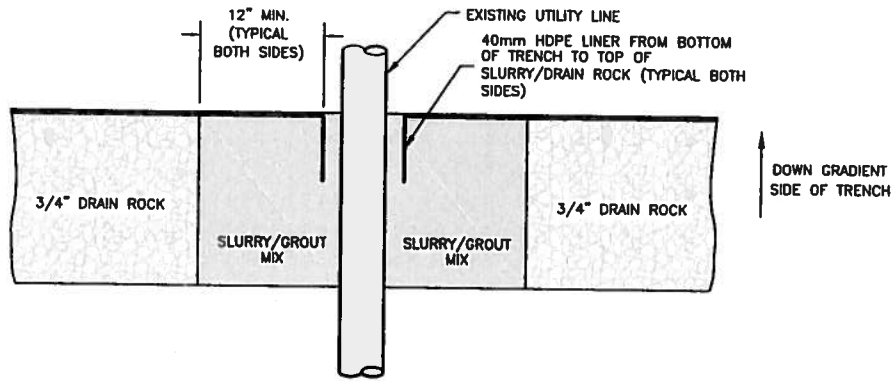
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Interceptor Trench Schematic
Sand Island Facility
Oahu, Hawaii

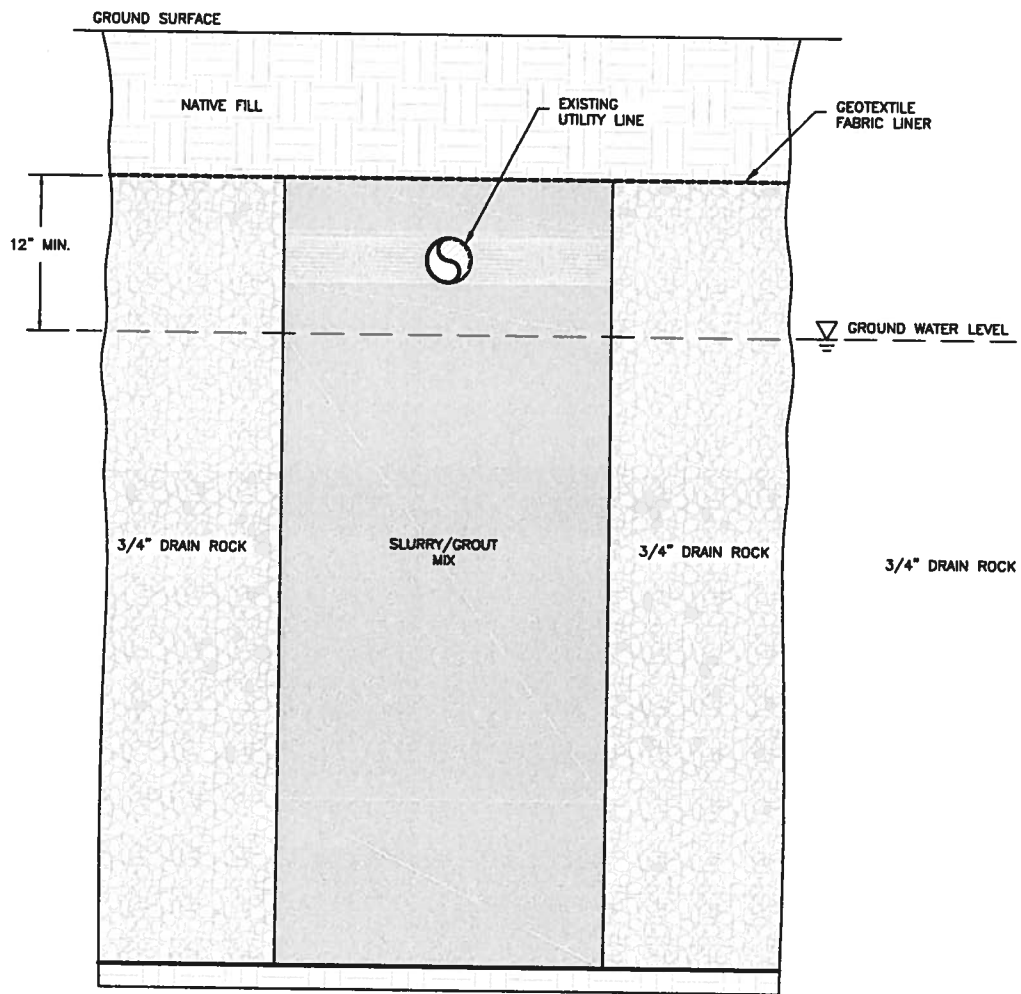
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PLAN VIEW



PROFILE VIEW

*Utility Crossing Schematic
Sand Island Facility
Oahu, Hawaii*