

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

May 26, 2017

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

PSF No.17OD-034

Oahu

Issuance of Right-of-Entry Permit to Hawaii Explosives & Pyrotechnics, Inc. for Aerial Fireworks Display at Duke Kahanamoku Beach Every Friday From May 26, 2017 to April 27, 2018, Waikiki, Honolulu, Oahu, TMK: (1) 2-3-037:021 (Por).

APPLICANT:

Hawaii Explosives & Pyrotechnics, Inc.

LEGAL REFERENCE:

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

LOCATION:

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

AREA:

500 square feet, more or less, for set-up and firing site, plus a safety zone with a radius of approximately 250 feet around the firing site.

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 conducting aerial fireworks display.

TERM:

Between 4:00 p.m. and 9:00 p.m. on the dates shown in **Exhibit B**.

RENTAL:

\$250.00 per event day – Set-up, Firing site area, and Safety Zone (see Remarks Section).

At its meeting of February 14, 2014, under agenda item D-12, the Board exempted the Friday night fireworks shows at the subject location from the \$500 safety zone fee.¹

COLLATERAL SECURITY DEPOSIT:

None.

CHAPTER 343 - ENVIRONMENTAL ASSESSMENT:

In accordance with Hawaii Administrative Rule Section 11-200-8 and the Exemption List for the Department of Land and Natural Resources concurred with by the Environmental Council and dated June 5, 2015, the subject request is exempt from the preparation of an environmental assessment pursuant to Exemption Class No. 1, Item 51. See **Exhibit C**.

DCCA VERIFICATION:

Place of business registration confirmed:	YES <u>X</u>	NO <u> </u>
Registered business name confirmed:	YES <u>X</u>	NO <u> </u>
Applicant in good standing confirmed:	YES <u>X</u>	NO <u> </u>

REMARKS:

Hawaii Explosives & Pyrotechnics, Inc. (HE) is contracted with Hilton Hawaiian Village

¹ Prior to June 2013, no safety zone fee was imposed. On June 14, 2013 (Item D-5), Board approved the staff's recommendation of a \$500 safety zone fee on the premise that the safety zone excludes public access. The \$500 fee was an alternative to the standard 10 cents per square foot fee which would have equaled to approximately \$20,000 for the safety zone. On February 14, 2014 (Item D-12), Board exempted the \$500 fee for the regular Friday shows, based on the argument of community benefit put forth by the adjoining hotel. On October 23, 2015 (Item D-9), the Board revisited the safety zone fee, but decided that no safety zone fee will be imposed for the 2015-2016 ROE.

(HHV) to conduct aerial fireworks display every Friday for a period of 12 months from May 2017 to April 2018 at Duke Kahanamoku Beach. The subject request is a continuance of the same firework display held at the same location since the initial display over 25 years ago.

By its letter dated March 31, 2017, HE request the issuance of a right-of-entry permit (ROE) for the aerial fireworks display at Duke Kahanamoku Beach occurring every Friday between May 2017 and April 2018, with the dates shown in Exhibit B.

Alternate Firing Site

At its meeting on October 28, 2016, under agenda item D-7, the Board approved as amended the fireworks show for 6 months from November 18, 2016 to May 19, 2017, without the imposition of the safety zone fee. The Board requested during the 6 month period that HE and HHV host 3 of the shows at the HHV lagoon site to see if it is feasible to relocate the Friday night shows to the lagoon site and appear back before the Board with the report.

The 3 lagoon site shows were held on February 3, 10, and 17, 2017. HE submitted a report (see **Exhibit D**) that stated during the February 3 show, due to unfavorable southerly wind conditions the launching platform was positioned closer to the Diamond Head side of the lagoon (farther away from Holomoana Street). However, the wind conditions still caused the smoke to carry over the spectators. The spectators were gathered along the harbor roadway fence downwind of the display. Also, as the winds picked up there were severe safety issues and HE stopped the show prior to completion (the fire department also requested the show be stopped). HE noted a good amount of fireworks debris was deposited on the parking stalls along the harbor.

The report noted that during the February 10 show, the weather conditions were on-off rain and winds were again unfavorable coming on-shore from the southwest, this prompted HE to position the launching platform in the southwestern area of the lagoon (closer towards the parking lot and Diamond Head). Less than normal amount of spectators were present possibly due to the bad weather. During the initial firing of a few mortars, HE determined the wind conditions made it unfavorable to fire low-level products or the finale which would have posed a hazard to the spectators. HE also noted that crowd control was difficult during post clean-up.

For the February 17 show, the report stated that wind conditions were more favorable coming from the east and the fireworks show ran its full course. HE noted that spectators were setting up blankets, tents, and barbeques early in the day within the safety zone area; HE needed to take extra measures to notify spectators to relocate. HE also set up additional barriers to assist with crowd control during post clean-up. The show was well received by spectators, but the general comments were happy that the show would return to its original beach location.

From HE's perspective, the report concluded that the lagoon site has a higher risk of

failure due to a limited fallout zone for hazardous debris, unfavorable wind and weather conditions are more likely to have an impact on the success of a show, securing the lagoon site is difficult and takes more manpower since there are multiple entry-ways, troubleshooting and fixing problems are more difficult on the water, and a limited type of product can be used with the limited space. Also, the report notes that the viewing locations are reduced, the local spectators are forced to leave the beach area to view the show from the parking lot, the show is not visible down the coastline, and there is decreased visibility of the display from HHV hotel rooms.

During a conversation with staff and one of the Board members, it was suggested by the member that possibly granting a right-of-entry permit for both locations (Duke Kahanamoku Beach shoreline and the lagoon site - see **Exhibit A-2**) and allow HE to determine which location for each upcoming Friday show would be ideal based on wind and weather conditions to ensure public safety. Wind and weather reports can be obtained up to a few days ahead of time. HE would email staff (after the show) which location was selected for that particular Friday show for records purposes.

On April 20, 2017, staff met with HHV, HE, and one of the Board members. During the meeting 3 maps were presented (see **Exhibit E**). The first map showed the locations of the 3 lagoon test shows, the regular beach site, a possible lagoon option site, and a possible beach option site. The second the map showed the regular beach site, a possible lagoon option site, and a possible beach site if wind conditions were from the northeast (Trade winds) – with the beach option site being the preferable location. The third map showed the regular beach site, a possible beach option site, and a possible lagoon option site if the wind conditions were from the south (Kona winds) – with the regular beach site being the preferable location. Both HHV and HE expressed opposition to having the fireworks at the lagoon site regardless of wind conditions. HE stated concerns of crowd control at the lagoon area, where lots of locals gather by the lagoon grass area every Friday night and it was very difficult (during the 3 test shows) to get them to move to the parking lot area because they had hibachis and tents set-up early in the day. HE also stated that the shows held at the lagoon site use different mortars than shows held at the beach site, because the lagoon site has a more confined area to work. HE stated they do not have the capacity (on Oahu) to store 2 sets of fireworks for the 2 different locations.

HHV opposed the lagoon location, because they have set-up a Super Pool Party every Friday night before the fireworks show and the lagoon site prohibits viewing of the fireworks from the pool area. It was suggested to move the Super Pool Party to the Great Lawn area, but HHV said the area by the pool is already set up. Also, both HHV and HE stated that HE does 3 on-shore and off-shore clean-ups after each show; one immediately after the show, one at daybreak the next morning, and one a few days later to ensure the recovery of as much debris as possible. During a post-meeting walk of the beach area (HHV was not present during the beach walk), HE stated it incurs a cost of \$300 to do the 3 clean-ups. Since HHV is not currently paying the State the \$500 safety zone fee, an idea to consider is HHV pays \$300 to HE and \$200 to the State. HE stated it would be good to be reimbursed for the clean-up cost.

In summary, based on the 3 post-cleanups being done by HE, and the opposition to moving the Friday night shows to the lagoon site by both HHV and HE, HHV and HE request that the show be allowed to continue at the beach location. The Board member and staff suggested HHV pay \$300 to HE and \$250 to the State per event. Neither HHV nor HE has submitted a formal written response to this idea as of this writing.

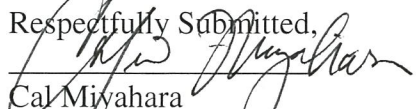
Applicant has not had a lease, permit, easement or other disposition of State lands terminated within the past five years due to non-compliance with such terms and conditions.

OCCL has no comments on the subject request. Staff has no objection to this request.

For housekeeping purposes, at its meeting on October 28, 2016, under agenda item D-7, the Board approved as amended an ROE for every Friday from November 18, 2016 to May 19, 2017 with 3 displays to be held at the lagoon site. Although this application request is from May 5, 2017 to April 27, 2018, the Applicant is in possession of a valid ROE until Friday May 19, 2017. Therefore, this ROE will commence from Friday May 26, 2017. Testimonies attached as Exhibit F.

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 Hawaii Explosives & Pyrotechnics, Inc. on specified dates mentioned above covering the subject area for 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; and
 - B. Such other terms and conditions as may be prescribed by the Chairperson to best serve the interests of the State.

Respectfully Submitted,

Cal Miyahara
Shoreline Disposition Specialist

APPROVED FOR SUBMITTAL:


Suzanne D. Case, Chairperson



Exhibit A-1



Hawaii Explosives & Pyrotechnics, Inc.

P. O. Box 1244 Keaau, Hawaii 96749
Phone: (808) 968-0600 (Big Island) Fax: (808) 968-0800 (Big Island)
Toll Free: (800) 240-6064 Email: hepinc@hipyro.com

March 31, 2017

Calen Miyahara
DLNR Land Division
P.O. Box 621
Honolulu, HI 96809

Dear Mr. Miyahara,

Hawaii Explosives & Pyrotechnics, Inc. is requesting the renewal of our Right-of-Entry for Duke Kahanamoku Beach to provide fireworks display services in conjunction with the weekly Hilton Hawaiian Village Rockin' Hawaiian Rainbow Revue held every Friday night. Details are as follows:

Event: Hilton Hawaiian Village
Rockin' Hawaiian Rainbow Revue Fireworks Displays
Display Site: Duke Kahanamoku Beach
Display Dates:

May	5	12	19	26	
June	2	9	16	23	30
July	7	14	21	28	
August	4	11	18	25	
September	1	8	15	22	29
October	6	13	20	27	
November	3	10	17	24	
December	1	8	15	22	29
January	5	12	19	26	
February	2	9	16	23	
March	2	9	16	23	30
April	6	13	20	27	

Display Firing Time: 8:00 p.m. (approximately) – May through September
7:45 p.m. (approximately) – October through April
Hours of Operation: Between 4:00 p.m. and 9:00 p.m. (each date)

Authorization to conduct all procedures associated with display operations to include:

- Closure, security and monitoring of the display site and adjacent safety zone.
- Access to discharge site (beach area within secured perimeter) via a small box truck carrying pyrotechnics, racks, and firing equipment.
- Positioning of mortar racks and firing equipment on the beach.
- Secure area for pyrotechnics prior to set up and wiring.
- Setup and wiring of pyrotechnics; display ignition from the specified area.
- Completion of all post-display operations as related to each pyrotechnic display.

Exhibit B

Plan of Action

Duke Kahanamoku Beach firing site (Exhibit A):

Our personnel will close and secure an area surrounding the intended display discharge site prior to the unloading of equipment and pyrotechnics. Approximately 500 square feet will be utilized for the setup of display equipment, positioning of racks containing 3" mortars, loading and wiring of pyrotechnics into mortars, and conduct of all other applicable display operations.

A security perimeter will be established to include the beach area adjacent to the Ala Wai Boat Harbor parking lot down to the ocean, along the Hilton Lagoon to the area fronting the Ewa side corner of the Hilton Rainbow Tower, and across the beach back down to the ocean, forming a semi-circle around the discharge site. Security personnel will monitor the established safety/fallout zones to prevent entry into the area by the general public and unauthorized personnel during display preparations, ignition, and post-display breakdown.

We will access the discharge site (beach area within secured perimeter) via a small box truck carrying pyrotechnics, racks, and firing equipment. As an additional public safety measure and in keeping with best practices, the locked box of the truck will serve as protected temporary storage for pyrotechnic articles until it is time to fully install the devices into our firing equipment. The box truck will remain on the beach during set up, firing, and throughout post display procedures.

We feel these measures combined with the secured safety zone provide an added buffer between the public and the discharge site in the event an incident should occur.

Standard Safety & Security Procedures

Hawaii Explosives & Pyrotechnics, Inc. practices safety and security procedures within industry standards to do our very best to minimize risk to the general public, tourists and hotel guests as we prepare for, fire, and clean up after our displays. Our personnel and the private security officers are trained to be courteous to everyone while being firm in preventing entry into any potentially hazardous area. It is our ultimate goal to present every display in a manner that is absolutely safe, yet spectacular and enjoyable for all.

Hawaii Explosives & Pyrotechnics, Inc. – Important Contact Names & Numbers:

Main Office	(808) 968-0600 (office)
Charlene Pascual, President	
Stephanie Pascual, Vice President	
Donald Pascual, Safety Coordinator	
Bruce Albrecht, Operations Manager	

Request for Renewal
Right of Entry for Duke Kahanamoku Beach
Page 3

Enclosed please find:

Exhibit A: Firing Site Location Map

Exhibit B: Certificate of Insurance

Exhibit C: Debris report by Sea Engineering

Exhibit D: Debris report by Hawaii Explosives & Pyrotechnics, Inc.

All required permits from appropriate agencies for the conduct of each fireworks display will be obtained.

We appreciate your consideration for renewal of our Revocable Permit. The fireworks displays are enjoyed by visitors and residents alike.

Sincerely,

A handwritten signature in black ink, appearing to read 'SP', with a horizontal line extending from the end of the signature.

Stephanie Pascual
Vice President

Enclosures

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 17OD-034

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

Project Description: Aerial Fireworks Display every Friday night from May 26, 2017 to April 27, 2018.

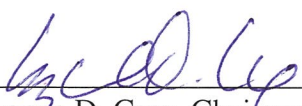
Chap. 343 Trigger(s): Use of State Land

Exemption Class No.: In accordance with Hawaii Administrative Rule Section 11-200-8 and the Exemption List for the Department of Land and Natural Resources concurred with by the Environmental Council and dated June 5, 2015, the subject request is exempt from the preparation of an environmental assessment pursuant to Exemption Class No. 1, Item 51, which states the "Permits, licenses, registrations, and rights-of-entry issued by the Department that are routine in nature, involving negligible impacts beyond that previously existing".

This Board 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. Staff believes that the request would involve negligible or no expansion or change in use of the subject area beyond that previously existing.

Consulted Parties: Consulted with Office of Conservation and Coastal Lands who has no comments on the subject request

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.


Suzanne D. Case, Chairperson


4/28/17
Date

Exhibit C

Hilton Friday Night Fireworks Display from Lagoon
February 3, 2017

Display Operator: Samuel Kamelamela
Onsite Supervisor: Stephanie Pascual
Weather: Unfavorable with winds blowing towards the harbor and Ilikai
around 10-15 mph with gusts tending to be stronger. No rain

Summary:

Arrived at approximately 2:00 p.m. People were advised of our intention and respectively relocated to allow a buffer zone for our safety distance. Set up was uneventful. Wind conditions continued to persist. The decision was made by myself and display operator to position canoe platform more towards the shoreline between Rainbow Tower and the parking lot and more towards Diamond Head to increase distance from parking area closer to Ilikai side once canoe was launched. Watching the forecast closely and seeing how the area was filling up with people, I had my concerns about being able to see this show shoot at all or at 100% success rate.

Fire Inspector Jeffrey Lee showed up around 6:30 p.m. He voiced his concern about the wind and its direction. I recognized his concern and advised him all precautions, rules, regulations, and safety measures will be fully enforced. At this point the decision was made to cut several cues out of the show that consisted of the lower breaking fireworks devices that had the potential of hot sparks being carried by the wind into the crowd. The canoe was launched into the lagoon and secured into position for firing.

Additional crew was hired to handle crowd control and all the questions and concerns people may have had as a result of the temporary change. Once the canoe was launched and secured into position, the crew dispersed along the lagoon perimeter, beach area, and parking lot to offer guidance of best viewing location and closure points and time. The crowd didn't seem to get heavy until a little after 7:15pm at which point we began to witness everyone standing along the fence line, next to the parking stalls and road. There seemed to be spectators who were unaware, confused, and/or disgruntled with the change. All in all, a full lockdown of the area was in place at approximately 7:35 p.m. in anticipation of a 7:45 p.m. firing time. Final preps were conducted and firing system was armed and ready to fire. Wind was still blowing unfavorably towards Ilikai (Southerly). The show started promptly at 7:45 pm. I was positioned near the Ilikai area (downwind of the firing site). Smoke was carrying over the crowd however I did not witness (initially) any debris for the first few minutes. At approximately 3 1/2 minutes into the show I notified the display operator to stop firing display as wind got heavier and began to pose a severe safety hazard. The show immediately ended. Simultaneously, the Fire Inspector also notified me to stop firing. Crowd seemed dismayed and discerned about the length of time that was required to keep the area closed. During post display clean up we found a good amount of debris that carried into the paid parking stalls along the Harbor. When all was said and done, we left the lagoon at approximately 9:50 p.m.

Exhibit D

Hilton Friday Night Fireworks Display Report

I was the COF holder for two of the three demo shows fired from a canoe platform in the lagoon at the request of the Hawaii DLNR Land Board. The displays were conducted on February 10 and February 17, 2017. Summaries of the 2 displays follow, as well as an overall assessment at the end of this report.

February 10, Display

We arrived at the beach at 3:30 pm. Weather conditions were poor, with a downpour occurring in the area just prior to arrival. Winds were Southerly at 10-15 mph with gusts to 20 mph. Forecast called for adverse conditions to persist throughout the evening. Thunderstorms were in the forecast region but not close enough to threaten display.

Due to the weather conditions, a smaller amount of people were present than is typical for a Friday afternoon. Setup of display was uneventful without any substantial rain. We completed setup operations of show by 6:00 pm and barge was launched into the lagoon at 6:30 pm. Wind shifted gradually during this period to being Southwesterly. I decided to position canoe farther to the South and West--closer to the parking lot and Diamond Head--than is typical for a lagoon display in an attempt to increase the downwind fallout zone.

Hotel Manager Scott Hamilton met with me at approximately 6:30 pm to inform me that the hotel-related activities were cancelled due to the weather. I informed him there was a high probability that I would have to cancel the display if the weather conditions remained unfavorable. My staff and security began establishing our display safety zone at 7:30 pm. The area was cleared of all spectators by 7:40 pm. Despite the smaller crowd due to the weather, there was still considerable confusion amongst the audience as to where they could view the show and what areas would be closed, with some repeat spectators expressing dismay that they could not view the show from the regular vantage points. Due to the persistent onshore wind, I stationed one crew member directly downwind from the display at the edge of the safety zone. This was on the sidewalk on Holomoana Street adjacent to the boat slips and the Hilton Chapel to alert me if any hazardous conditions developed.

At 7:45 pm, I began the display by firing several shells into the air. I then paused to watch how the fallout and smoke travelled in the steady Southwesterly winds. Based upon this test, I determined it was not safe to fire either the low-level product or the finale as these effects would have, in my opinion, posed a hazard to the spectators standing downwind. I continued firing the remainder of the product whilst closely monitoring the smoke and sparks for signs of hazards to people or property outside the safety zone.

After the display finished, crowd reaction was mixed. This was likely due to the reduced amount of effects used as well as the positioning of the show. Spectators were again confused about which areas were safe to enter post-display and security had a challenging time keeping the crowd at a safe distance until my crew could secure the unfired product. During cleanup, small amounts of debris was discovered in the harbor parking area downwind from the show. Cleanup that evening was completed by 9:30 pm.

February 17 Display

The crew arrived at the beach at 3:30 pm. Weather was much better than the prior week, with light Easterly trade winds blowing approximately 5 mph. Beachgoing crowd was typical size for a Friday afternoon. Setup operations were completed around 6:00 pm and platform was launched around 6:30 pm. Platform was positioned in its usual location centered in lagoon based upon predictions of favorable weather.

Crew observed that a large number of beachgoers had set up blankets, tents, barbecues and other equipment within the closure zone. It was therefore decided to employ extra measures to notify spectators of the need to relocate. We also decided to initiate the closure earlier than usual, 7:15 pm, to allow adequate time to get everyone moved.

Show began at 7:45 pm and fired without incident. Additional barriers were placed to reduce confusion and maintain better control of the safety zone during post-display operations. The show seemed generally well received by those spectators who chose to comment, though it was observed that many seemed to be happy to hear the show would be returning to its regular position the following week. Cleanup was uneventful and crew was dismissed at approximately 9:45 pm.

Analysis and Conclusion

From the operator's standpoint, displays fired in the lagoon carry a higher risk of failure due to multiple factors. Foremost of these is the limited fallout zone available for hazardous debris. Unfavorable wind and weather conditions are much more likely to impact success. Secondary risk is the additional size of the land-based safety zone. Closing the entire area around the lagoon is difficult and takes substantial manpower due to the large area and multiple entry points. A security breach is more likely in this area in comparison to the beach. Tertiary risk is the location of the discharge site on the water. This complicates the process of troubleshooting and eliminating problems with the firing system or other equipment should they arise.

From an aesthetic standpoint, I believe the lagoon shows do not have the same visual impact as the beach site. The viewing locations for spectators are reduced, with many of the local audience members forced to watch the show from the parking lot rather than relaxing on the beach. Also, the show is not as visible down the coastline for others, and it serves a smaller portion of rooms on the Hilton property. In addition, the type of product that can be utilized is limited by the smaller safety zone available. Lagoon-based shows are highly effective for spectators at the Hilton Great Lawn, but less effective just about everywhere else. It is my opinion that most residents and visitors would prefer the beach-positioned display over the lagoon show.

Bruce Albrecht
Operations Manager
Hawaii Explosives & Pyrotechnics, Inc.

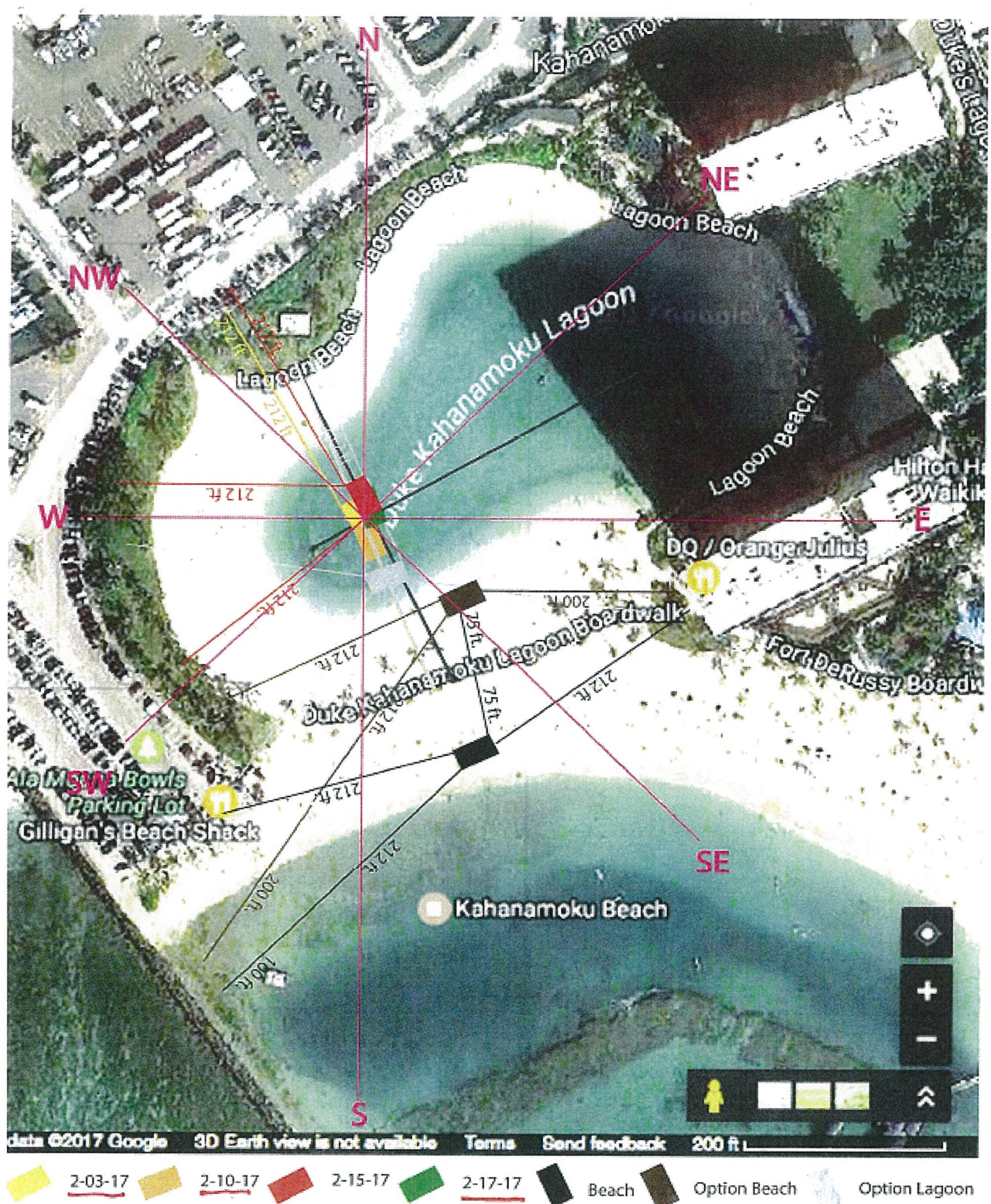
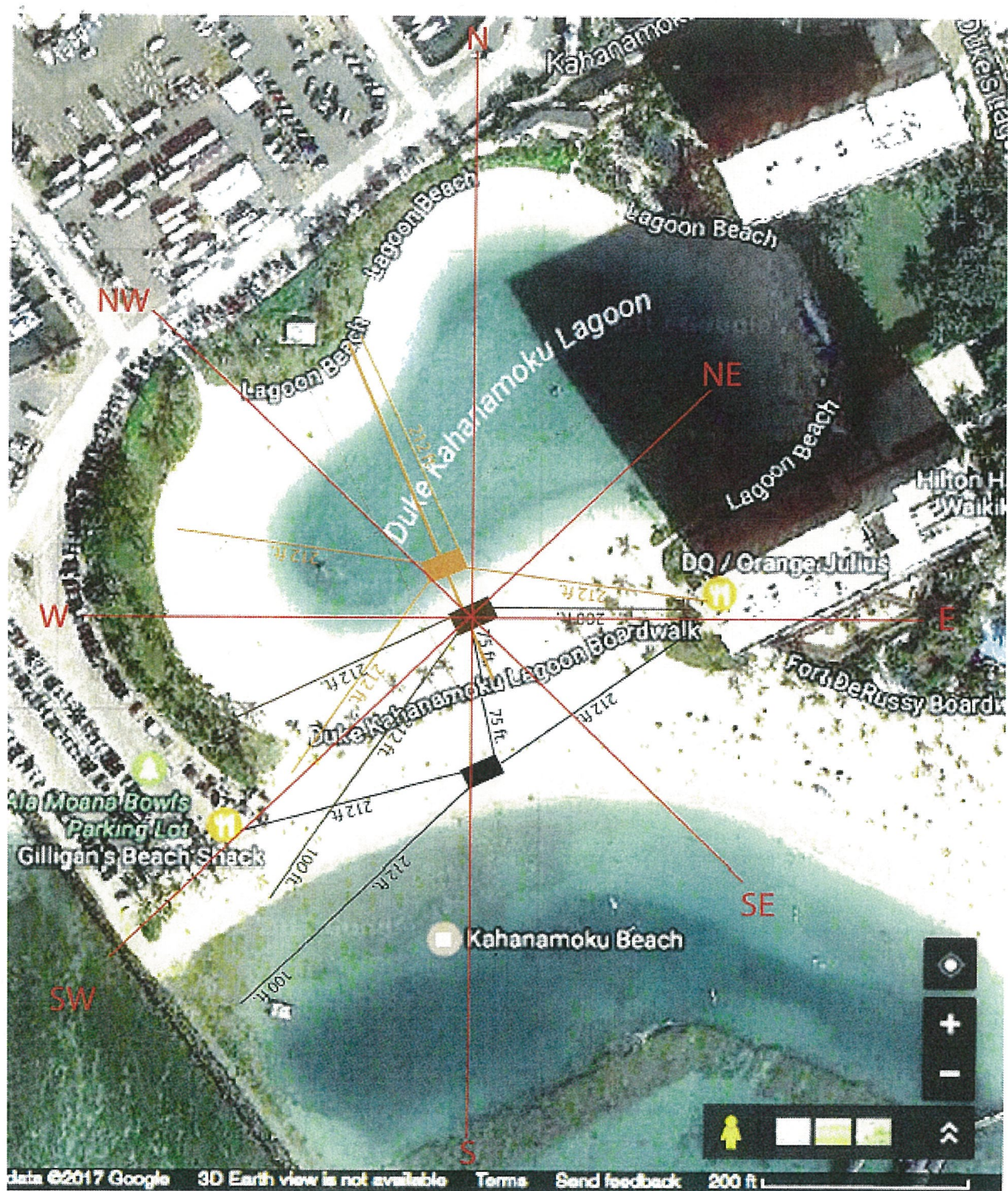


Exhibit E



Beach Option Beach Option Lagoon NE WINDS (TRADES)



Aloha Chairperson Case and Board Members,

I respectfully submit my testimony in writing in the event I am unable to remain throughout the entire Board Meeting. I am scheduled to travel to Japan on May 12, 2017. I ask for the Board to take into consideration my inability to defend my position or answer any questions or concerns during deliberation.

Hilton Hawaiian Village's weekly fireworks display has entertained thousands of people, both visitors as well as the local community for close to 30 years now. Hilton Hawaiian Village has remained committed to hiring local and has been a loyal customer since the birth of our company providing opportunities for employment of many residents throughout the years. Since 1991, when we first began, the firing site has generally not changed and has always been directed over the ocean. While this area does have its concerns in terms of proximities to buildings and audience, the advantage it has over the option of shooting from the lagoon is the open space the ocean offers. Having this large open area gives us the flexibility to adjust trajectory of the fireworks bursts according to the wind conditions that frequently change as the sun sets and the evening cools.

The issue at hand comes into play at this point. Where does the debris fall? How much debris is there? How much is retrieved? What becomes of the water quality? Is there any effect on sea life? My answers are as follows with the best of my knowledge and experience over the 26 years of producing this weekly display.

Where does the debris go and how much debris should we be concerned about?

In my best estimation 30% to 40% burns up, another 50% stays onshore, and the last 10% to 20% falls in the ocean. The percentage that falls into the ocean consists of cardboard paper material and is biodegradable over time. The length of time is variable depending upon a multitude of factors including debris size, currents, bacteria count and composition of seafloor but is likely measured in weeks. Please see attached debris fallout map.

How much is retrieved and how is it retrieved?

Immediately following the fireworks display that evening, once the firing site and fallout zones are safe to enter, employees go into the water to retrieve cardboard material. The majority of material is floating on the surface and is collected using a net and/or dustpan engineered specifically for our clean up process. Envision a yellow plastic handheld dustpan one may purchase from a hardware store. The solid bottom is cut out and replaced with a wire mesh contraption. This allows sand, small rocks, and water to filter through leaving behind, in the basket, fireworks debris and other trash found and retrieved. A brief standard operating procedure for post display clean up is as follows:

1. Two employees will commence the breakdown of display firing equipment and put into box truck for transport back to facility.
2. Three employees will immediately begin debris retrieval along shoreline and beach area with a rake and dustpan.
3. One employee will enter the ocean to begin debris retrieval that fell over the water.
4. Once display equipment is in truck, the remaining two employees will enter water and/or assist with shoreline and beach clean up.
5. At first light the following morning, an HEP, INC employee will return to beach to retrieve additional debris onshore as well as in water. He or she is equipped with dive gear to assist with visibility under water. He or she will spend approximately 4 to 5 hours each Saturday morning doing clean up.
6. Midweek another scan and retrieval of debris will take place.
7. All clean up efforts will be and are in conjunction with additional daily clean up procedures the Hilton Hawaiian Village has in place.

What does it do to the quality of the ocean water and to sealife?

In 2016 this matter was brought to the attention of the Board of Water supply at which time they determined water was within normal range and would not pursue further. It is my strong opinion that ocean life within the bay appears healthy despite the impact of a multitude of human activity. Our crews routinely observe sea life within the area such as schools of sardines, sea turtles, he'e (octopus), and variety of other fish.

In 2016 when our clean up efforts were brought to light I took the liberty of hiring a third party diving company to scan and transect the ocean floor from the Hilton Pier to the breakwall to the entire shoreline in search of debris (both fireworks and consumer) and to report their findings. Please see report attached.

We have also been working very closely with our manufacturer to continuously provide solutions to decrease traveling debris. Thus far this has been a success! We are now able to tether non-biodegradable products to display equipment ensuring it remains onshore. As mentioned, it is an ongoing effort and I am positive going forward will only bring more solutions to minimize environmental impact.

I feel we, collectively with Hilton Hawaiian Village and our manufacturer, have been excellent stewards of Duke Kahanamoku Beach for 26 years and counting. We have taken all constructive criticism to heart and actively made positive changes, have tried with great effort to work together with DLNR and BLNR to improve and minimize the concerns to environment impact without having to minimize safety to people and property. Yet, despite these efforts it is suggested that a fee increase to the general fund would ultimately be the satisfying factor in this case. As a compromise, I'd like to suggest that as an alternative we implement the condition set forth on all other ROE's approved for fireworks. This condition being the certified check, before/after photos, and certifications from ROE applicant and property owner. It is my strong opinion that this idea will satisfy the accountability concern for DLNR, and hold both ROE

applicant (HEP, INC) and their client (HHV) financially responsible for cleanup and good stewardship.

I kindly request the Right of Entry be approved with the firing site as submitted as it proves to be the safest solution for spectators and property and it also increases the probability of the success of the display firing in less favorable weather conditions.

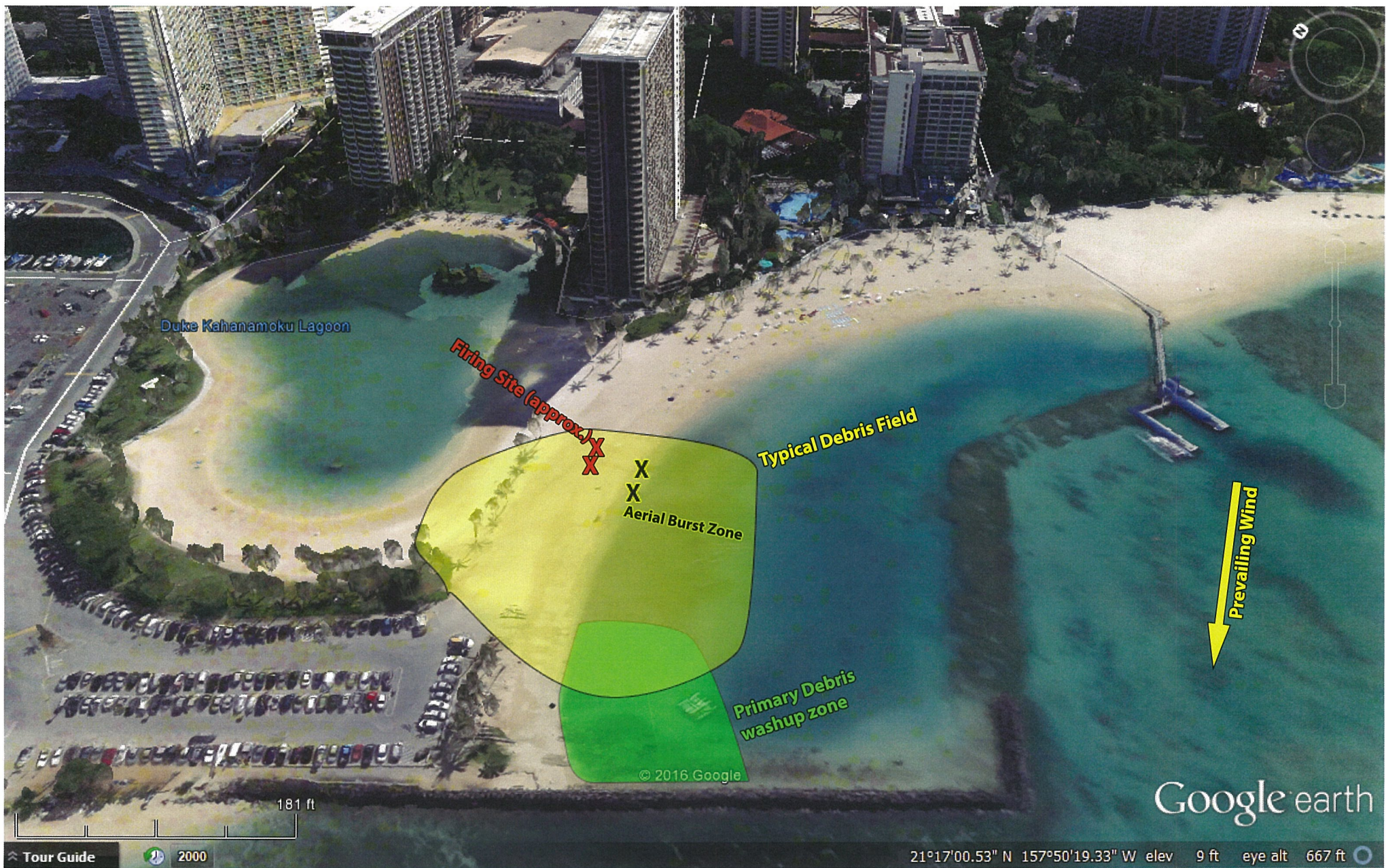
Thank you for your attention and time reviewing my opinion, thoughts, and suggestions.

Sincerely,

Stephanie Pascual

Stephanie Pascual

Vice President





Hawaii Explosives & Pyrotechnics, Inc.

800.240.6064

www.hipyro.com

Board of Land and Natural Resources
State of Hawaii DLNR
P.O. Box 621
Honolulu, Hawaii 96809

May 8, 2017

RE: May 12, 2017 Agenda Item D-2, Right of Entry Permit for fireworks display operations

Madam Chairperson and Board Members,

I am submitting testimony on behalf of our company, Hawaii Explosives & Pyrotechnics (HEP), in regards to the Right of Entry request to utilize a portion of Duke Kahanamoku Beach on Friday evenings to facilitate the production of a fireworks display for the Hilton Hawaiian Village Waikiki Beach Resort. The discussion to date has centered around the impact of cardboard fireworks debris within the bay as defined by the Ala Wai breakwall to the West and the Rainbow Pier to the East.

To date, HEP is aware of three proposed solutions to mitigate the impact of fireworks debris in the bay. The first option proposes moving the show into the adjacent Duke Kahanamoku Lagoon. The thought is by firing the display over a closed body of water debris removal could be better managed. While this may be true to a certain extent, HEP feels that issues with safety, public access, and visibility for the sponsor and others makes relocation undesirable. These issues are addressed in more detail within other documents submitted for your review.

Likewise, the idea of having two approved locations (both the lagoon and the beach) to accommodate varying weather conditions is fraught with practical limitations. Since each location has unique safety-based constraints, the product to be utilized is dependent on the site. This requires the choice to move to be made well in advance of the show, which is impractical as weather is inherently unpredictable. The shifting of the security zone would also create a level of confusion amongst spectators that would be difficult to manage. The Hilton Hawaiian Village has also expressed in their testimony the difficulty of attempting to manage the poolside entertainment program as well as the issues with booking group activities at the Great Lawn venue in the type of short-notice situation that this option would impose.

The third option would increase fees set for the right of entry permit. While HEP agrees with the concept of fair payment based upon anticipated impact, we would strongly prefer to see any additional fees imposed *directly* reduce our impact rather than just end up in a general fund.

In the year since active discussions between DLNR and HEP began, HEP has increased cleanup efforts substantially and at our own expense. At other display locations involving State lands, HEP has complied with conditions that require photographic evidence, a certification statement, and a security deposit to ensure the impact of our operations is minimal. This has been achieved without increasing the enforcement burden upon the DLNR. While not perfect, HEP believes this arrangement to be a successful resolution for those sites.

Based upon these factors it is HEP's belief that the best option would be to leave the discharge site at its current location and, if deemed necessary, implement a certification process similar to the conditions imposed at other fireworks display locations. Specifically, HEP could provide a security deposit that provides funding should alternate cleanup arrangements be deemed necessary. Secondly, HEP would provide DLNR with photographic evidence of maintenance efforts at specified intervals. Thirdly, HEP could obtain certification statements from the Hilton Hawaiian Village Resort indicating debris cleanup standards are being met. Lastly, any finding by the Department that the premises are not satisfactorily restored would require additional mitigation measures to be taken with the potential for deposit forfeiture and/or termination of the right of entry. HEP believes this sort of certification process is preferable over an increase in fees as we can then apply more resources towards cleanup efforts. The imposition of a substantial increase in usage fees would definitely limit our ability to afford additional labor and/or materials to reduce the impact of our operations and is counterproductive to the intended goal.

HEP is invested in minimizing any impact our operations have on the environment. We recognize that a lack of good stewardship on our part will potentially lead to calls for a reduction or even end to our weekly display. Moreover, as residents of Hawai'i, we have a vested interest in keeping our beaches and nearshore waters clean and healthy for our families' enjoyment as well as for visitors. While we can't ever promise to eliminate our impact entirely, we have implemented best practices that minimize them. It is an ongoing effort on our part and we hope to continue to improve our processes as time goes on. HEP believes our weekly show is an integral component of what makes Waikiki a special place. We have many people tell us that the display is a highlight of their Hawai'i experience--a fact we are very proud of. HEP is committed to working with the Department to ensure that we can continue to provide quality entertainment for both residents and guests alike in a responsible and sensitive manner.

Thank you for your consideration,

A handwritten signature in dark ink, appearing to read 'Bruce Albrecht', with a stylized, flowing script.

Bruce Albrecht
Operations Manager
Hawaii Explosives & Pyrotechnics, Inc.
Mountain View, HI
(808)968-0600



Sea Engineering, Inc.

863 N. Nimitz Hwy • Honolulu, Hawaii 96817
Phone: (808) 536-3603 • FAX (808) 536-3703 • www.seaengineering.com

March 9, 2016

Miss Stephanie Pascual
Vice President
Hawaii Explosives & Pyrotechnics, Inc.
P.O. Box 1244
Keaau, HI 96749

Dear Stephanie.

Sea Engineering, Inc. conducted a debris inspection of the waters fronting the Hilton Hawaiian Village on March 9, 2016. Diving was conducted under OSHA and ADCI guidelines, which require a minimum 3-man team. Divers inspected the project area, shown in Figure 1 below, for any firework debris. Debris was collected using hands, nets and game bags and brought back to shore for collection and analysis by HiPyro personnel. Visibility during the inspection was estimated to be 2 to 4 ft., with better visibility in some areas. SEI estimates that approximately 100% coverage of the area completed over the 4-hour period. Divers swam transects both parallel and perpendicular to shore using fixed compass headings.



Figure 1: Inspection Area

Bottom conditions were a combination of soft silty sand, small cobble and live-rock. SEI divers found a combined total of approximately 3 gallons of debris associated with the project. To note, approximately 1.5 to 2 gallons of plastic, coffee cups and general beach user debris was also found. SEI divers estimate that 95% of the debris was found in area "A" with the remaining 5% found in area "B". Divers did not find any debris in area "C".



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If you have any other questions regarding the findings please do not hesitate to contact me.

Regards,

Andrew Rocheleau, Marine Operations Manager