

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

August 25, 2017

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

PSF No.:17OD-084

OAHU

Grant of Perpetual, Non-Exclusive Easement to Hawaiki Submarine Cable USA, LLC for Submarine Communication Cable Purposes on State Submerged Lands; Issuance of Immediate Construction Right-of-Entry Permit; off Kapolei, Ewa, Oahu, Tax Map Key: (1) 9-2-049: seaward of 001

APPLICANT:

Hawaiki Submarine Cable USA, LLC, a foreign limited liability company.

LEGAL REFERENCE:

Sections 171-13, 17, 53(c), and 55 Hawaii Revised Statutes, as amended.

LOCATION:

Portion of submerged lands situate off Kapolei, Ewa, Oahu, Tax Map Key: (1) 9-2-049: seaward of 001, as shown on the attached map labeled **Exhibit A1 & A2**.

AREA:

14,968 square feet, more or less, subject to review and approval by the Department of Accounting and General Services, Survey Division

ZONING:

State Land Use District: Conservation

TRUST LAND STATUS:

Section 5 (b) of Hawaii Admission Act

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

CURRENT USE STATUS:

Vacant and unencumbered.

CHARACTER OF USE:

Right, privilege and authority to construct, use, maintain, repair, replace and remove submarine communication cable purposes over, under and across State-owned submerged lands.

TERM

Perpetual

COMMENCEMENT DATE:

To be determined by the Chairperson.

CONSIDERATION:

One-time payment to be determined by independent appraisal establishing fair market rent, subject to review and approval by the Chairperson.

CHAPTER 343 - ENVIRONMENTAL ASSESSMENT:

The Final Environmental Assessment for the subject project was published in the OEQC's Environmental Notice on May 23, 2017 with a finding of no significant impact (FONSI).

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>

APPLICANT REQUIREMENTS: Applicant shall be required to:

1. Pay for an appraisal to determine one-time payment; and
2. Provide survey maps and descriptions according to State DAGS standards and at Applicant's own cost.

REMARKS:

For the Board's reference, Conservation District Use Application (OA 3799) pertaining to the subject project will be considered by the Board under a separate item on today's

agenda. Applicant requests the request for easement be placed on the same agenda to save the travel for its representative(s)' attendance at the meeting. Nevertheless, Applicant understands that the easement request is contingent upon approval of the CDUA.

Hawaiki Submarine Cable USA, LLC and its supplier, Tyco Electronics Subsea Communications LLC, propose to construct the Hawaiki cable system, an approximately 9,078-mile-long (14,610-kilometer-long) submarine fiber optic (F/O) telecommunications cable consisting of a trunk route extending from Pacific City, Oregon, to Coogee, Australia, with connections to Kapolei, O'ahu, Hawai'i; Tafuna, American Samoa; and Mangawhai Heads, New Zealand.

The project includes installation of subsea F/O cable and associated telecommunications infrastructure at Kapolei. The F/O cable would be landed via construction of one subterranean horizontal directionally drilled (HDD) conduit extending from a beach manhole (BMH) on land to a subsea punch-out exit point, located approximately 2,550 feet (777 meters) seaward from the shoreline, into which the F/O cable would be installed. The subsea punch-out location would be at approximately 45 feet (14 meters) sea depth. Onshore infrastructure includes the BMH, a cable landing station building (CLS), two diesel generators, and a parking area, all located mauka (inland) of Farrington Highway

Staff understands the Applicant will pursue authorization for other portions of communication cable line from the City and County of Honolulu and private property owners before such cable reaches its land station.

During the pre-consultation and the draft environmental assessment stages, government agencies and communities were solicited for comments. Comments received have been incorporated in the Final Environmental Assessment. Therefore, staff did not solicit comments on the subject request.

In a previous request dealing with the seawater air conditioning waterlines project, the Department of the Attorney General (AG) assisted in drafting a condition in that easement document allowing additional payment of consideration based on the final as-built area of the waterlines. The subject request is of similar nature as the seawater air conditioning waterline, which means the final easement area will not be known until the entire system is completed. Nevertheless, staff does not anticipate the discrepancy between the final and the requested area (14,968 square feet) will be substantial. Upon approval of today's request, staff will continue to work with AG on drafting the easement document with a similar condition.

Applicant also requests an immediate construction right-of-entry in view of the tight time line of the project, and staff does not have objection to the requested right-of-entry.

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

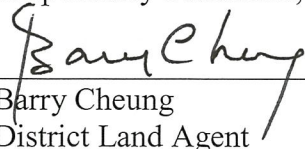
conditions.

RECOMMENDATION: That the Board:

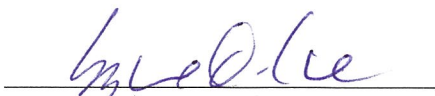
1. Subject to the Applicant fulfilling all of the Applicant requirements listed above, authorize the issuance of a perpetual, non-exclusive easement to Hawaiki Submarine Cable USA, LLC covering the subject area for submarine communication cable purposes under the terms and conditions cited above, which are by this reference incorporated herein and further subject to the following:
 - A. The standard terms and conditions of the most current perpetual easement document form, as may be amended from time to time;
 - B. Terms and conditions of Conservation District Use Permit (OA-3799);
 - C. Review and approval by the Department of the Attorney General; and
 - D. Such other terms and conditions as may be prescribed by the Chairperson to best serve the interests of the State.

2. Authorize the issuance of a construction right-of-entry to Hawaiki Submarine Cable USA, LLC covering the subject area for submarine communication cable 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 document form, as may be amended from time to time;
 - B. Such other terms and conditions as may be prescribed by the Chairperson to best serve the interests of the State.

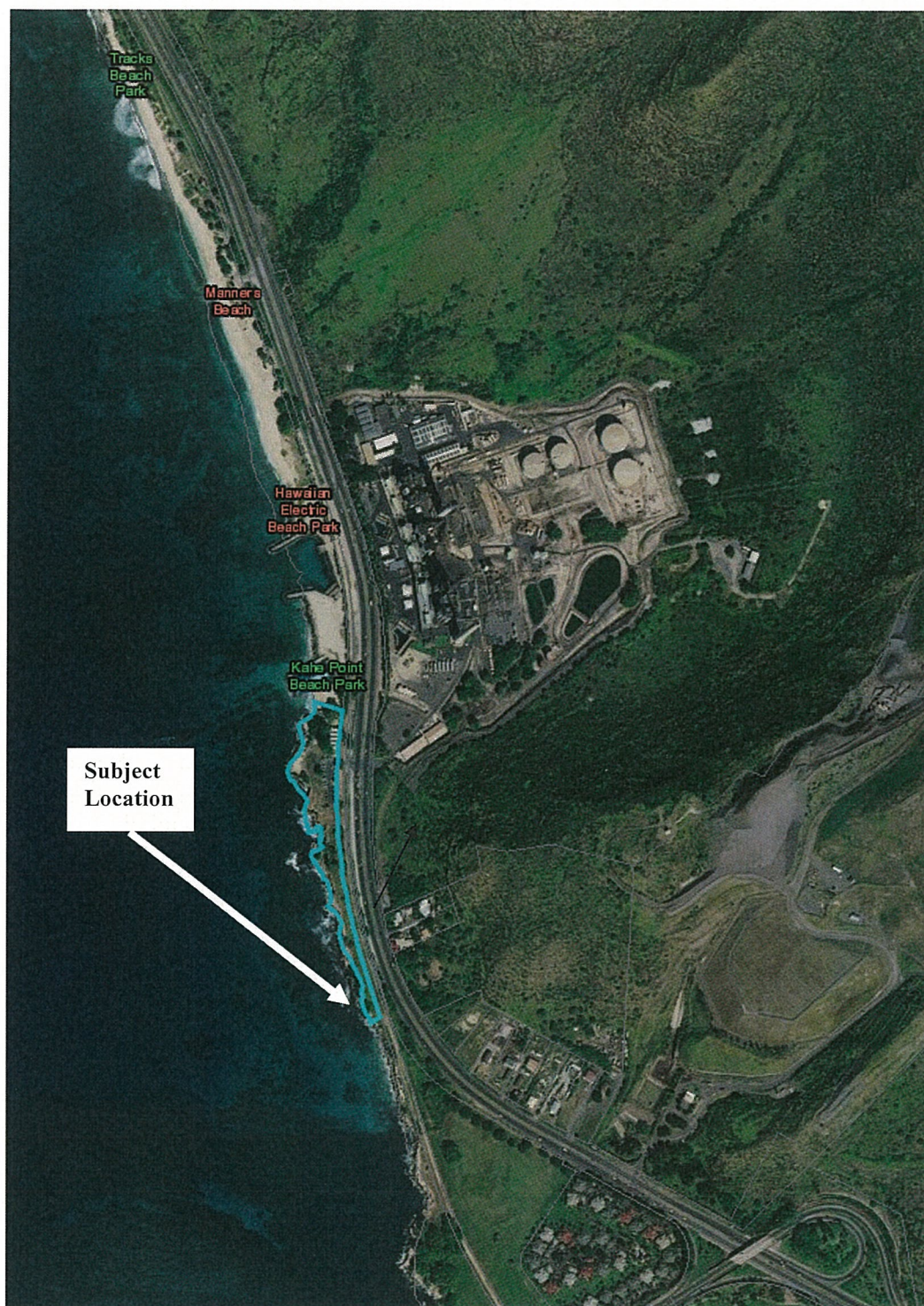
Respectfully Submitted,


Barry Cheung
District Land Agent

APPROVED FOR SUBMITTAL:

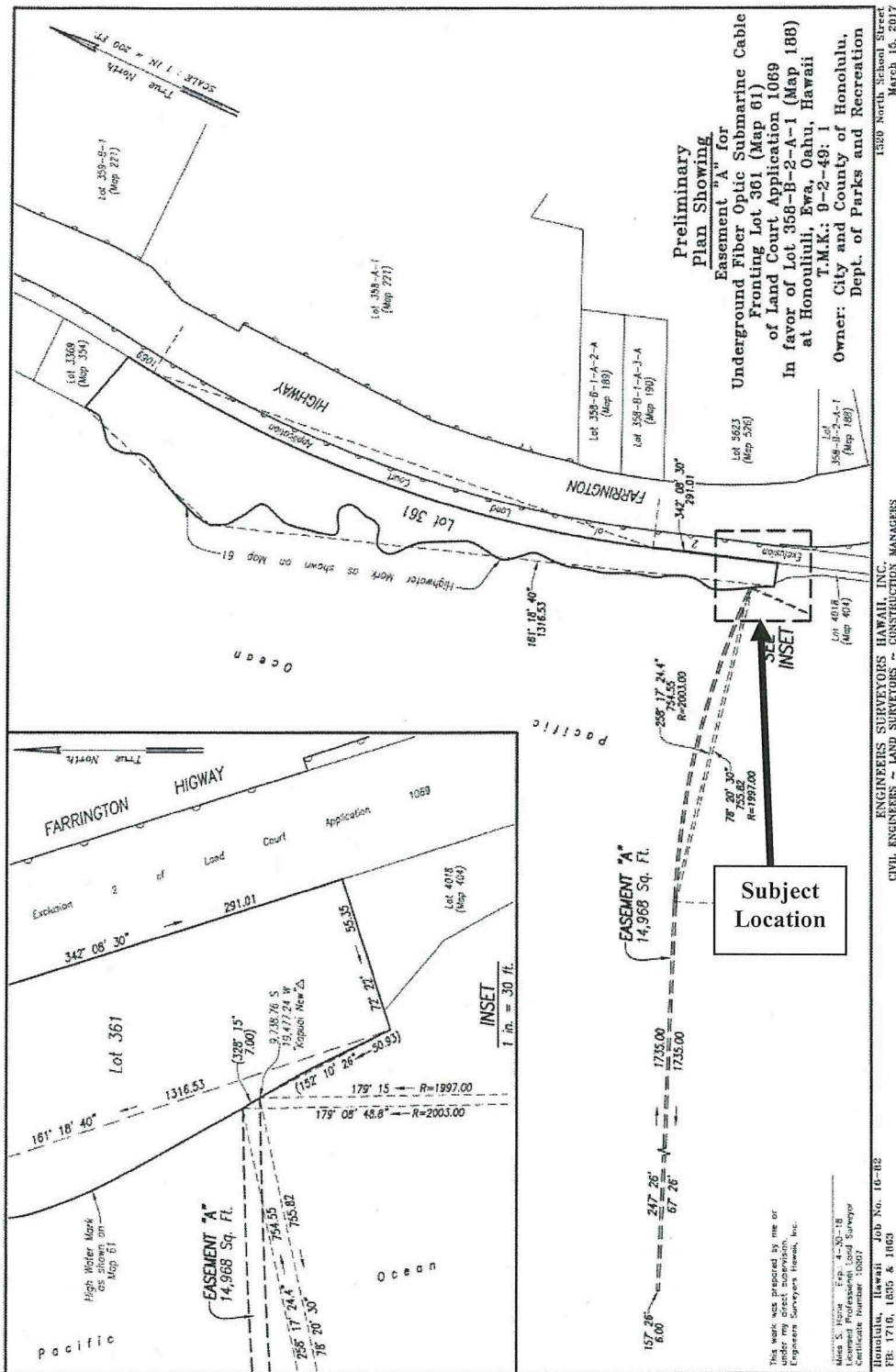

Suzanne d. Case, Chairperson





TMK (1) 9-2-049: seaward of 001

EXHIBIT A1



TMK (1) 9-2-049: seaward of 001

EXHIBIT A2