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

ISSUANCE OF TWO (2) MONTH-TO-MONTH PERMITS TO PETROSPECT, INC., FOR AN OFFICE AND STORAGE FOR PETROLEUM INSPECTION EQUIPMENT SITUATED AT PIER 21, HONOLULU HARBOR, OAHU, TAX MAP KEY NO. (1) 1-5-039:035 (P), GOVERNOR’S EXECUTIVE ORDER NO. 2903

LEGAL REFERENCE:

Sections 171-6, 171-13, 171-17, 171-55, and 171-59, Hawaii Revised Statutes ("HRS"), as amended.

APPLICANT:

Petrospect, Inc. ("Applicant"), is a domestic profit corporation whose business registration and mailing address is 499 N. Nimitz Highway, Pier 21, Honolulu, Hawaii 96817.

CHARACTER OF USE:

Office space and storage space to support its petroleum inspection business.

LOCATION:

Portion of governmental lands at Pier 21, Honolulu Harbor, Oahu, Tax Map Key No. (1) 1-5-039:035 (P), as shown on the attached map labeled Exhibit A.

AREA:  See attached Exhibits A and B

<table>
<thead>
<tr>
<th>AREA</th>
<th>DESCRIPTION</th>
<th>TYPE</th>
<th>SQ. FT.</th>
<th>RATE PER SQ. FT.</th>
<th>MONTHLY RENTAL CHARGE</th>
<th>SECURITY DEPOSIT</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Storage of petroleum inspection equipment</td>
<td>Warehouse</td>
<td>548</td>
<td>$ 1.01</td>
<td>$ 553.48</td>
<td>$ 1,106.96</td>
</tr>
<tr>
<td>2</td>
<td>Office space</td>
<td>Office</td>
<td>746</td>
<td>$ 1.01</td>
<td>$ 753.46</td>
<td>$ 1,506.92</td>
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</tbody>
</table>

$ 1,306.94 $ 2,613.88

ITEM M-19
CONSIDERATION:

Determined by appraisal as of April 1, 2020, for Revocable Permits in Honolulu Harbor.

ZONING:

State Land Use Commission: Urban
County of Oahu: I-3, Waterfront Industrial District

COMMENCEMENT DATE:

To be determined by the Director of Transportation.

TRUST LAND STATUS:

Land acquired after Statehood (non-ceded).

CURRENT USE STATUS:

The Applicant currently has two (2) existing month-to-month permits that occupy a portion of the Pier 21 Warehouse situated at Honolulu Harbor, Oahu, for an office and storage of petroleum inspection equipment. The Department of Transportation, Harbors Division ("DOT Harbors"), has been reviewing all month-to-month permits to ensure compliance with and applicability to Sections 171-17 and 171-55, HRS. The DOT Harbors is updating the Applicant’s permit with current appraised rates and updated permit terms (as applicable).

LAND TITLE STATUS:

Acquired by DOT Harbors, through eminent domain proceedings land acquired by issuance of Governor’s Executive Order No. 2903.
CHAPTER 343 – ENVIRONMENTAL ASSESSMENT:

This action is exempt from Office of Environmental Quality Control ("OEQC") requirements pursuant to Sub-Chapter 11-200.1, Hawaii Administrative Rules, which exempts the following:

"Exemption Class 1: Operations, repairs or maintenance of existing structures, facilities, equipment or topographical features, involving minor expansion or minor change of use beyond that previously existing."

The DOT Harbors will submit its publication request of this Exemption Notice to the OEQC for publication on the 8th of each month.

REMARKS:

The Applicant is an independent petroleum inspection company based in Honolulu since 1985. The Applicant conducts inspections and provides documentation and reconciliation of marine transfers of crude oils and petroleum products. Barge and tank-vessel loading and off-loading inspections include complete documentation of cargo handling operations.

Currently, the Applicant has an existing month-to-month permit for office space and storage space for the Applicant's petroleum inspection company. The DOT Harbors has been reviewing all month-to-month permits to ensure compliance with and applicability to Section 171-55, HRS. To do so, the DOT Harbors is in the process of renewing all current revocable permits to accurately describe land usage, designated permit locations, as well as updating monthly rental charges to appraised market value.

The two (2) existing month-to-month permits were issued in August 1988 and March 1987 and rent is currently $300.00 and $370.00 per month respectively. This submittal will update and renew the month-to-month permit which is compliant with Chapter 171, HRS.
RECOMMENDATION:

That the Board authorize the DOT Harbors to issue the Applicant two (2) month-to-month revocable permits for the above-stated purposes, subject to the terms and conditions outlined above and incorporated herein by reference, and such terms and conditions as may be prescribed by the Director of Transportation to best serve the interests of the State.

Respectfully submitted,

[Signature]

JADE T. BUTAY
Director of Transportation

APPROVED FOR SUBMITTAL:

[Signature]

SUZANNE D. CASE
Chairperson and Member
Board of Land and Natural Resources

Att.: Exhibits A and B
1. Storage of petroleum inspection equipment (548 sq. ft.)
2. Office space (746 sq. ft.)
Area 1 – Storage of petroleum inspection equipment

<table>
<thead>
<tr>
<th>AREA</th>
<th>DESCRIPTION</th>
<th>TYPE</th>
<th>DIMENSIONS</th>
<th>SQ. FT.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Storage of petroleum inspection equipment</td>
<td>Warehouse</td>
<td>Warehouse (24' x 22' = 528) Extra Bathroom Space (5' x 4' = 20)</td>
<td>548</td>
</tr>
</tbody>
</table>
Petrospect, Inc.
Pier 21, Honolulu Harbor

Exhibit B

Area 2 – Office Space

<table>
<thead>
<tr>
<th>AREA</th>
<th>DESCRIPTION</th>
<th>TYPE</th>
<th>DIMENSIONS</th>
<th>SQ. FT.</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>Office space</td>
<td>Office</td>
<td>Private Office (9' x 22' = 198)</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Main Office (24' x 22' = 528)</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Extra Entry (5' x 4' = 20)</td>
<td>746</td>
</tr>
</tbody>
</table>