



STATE OF HAWAII
DEPARTMENT OF TRANSPORTATION
869 PUNCHBOWL STREET
HONOLULU, HAWAII 96813-5097

IN REPLY REFER TO:

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

MOLOKAI

ISSUANCE OF TWO (2) MONTH-TO-MONTH REVOCABLE PERMITS TO PAR HAWAII REFINING, LLC, FOR A NON-EXCLUSIVE SUBSURFACE EASEMENT FOR TWO SUBSURFACE FUEL PIPELINES FOR THE DISTRIBUTION OF PETROLEUM PRODUCTS AND A FUEL TANK FACILITY, SITUATED AT KAUNAKAKAI HARBOR, ISLAND OF MOLOKAI, TAX MAP KEY NOS. (2) 5-3-001:066 (P) AND (2) 5-3-001:011 (P), GOVERNOR'S EXECUTIVE ORDER NO. 1673

LEGAL REFERENCE:

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

APPLICANT:

Par Hawaii Refining, LLC ("Applicant"), is a domestic limited liability company whose mailing address is 825 Town & Country Lane, Suite 1500, Houston, Texas 77024.

CHARACTER OF USE:

Use of non-exclusive subsurface easement for two subsurface fuel pipelines for the distribution of petroleum fuel and a fuel tank facility.

LOCATION:

Portion of governmental lands at Kaunakakai Harbor, Island of Molokai, Tax Map Key Nos. (2) 5-3-001:066 (P) and (2) 5-3-001:011 (P), Governor's Executive Order No. 1673, as shown on the attached map labeled Exhibit A.

ITEM M-13

AREA: See attached Exhibit A

AREA	DESCRIPTION	TYPE	SQ. FT.	RATE PER SQ. FT.	MONTHLY RENTAL CHARGE	SECURITY DEPOSIT
1	Fuel Tank Facility	Improved Land-unpaved	18,434	\$ 0.06	\$ 1,106.04	\$ 2,212.08
2	Non-exclusive easement for two (2) subsurface fuel pipelines for the distribution of petroleum products	Improved Land-paved	6,812	\$ 0.14	\$ 953.68	\$ 1,907.36

\$ 2,059.72	\$ 4,119.44
Total Monthly Rental	Total Security Deposit

CONSIDERATION:

Determined by appraisal as of March 20, 2019, for revocable permits in Kaunakakai Harbor.

ZONING:

State Land Use Commission: Urban
 County of Maui: Interim

COMMENCEMENT DATE:

To be determined by the Director of Transportation.

TRUST LAND STATUS:

Subsection 5(b) of the Hawaii Admission Act (ceded lands).

CURRENT USE STATUS:

The Applicant is currently using the fuel tank facility and non-exclusive pipeline easement for two (2) subsurface fuel pipelines for the distribution of petroleum products.

The State of Hawaii, 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 the DOT Harbors, through eminent domain proceedings by issuance of Governor’s Executive Order No. 1673.

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, that 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 a limited liability company with headquarters on the Island of Oahu and has over 100 retail locations on the islands of Oahu, Maui, and Hawaii. In addition, to consumer sales of gasoline and diesel fuel, the Applicant also provides jet fuel and marine fuel to the aviation and maritime industries. The Applicant also has a refining facility in Kapolei which provides refined petroleum products to the neighbor islands via pipeline transfers to barges at Kalaeloa Barbers Point Harbor.

Currently, the Applicant has two (2) existing month-to-month permits. The 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 existing month-to-month permits were issued in 2006 and 1987 respectively and the current rent for each of them are \$90.83 and \$600.00 per month respectively. This submittal will update and renew the month-to-month permit which is compliant with Chapter 171, HRS.

RECOMMENDATION:

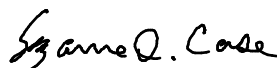
That the Board authorize the DOT Harbors to issue the Applicant two (2) month-to-month revocable permits for the above-stated purposes, subject to the terms and conditions outlined above and incorporated herein by reference, and such terms and conditions as may be prescribed by the Director of Transportation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

Respectfully submitted,



JADE T. BUTAY
Director of Transportation

APPROVED FOR SUBMITTAL:

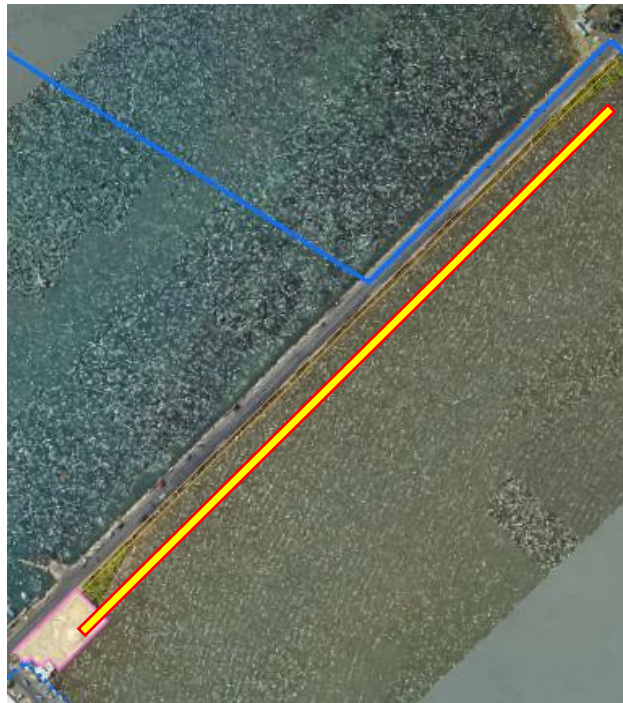


SUZANNE D. CASE
Chairperson and Member
Board of Land and Natural Resources

Att.: Exhibit A



AREA	DESCRIPTION	TYPE	SQ. FT.
1	Fuel Tank Facility	Improved Land-unpaved	18,434



AREA	DESCRIPTION	TYPE	SQ. FT.
2	Non-exclusive easement for two (2) subsurface fuel pipelines for the distribution of petroleum products	Improved land-paved	6,812