



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

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

**HAWAII**

ISSUANCE OF A MONTH-TO-MONTH REVOCABLE PERMIT TO HOKU KAI BIOFUELS, LLC, FOR NON-EXCLUSIVE PIPELINE EASEMENT FOR THE TRANSMISSION OF BIOFUELS TO AND FROM VESSELS AT PIER 2, HILO HARBOR, ISLAND OF HAWAII, TAX MAP KEY NO. (3) 2-1-009:007 (P), GOVERNOR'S EXECUTIVE ORDER NO. 3962

**LEGAL REFERENCE:**

Sections 171-6, 171-7, 171-11, 171-13, 171-17, 171-55, and 171-59, Hawaii Revised Statutes, as amended.

**APPLICANT:**

Hoku Kai Biofuels, LLC (Applicant), is a Domestic Limited Liability Company whose mailing address is P. O. Box 10028, Hilo, Hawaii 96721.

**CHARACTER OF USE:**

To allow Applicant and its permitted agents (assignees, contractors, sub-contractors, and agents) the right, privilege, and authority to use, maintain, repair, replace and remove existing biofuel transmission pipelines and access vaults, subject to such Terms and Conditions as may be prescribed by the Director of Transportation.

**LOCATION:**

Government land situated at Hilo Harbor, Island of Hawaii, Tax Map Key No. (3) 2-1-009:007 (P), as shown on the attached Exhibits A and B. As stated below, a portion of said lands has been set aside to the State of Hawaii, Department of Transportation, Harbors Division (DOTH), by Executive Order No. 3962.

**ZONING:**

State Land Use Commission: Urban  
County of Hawaii: MG-1a General Industrial District

**AREA: See attached Exhibits A and B**

AREA	DESCRIPTION	SQ. FT.	RATE	MONTHLY RENTAL	SECURITY DEPOSIT
1	Easement F-1, Fuel Pipeline	257	\$0.22	\$56.54	\$113.08

**CONSIDERATION:**

Determined by appraisal as of January 1, 2021, with a 3% annual escalation applied by appraisal report, for Revocable Permits in Hilo Harbor.

**LAND TITLE STATUS:**

Owned by the State of Hawaii; management and control of the property was transferred to the DOTH by Executive Order No. 3962.

**TRUST LAND STATUS:**

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

**CURRENT USE STATUS:**

The transmission pipeline and vault are currently being used by the Applicant, as the Pier 2 connection was determined by DOTH as a more beneficial location for Port Operations.

**CHAPTER 343 - ENVIRONMENTAL ASSESSMENT:**

The Final Environmental Assessment for the proposed Easement was published in the Office of Environmental Quality Control's Environmental Notice on November 23, 2014, with a Finding of No Significant Impact.

The Final Environmental Assessment incorporated future plans for Applicant to redevelop and operate the existing pipeline from Pier 2, if it became beneficial for Port and Business Operations to which DOTH has made that determination.

**REMARKS:**

Applicant currently owns a biofuel transmission pipeline, extending from Pier 3 to an off-site storage facility. That particular land disposition, Grant of Non-Exclusive Easement S-6135, was granted to Applicant by the State of Hawaii, Department of Land and Natural Resources, on August 26, 2019, further identified as Parcel D Pipeline Easement as shown on Exhibit B. DOTH directed

Applicant to redevelop the Pier 2 connection rather than utilize the Pier 3 connection contained in Easement S-6135, as it was determined to better suit Port Operations. The action was necessary to alleviate vessel mooring congestion, which occurs at the Pier 3 location.

The Revocable Permit will now enable Applicant continued operation of the redeveloped infrastructure (pipeline, vault, and appurtenances) to offload and onload biofuels from marine vessels at the Pier 2 location, by way of connecting into Applicant's current transmission line running from Pier 3, Easement S-6135.

Additionally, Applicant is working on plans to relocate the Pier 2 connection further along the Pier 2 apron to better position the offloading and unloading connection midship. The plan would require pier improvements and the construction of new transmission lines, access vaults, and appurtenances.

Therefore, the Revocable Permit will only serve as a temporary short-term measure until the Applicant is ready to seek approval of a Construction Right-of-Entry Permit and an Easement (Term, Non-Exclusive) for a relocated Pier 2 position.

**RECOMMENDATION:**

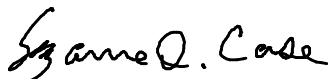
That the Board authorize the DOTH to issue the Applicant a Month-to-Month Revocable Permit for the above stated purposes, subject to the terms and conditions outlined above and incorporated herein by reference, and such terms and conditions as may be prescribed by the Director of Transportation to best serve the interest of the State.

Respectfully submitted,

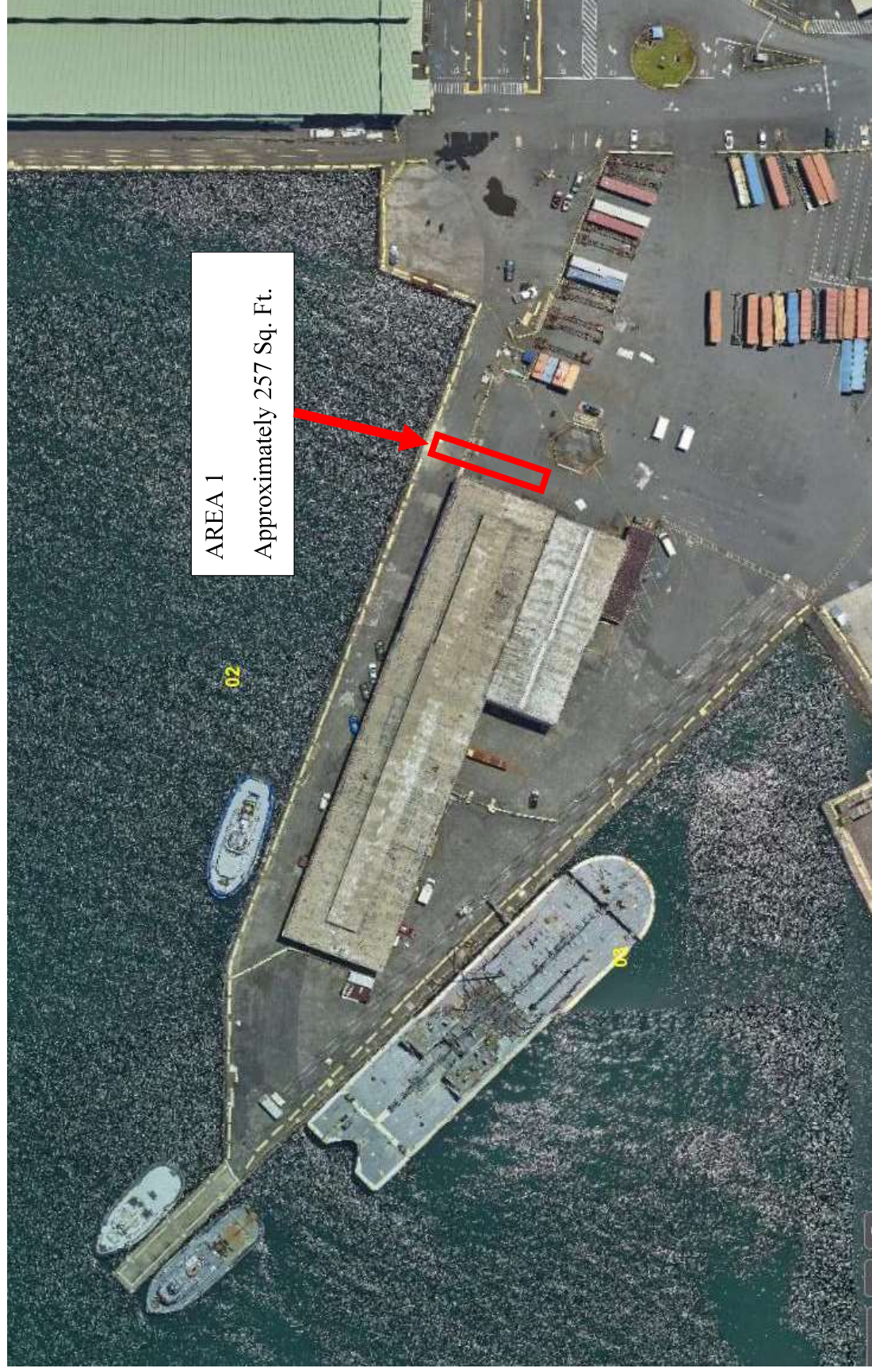


JADE T. BUTAY  
Director of Transportation

APPROVED FOR SUBMITTAL:



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



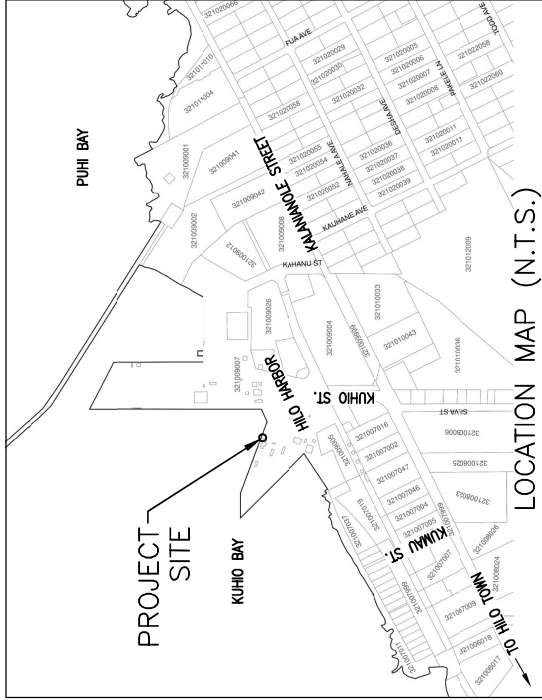


# EASEMENT MAP

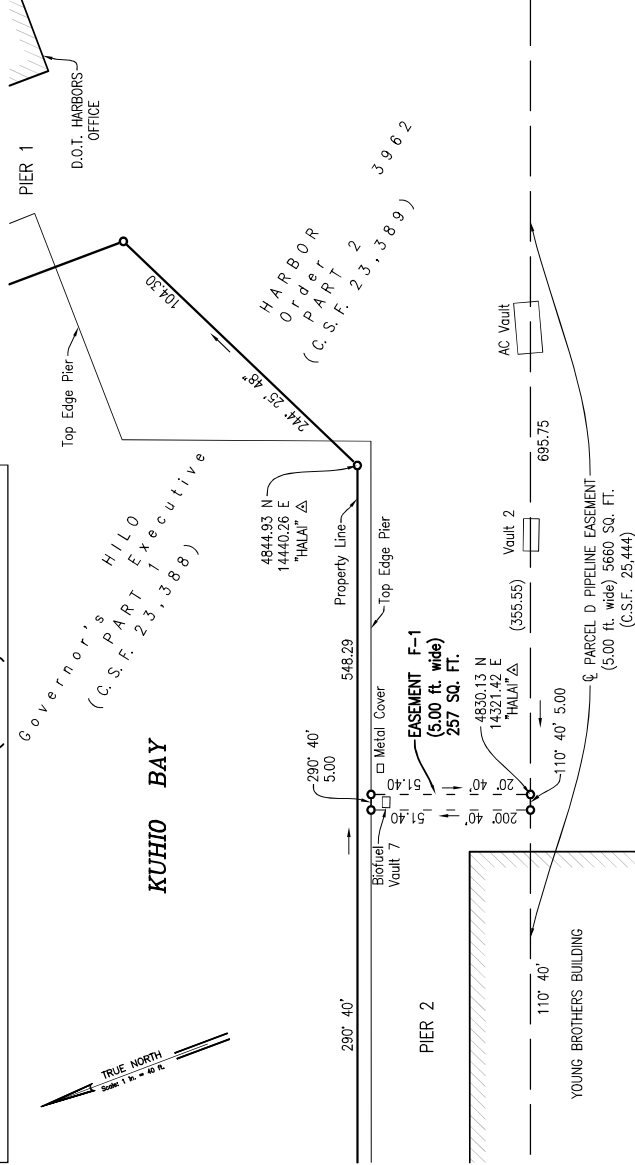
EASEMENT F-1 FOR FUEL PIPELINE PURPOSES  
AFFECTING PORTION OF PIER 2 OF HILO HARBOR,  
BEING A PORTION OF GOVERNOR'S EXECUTIVE ORDER 3962,  
BEING ALSO A PORTION GOVERNMENT CROWN LAND OF WAIAKEA

AT WAIAKEA, SOUTH HILO, ISLAND OF HAWAII, HAWAII

TMK: (3RD. DIV.) 2-1-09: 007



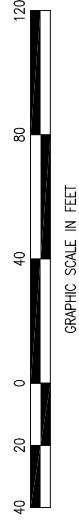
LOCATION MAP (N.T.S.)



ControlPoint Surveying, Inc.

615 Piikoi Street,  
Suite 700  
Honolulu, Hawaii  
November 15, 2021

*George S. Yoshimura*  
Licensed Professional Land Surveyor  
Certificate No. 2927 Exp. 4/30/22  
Registered Land Court Surveyor  
Certificate No. 170



## NOTES

1. Coordinates and azimuths shown are referred to Government Survey Triangulation Station "HALA" Δ.
2. New Easement (5.00 feet wide) Area=257 Sq. Ft. in favor of Hoku Kai Biofuels LLC.
3. Date of Survey: February 23, 2021

**Easement F-1**  
**(For Fuel Pipeline Purposes)**

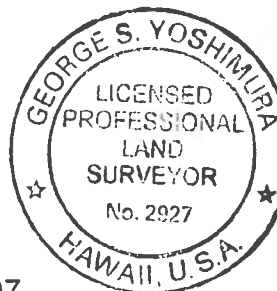
Being a Portion of Pier 2 of Hilo Harbor, being a Portion of Part 2 of Governor's Executive Order 3962, being also a Portion of the Government Crown Land of Waiakea.

Situated at Waiakea, South Hilo, Island of Hawaii, Hawaii.

Beginning at the Southeast corner of this easement, the coordinates of said point of beginning referred to Government Survey Triangulation Station "HALAI" being 4,830.13 feet North and 14,321.42 feet East, and running by azimuths measured clockwise from True South:

- |    |          |            |   |
|----|----------|------------|---|
| 1. | 110° 40' | 5.00 feet  | along the remainder of Pier 2 of Hilo Harbor, Portion of Part 2 of Governor's Executive Order 3962; |
| 2. | 200° 40' | 51.40 feet | along same;   |
| 3. | 290° 40' | 5.00 feet  | along same;   |
| 4. | 20° 40'  | 51.40 feet | along same to the point of beginning and containing an area of 257 Square Feet.                     |

June 9, 2021  
Honolulu, Hawaii



*George S. Yoshimura*  
George S. Yoshimura  
Licensed Professional Land Surveyor  
Certificate Number 2927

Tax Map Key: (3) 2-1-009: 007