

JOSH GREEN, M.D.
GOVERNOR



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

EDWIN H. SNIFFEN
DIRECTOR

Deputy Directors
FORD N. FUCHIGAMI
DREANALEE K. KALILI
TAMMY L. LEE
ROBIN K. SHISHIDO

IN REPLY REFER TO:

HAR-PM.0001787.23

July 10, 2023

Ms. Dawn N. S. Chang, Chairperson
Board of Land and Natural Resources
Kalanimoku Building
1151 Punchbowl Street
Honolulu, Hawaii 96813

Dear Ms. Chang:

OAHU

Request for authorization to issue a month-to-month Revocable Permit (RP) to Par Hawaii Refining, LLC, for non-exclusive subsurface pipeline easements for the distribution of petroleum products, situated at Piers 31-34, Honolulu Harbor, island of Oahu, Tax Map Key (TMK) No. (1) 1-5-036:001 (P), Governor's Executive Order No. 2903.

LEGAL REFERENCE:

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

APPLICANT:

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

CHARACTER OF USE:

For maintenance use, and repair of non-exclusive subsurface easements for the distribution of petroleum products at Piers 31-34, Honolulu Harbor, island of Oahu.

LOCATION:

Portion of Governmental lands at Piers 31-34, Honolulu Harbor, island of Oahu, TMK No. (1) 1-5-036:001 (P), Governor's Executive Order No. 2903, as shown on the enclosed map labeled Exhibit C.

ITEM M-26

AREA: See enclosed Exhibits A-C

DESCRIPTION	TYPE	SQ. FT.	RATE PER SQ. FT.	MONTHLY RENTAL CHARGE	SECURITY DEPOSIT
Easement A	Paved-Improved Land	333	\$0.62	\$206.46	\$412.92
Easement B	Paved-Improved Land	180	\$0.62	\$111.60	\$223.20
Easement C	Paved-Improved Land	2,115	\$0.62	\$1,311.30	\$2,622.60
Easement D, Parts 1-3	Paved-Improved Land	5,744	\$0.62	\$3,540.82	\$7,081.64
				\$5,170.18	\$10,340.36
				Total Monthly Rental	Total Security Deposit

CONSIDERATION:

Month-to-month rent determined by appraisal as of January 1, 2021, for RPs in Honolulu Harbor.

ZONING:

State Land Use Commission: Urban
City and County of Honolulu: I-3 (Waterfront Industrial District)
Industrial Mixed-Use District

COMMENCEMENT DATE:

To be determined by the Director of Transportation.

TRUST LAND STATUS:

Land acquired after Statehood (non-ceded).

CURRENT USE STATUS:

The area is currently occupied by the Applicant under Harbor Lease No. H-87-27, which was granted a one-year holdover for the period of August 1, 2022, to July 31, 2023.

LAND TITLE STATUS:

Acquired by the State of Hawaii, Department of Transportation, Harbors (DOTH), through eminent domain proceedings; issuance of Governor's Executive Order No. 2903.

CHAPTER 343 - ENVIRONMENTAL ASSESSMENT:

This use is exempt from the Office of Planning and Sustainable Development, and Environmental Review Program requirements pursuant to Hawaii Administrative Rules (HAR), Subchapter 11-200.1, that exempts the following:

“Exemption Type 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 DOTH deems the action as de minimis and exempts it from the preparation of an exemption notice in accordance with HAR, Subchapter 11-200.1-16 (b). The exemption declaration for the action described above, is based on the Exemption List for the DOTH, reviewed and concurred to by the Environmental Advisory Council on February 1, 2022, is as follows:

Exemption Type 1, Part 1:

- No. A10. “Repair or maintain existing fuel systems, including but not limited to fuel tanks, fuel lines and pumping equipment used for emergency power at various sites and for refueling vehicles in vehicle servicing area, and maintenance of base yards.”

Exemption Type 8, Part 1:

- No. 8g. “Creation or extension of Leases, RP or Easements involving negligible or minor expansion or change of use beyond that previously existing.”

REMARKS:

The Applicant is a limited liability company with headquarters on the island of Oahu. It owns the only refinery in the islands and its products are sold at 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 and marine fuel to the aviation and maritime industries, which serve the State of Hawaii as well as Trans Pacific transportation routes.

The Applicant has recently announced its partnership with a local natural resource conservation company to assist them with identifying and developing a local source of plant-based oil to produce renewable diesel and sustainable aviation fuel (SAF) at its refinery. SAF is a biofuel that can be blended with traditional jet fuel for use which significantly lowers carbon emissions as compared to using purely petroleum-based fuels. Through this partnership, the Applicant

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hopes to develop a sustainable long-term strategy that will continue to support the energy needs of the State with biofuels grown locally and processed at their Kapolei facility.

Currently, the pipeline easements are encumbered under Harbor Lease No. H-87-27 under a one-year holdover period until July 31, 2023. The Applicant is requesting a new Lease for the area and the DOT is currently processing the Lease application. During the interim, the DOT is requesting a month-to-month RP for the pipeline easements.

RECOMMENDATION:

Based on this submittal, testimony and facts presented, the Department of Transportation recommends that the Board finds that approving the issuance of a month-to-month RP to the Applicant, including its conditions and rent, will serve the best interest of the State.

Sincerely,



EDWIN H. SNIFFEN
Director of Transportation

APPROVED FOR SUBMITTAL:



DAWN N. S. CHANG, Chairperson

Enclosures

REVISED
DESCRIPTION OF
CENTERLINE OF EASEMENT "A"
FOR FUEL LINES PURPOSES
(5-FT. WIDE)

ALL that certain piece or parcel of land being an easement 5-Ft. wide, being 2.50 feet on both sides of the centerline and being a portion of Lot 3-A-1, Section "A" of Land Court Consolidation 82.

Situate at Kapalama and Kaholaloa, Honolulu, Oahu, Hawaii.

Beginning at the northerly end of this easement and being on the westerly boundary of an Easement for Petroleum Storage Facility, the coordinates of said point of beginning referred to Government Survey Triangulation Station "PUNCHBOWL" being 863.37 feet North and 9,605.04 feet West and thence running by azimuths measured clockwise from true South:

1. 28° 01' 30" 6.15 feet along the remainder of Lot 3-A-1, Sec. "A", Ld. Ct. Cons. 82;
2. 118° 01' 30" 60.50 feet along the remainder of Lot 3-A-1, Sec. "A", Ld. Ct. Cons. 82 and containing an area of 333 square feet.

WALTER P. THOMPSON, INC.

Honolulu, Hawaii
May 20, 1986

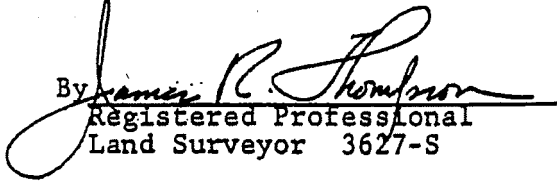
By 
Registered Professional
Land Surveyor 3627-S

EXHIBIT "A"

REVISED
DESCRIPTION OF
CENTERLINE OF EASEMENT "B"
FOR FUEL LINE PURPOSES
(3-FT. WIDE)

ALL that certain piece or parcel of land being an easement 3-Ft. wide, being 1.50 feet on both sides of the centerline and being a portion of Lot 3-A-1, Section "A" of Land Court Consolidation 82.

Situate at Kapalama and Kaholaloa, Honolulu, Oahu, Hawaii.

Beginning at the northerly end of this easement and being on the centerline of Easement "A", the coordinates of said point of beginning referred to Government Survey Triangulation Station "PUNCHBOWL" being 879.67 feet North and 9,645.85 feet West and thence running by azimuths measured clockwise from true South:

1. 28° 01' 30" 60.00 feet along the remainder of Lot 3-A-1, Sec. "A", Ld. Ct. Cons. 82 and containing an area of 180 square feet.

WALTER P. THOMPSON, INC.

Honolulu, Hawaii
May 20, 1986

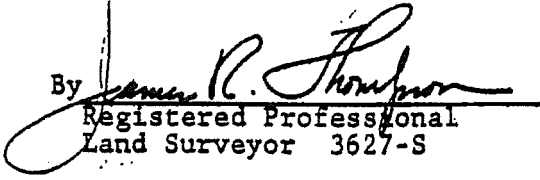
By 
Registered Professional
Land Surveyor 3627-S

EXHIBIT "A"

DESCRIPTION OF
CENTERLINE OF EASEMENT "C"
FOR FUEL LINE PURPOSES
(5-FT. WIDE)

ALL that certain piece or parcel of land being an easement 5-Ft. wide, being 2.50 feet on both sides of the centerline and being a portion of Lot 3-A-1, Section "A" of Land Court Consolidation 82.

Situate at Kapalama and Kaholaloa, Honolulu, Oahu, Hawaii.

Beginning at the south end of this easement the direct azimuths and distances from the West corner of Lot 3-A-1, Section "A" of Land Court Consolidation 82 being

(a) 304° 32' 507.13 feet and
(b) 212° 54' 30" 11.58 feet to the
point of beginning and thence running by azimuths measured clockwise from true South.:

1. 124° 32' 57.74 feet along the remainder of Lot 3-A-1, Sec. "A", Ld. Ct. Cons. 82;
2. 162° 14' 30" 55.06 feet along the remainder of Lot 3-A-1, Sec. "A", Ld. Ct. Cons. 82;
3. 30° 17' 310.15 feet along the remainder of Lot 3-A-1, Sec. "A", Ld. Ct. Cons. 82 to the south boundary line of H. I. R. I. Easement for Petroleum Storage Facility and containing an area of 2,115 square feet.

WALTER P. THOMPSON, INC.

Honolulu, Hawaii
February 7, 1986

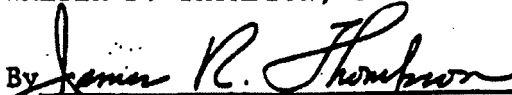
By 
Registered Professional
Land Surveyor 3627-S

EXHIBIT "A"

R E V I S E D

DESCRIPTION OF
CENTERLINE OF EASEMENT "D"
FOR FUEL LINE PURPOSES
(5-FT. WIDE)

ALL that certain piece or parcel of land being portions of
Lots 3-A-1 and 3-B, Section "A" of Land Court Consolidation 82.

Situate at Kapalama and Kaholaloa, Honolulu, Oahu, Hawaii.

PART 1

Beginning at the west end of this easement, the same being
the east end of the centerline of HIRI Easement F (3-Ft. wide),
the coordinates of said point of beginning referred to Government
Survey Triangulation Station "PUNCHBOWL" being 387.23 feet North
and 9,507.44 feet West, and thence running by azimuths measured
clockwise from true South:

1. 304° 32' 1,117.67 feet along the remainder of
Lots 3-A-1 and 3-B,
Section "A", Ld. Ct.
Cons. 82 to the westerly
boundary of Land Court
Application 1063 and
containing an area of
5,588 square feet.

PART 2

Beginning at the northerly end of this easement, the same
being a point on the centerline of PART 1 of this easement, the
coordinates of said point of beginning referred to Government
Survey Triangulation Station "PUNCHBOWL" being 299.02 feet North
and 9,379.26 feet West and thence running by azimuths measured
clockwise from true South:

EXHIBIT "A"

1. 34° 32'

15.57 feet along the remainder of Lot 3-A-1, Sec. "A", Ld. Ct. Cons. 82 to the south boundary line of Lot 3-A-1 and containing an area of 78 square feet.

PART 3

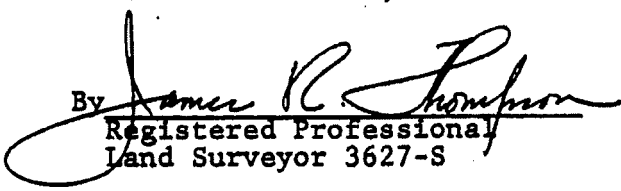
Beginning at the northerly end of this easement, the same being a point on the centerline of PART 1 of this easement, the coordinates of said point of beginning referred to Government Survey Triangulation Station "PUNCHBOWL" being 185.64 feet North and 9,214.50 feet West and thence running by azimuths measured clockwise from true South:

1. 34° 32'

15.57 feet along the remainder of Lot 3-A-1, Sec. "A", Ld. Ct. Cons. 82 to the south boundary line of Lot 3-A-1 and containing an area of 78 square feet.

WALTER P. THOMPSON, INC.

Honolulu, Hawaii
September 19, 1986

By 
Registered Professional
Land Surveyor 3627-S

EASEMENT "A"

EASEMENT FOR PETROLEUM
STORAGE FACILITY
(Area = 5,155 Sq.Ft.)

EASEMENT A (Area = 333 Sq.Ft.)
(4" Wide For Fuel Line Purposes)

EASEMENT B (Area = 180 Sq.Ft.)
(3-Ft. Wide For Fuel Line Purposes)

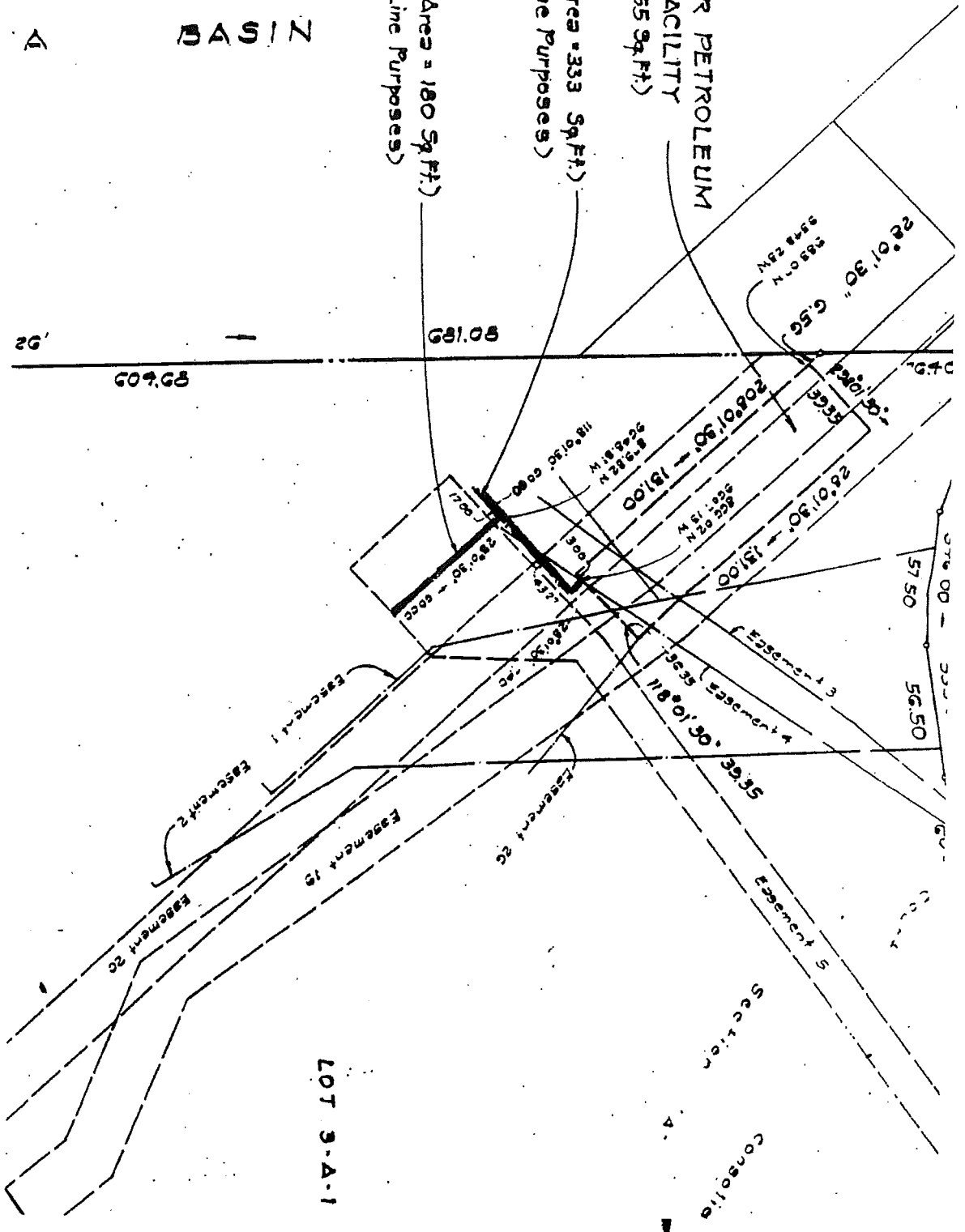


EXHIBIT "B"

Lot 1

True North
Scale: 1 in. = 100 ft

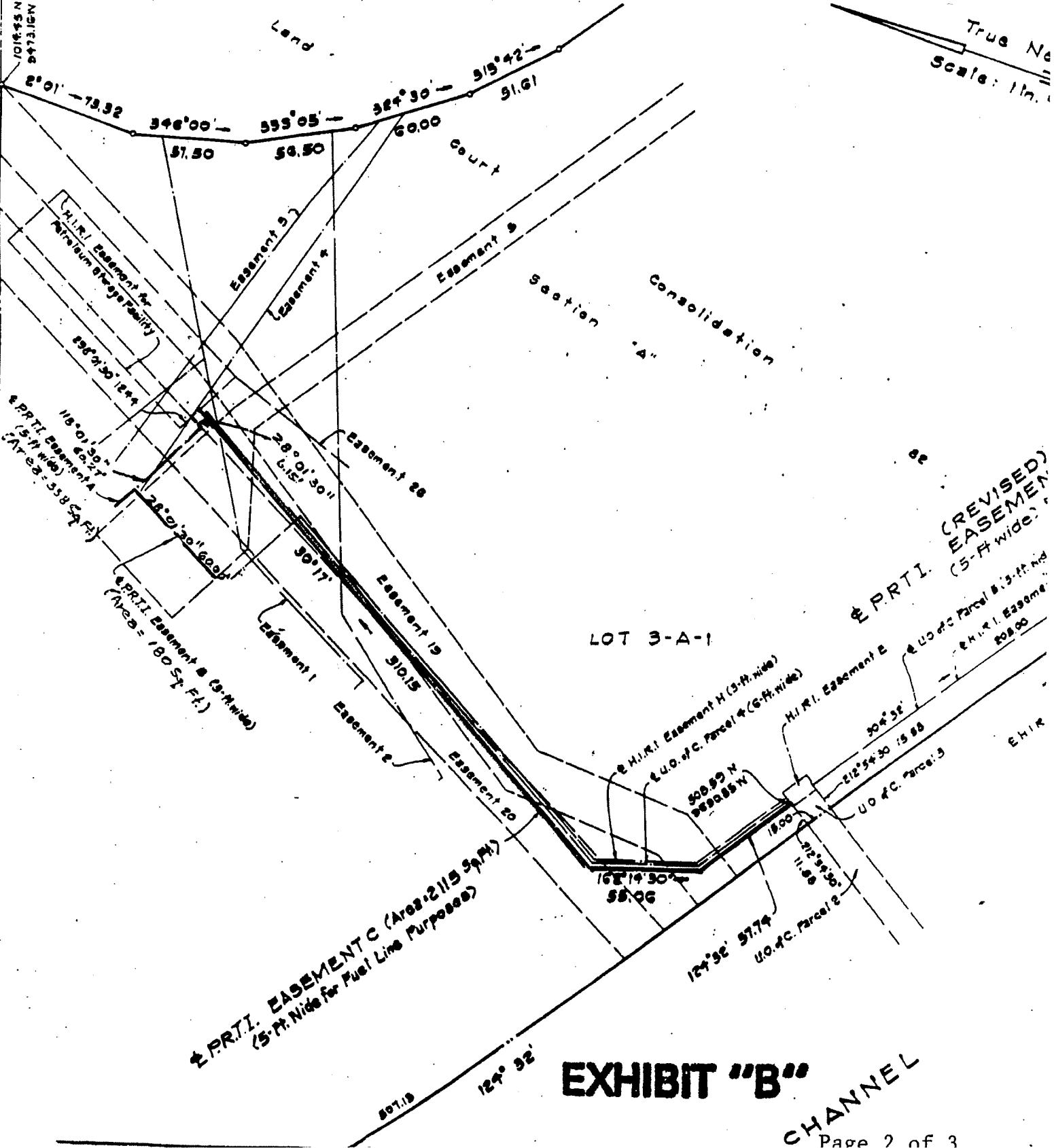


EXHIBIT "B"

CHANNEL

True North
Scale: 1 in. = 50 ft.

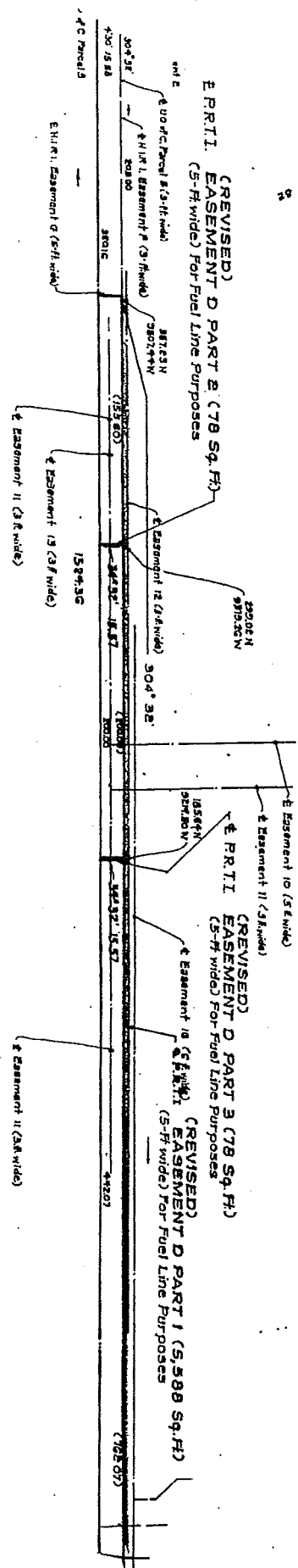


EXHIBIT "B"

