



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

OAHU

ISSUANCE OF FOUR MONTH-TO-MONTH REVOCABLE PERMITS TO PAR HAWAII REFINING, LLC, FOR SEVERAL NON-EXCLUSIVE SUBSURFACE PIPELINE EASEMENTS FOR THE DISTRIBUTION OF PETROLEUM PRODUCTS AND TWO NON-EXCLUSIVE SUBSURFACE PIPELINE EASEMENTS FOR ELECTRICAL CONDUITS THAT ARE SITUATED AT PIERS 31-34 AND 52, HONOLULU HARBOR, OAHU, TAX MAP KEY NOS. (1) 1-5-036:001 (P), (1) 1-5-035:009 (P), (1) 1-5-041:313 (P), (1) 1-5-041:111 (P), (1) 1-5-041:115 (P), AND (1) 1-5-041:324 (P), GOVERNOR'S EXECUTIVE ORDER NOS. 2844, 2931, 2903, and 4006

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, is a Domestic Limited Liability Company whose mailing address is 825 Town and Country Lane, Suite 1500, Houston, Texas 77024.

CHARACTER OF USE:

Use of several non-exclusive subsurface pipeline easements for the distribution of petroleum products and two non-exclusive subsurface pipeline easements for electrical conduits at Piers 31-34 and 52, Honolulu Harbor, island of Oahu.

LOCATION:

Portion of Governmental Lands at Piers 31-34 and 52, Honolulu Harbor, Oahu, Tax Map Key (TMK) Nos. (1) 1-5-036:001 (P), (1) 1-5-035:009 (P), (1) 1-5-041:313 (P), (1) 1-5-041:111 (P), (1) 1-5-041:115 (P), and (1) 1-5-041:324 (P), Governor's Executive Order Nos. 2844, 2931, 2903, and 4006, as shown on the attached map labeled Exhibit A.

ITEM M-20

AREA: See attached Exhibits A-E

AREA	DESCRIPTION	TYPE	SQ. FT.	RATE PER SQ. FT.	MONTHLY RENTAL CHARGE	SECURITY DEPOSIT
1	Non-exclusive easement for subsurface pipeline easements together with related facilities for the distribution of petroleum products	Improved Land-paved and submerged land	60,164	\$0.51	\$30,683.64	\$61,367.28
2	Non-exclusive subsurface pipeline easement for two 1-inch pipelines and two electrical conduits	Improved Land-paved	311	\$0.61	\$189.71	\$379.42
3	Non-exclusive subsurface pipeline easement for the distribution of petroleum products	Improved Land-paved	5,575	\$0.61	\$3,400.75	\$6,801.50
4	Non-exclusive subsurface pipeline easement for the distribution of petroleum products	Improved Land-paved	1,962	\$0.61	\$1,196.82	\$2,393.64
					\$35,470.92	\$70,941.84
					Total Monthly Rental	Total Security Deposit

CONSIDERATION:

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

ZONING:

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

COMMENCEMENT DATE:

To be determined by the Director of Transportation.

TRUST LAND STATUS:

Public Land Trust Information System lists TMK Nos. (1) 1-5-041:313 (P), (1) 1-5-041:111 (P), (1) 1-5-041:115 (P), and (1) 1-5-041:324 (P) as subsection 5(a) of the Hawaii Admission Act (non-ceded lands) and TMK Nos. (1) 1-5-036:001 (P) and (1) 1-5-035:009 (P) as acquired after August 1959.

CURRENT USE STATUS:

Currently, the Applicant uses the non-exclusive subsurface pipeline easements for the distribution of petroleum products and the two non-exclusive subsurface pipeline easements as electrical conduits for electricity transmission.

LAND TITLE STATUS:

Acquired by the Department of Transportation, Harbors Division (DOTH), through eminent domain proceedings; issuance of Governor's Executive Order Nos. 2844, 2931, 2903, and 4006.

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

REMARKS:

The Applicant has been supporting the State's energy needs with products manufactured in its refinery for the past 50 years. The Applicant has the only refinery located in the islands and produces a variety of fuels for consumers and businesses including jet fuel, ultra-low sulfur diesel, gasoline, marine fuel, and other refined petroleum products. Currently, the Applicant provides petroleum products to consumers on the islands of Oahu, Maui, and Hawaii via its numerous retail locations. The Applicant is also in the process of shifting its focus to working on transitioning to renewable energy sources.

The Applicant is exploring ways to adapt its refinery units to process bio fuels so it will be able to continue to meet the State's future energy needs while decreasing its carbon footprint.

The Applicant recently announced that it is teaming up with a Hawaii-based airline company to study the commercial viability of locally produced Sustainable Aviation Fuels (SAF). It is also working with local farmers to ensure that it will not compete with

food production in the Islands. If its joint venture for the development of SAF using locally grown crops is successful, it will reduce carbon emissions and create a more sustainable energy for the future of Hawaii while providing continued support for the growth of our economy.

Currently, the Applicant has four existing month-to-month permits at Honolulu Harbor. The Applicant is also in the process of reviewing its current pipelines and plans to remove ones that are not in use. The DOT has been reviewing all month-to-month revocable permits to ensure compliance with and applicability to Sections 171-17 and 171-55, HRS. This submittal will update the month-to-month revocable permits which is compliant with Section 171-55, HRS.

RECOMMENDATION:

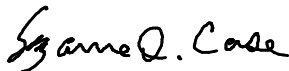
That the Board authorize the DOT to issue the Applicant four month-to-month revocable permits for the above stated purpose, subject to the terms and conditions outlined above and incorporated herein by reference, and such terms and conditions as may be prescribed by the Director of Transportation to best serve the interests of the State. Based on the testimony and facts presented, the Board finds that approving the RP, including its conditions and rent, will serve the best 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



W

N

E

Tract

O K A U E A
Deed of Quitclaim dated July 23, 1965

United States of America

recorded in Liber

F I S H E R Y

to State of Hawaii

5334

Pipe Line Easement (15.0 ft wide) in favor of Texaco, Inc.

62' 45" 00" R-2/23000
62' 00" 00" R-2300000

320° 52' 44"

0.7401

parcel to State of Hawaii recorded in Liber O A 5334

Federal of A Quit

ISLAND

owner of

Transferred to the Territory of Hawaii by Presidential Order 10833, dated 1959

25 ft. wide (Half St. Force Main) Easement (60 ft wide)

Territory Executive August

City and County of Honolulu

PARCEL 22,245 Sq. Ft.

ROADWAY

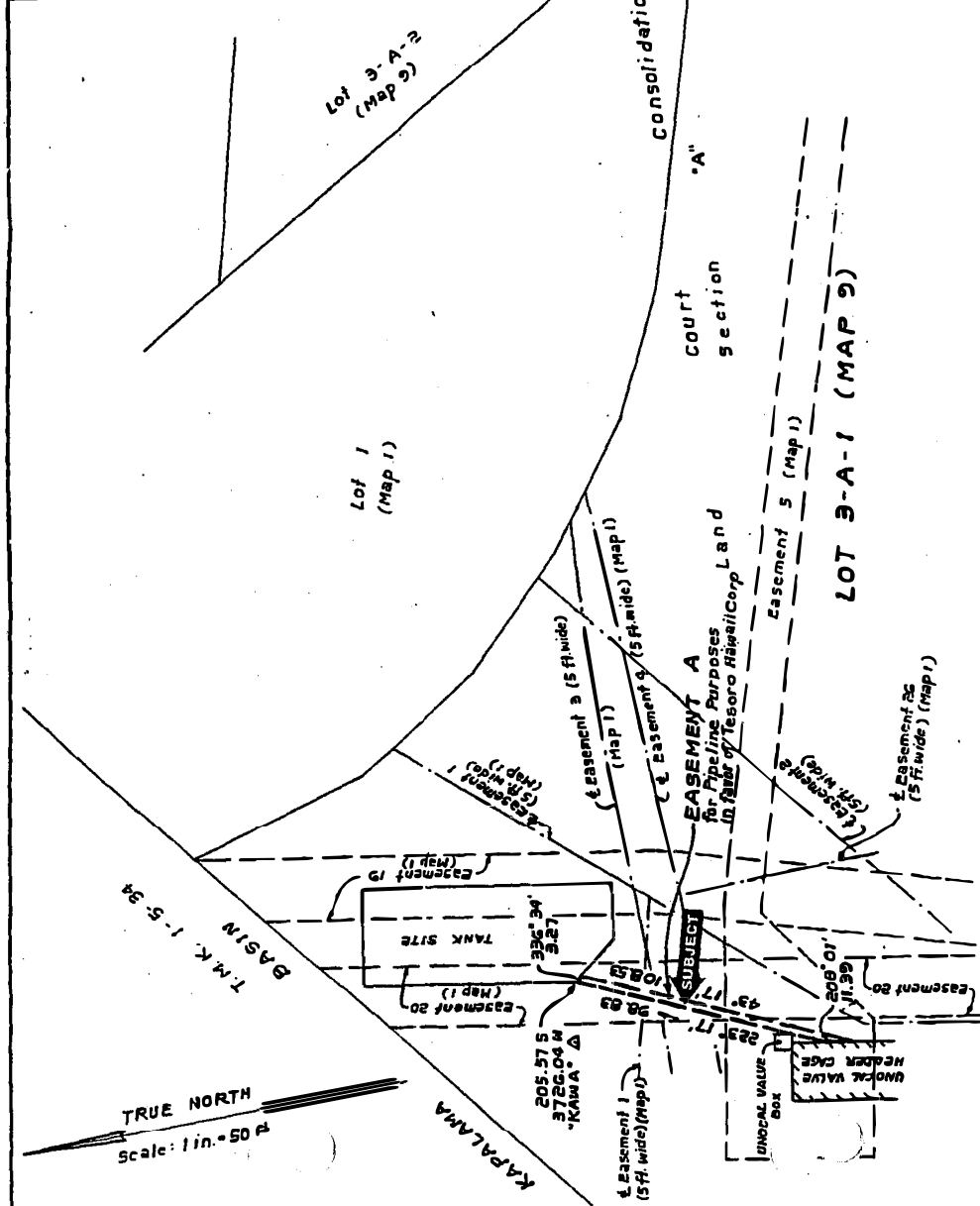
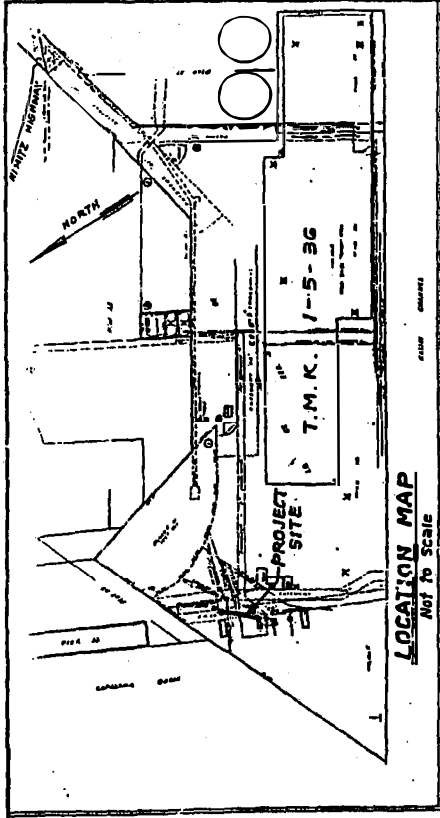
Easement (60 ft wide)

NOTE: All coordinates are referred to U.S.E. "NORTH BASE"



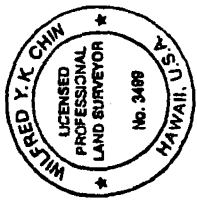
Par Hawaii Refining, LLC
 Pier 34, Honolulu Harbor

Exhibit C
 Area 2



DESIGNATION OF EASEMENT A
 AFFECTING LOT 3-A-1 (MAP 9)
 OF LAND COURT CONSOLIDATION 82
 SECTION "A"

at Kahoalaha & Iwilei, Honolulu, Oahu, Hawaii
 Scale: 1 in. = 50 ft.



Wilfred Y.K. Chin
 WILFRED Y.K. CHIN
 Licensed Professional Land Surveyor
 Certificate Number 3489-LS

Area of Easement A = 311 Sq. Ft.
 May 4, 1998

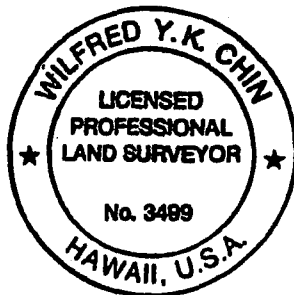
EASEMENT "A"
(For Fuel Pipeline)

Being a portion of Lot 3-A-1 (Map 9) of Land Court Consolidation 82 "Section A".

Situate at Kaholaloa and Iwilei, Honolulu, Oahu, Hawaii

Beginning at the North corner of this easement, the coordinates of said point of beginning referred to Government Survey Triangulation Station "KAWA" being 205.57 feet South and 3,726.04 feet West, and running by azimuths measured clockwise from true South:

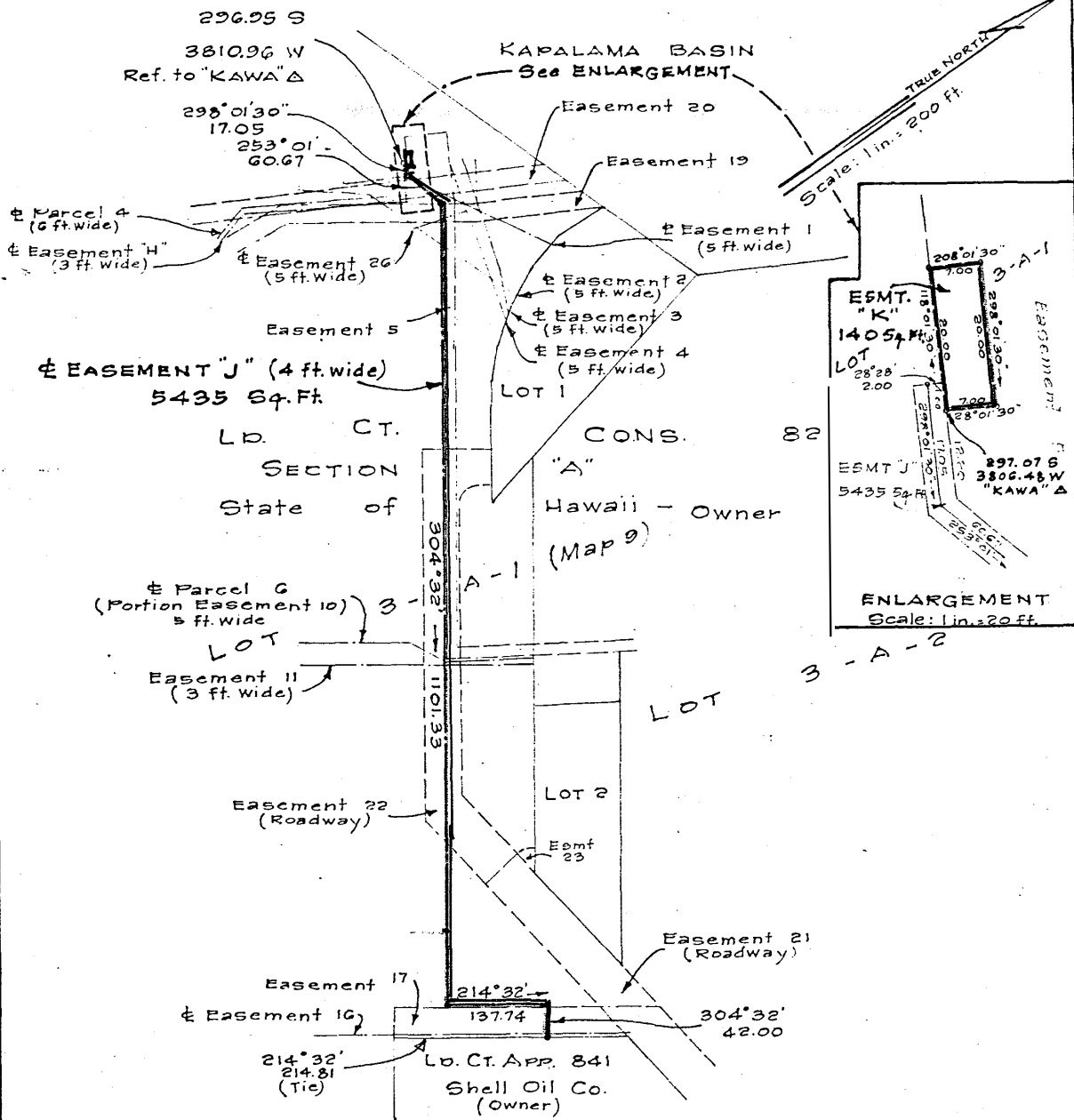
1. 336° 34' 3.27 feet along the remainder of Lot 3-A-1 (Map 9) of Land Court Consolidation 82 "Section A";
2. 43° 17' 108.53 feet along the remainder of Lot 3-A-1 (Map 9) of Land Court Consolidation 82 "Section A";
3. 208° 01' 11.39 feet along the remainder of Lot 3-A-1 (Map 9) of Land Court Consolidation 82 "Section A";
4. 223° 17' 98.83 feet along the remainder of Lot 3-A-1 (Map 9) of Land Court Consolidation 82 "Section A" to the point of beginning and containing an area of 311 square feet.



May 4, 1998
Honolulu, Hawaii

Wilfred Y. K. Chin

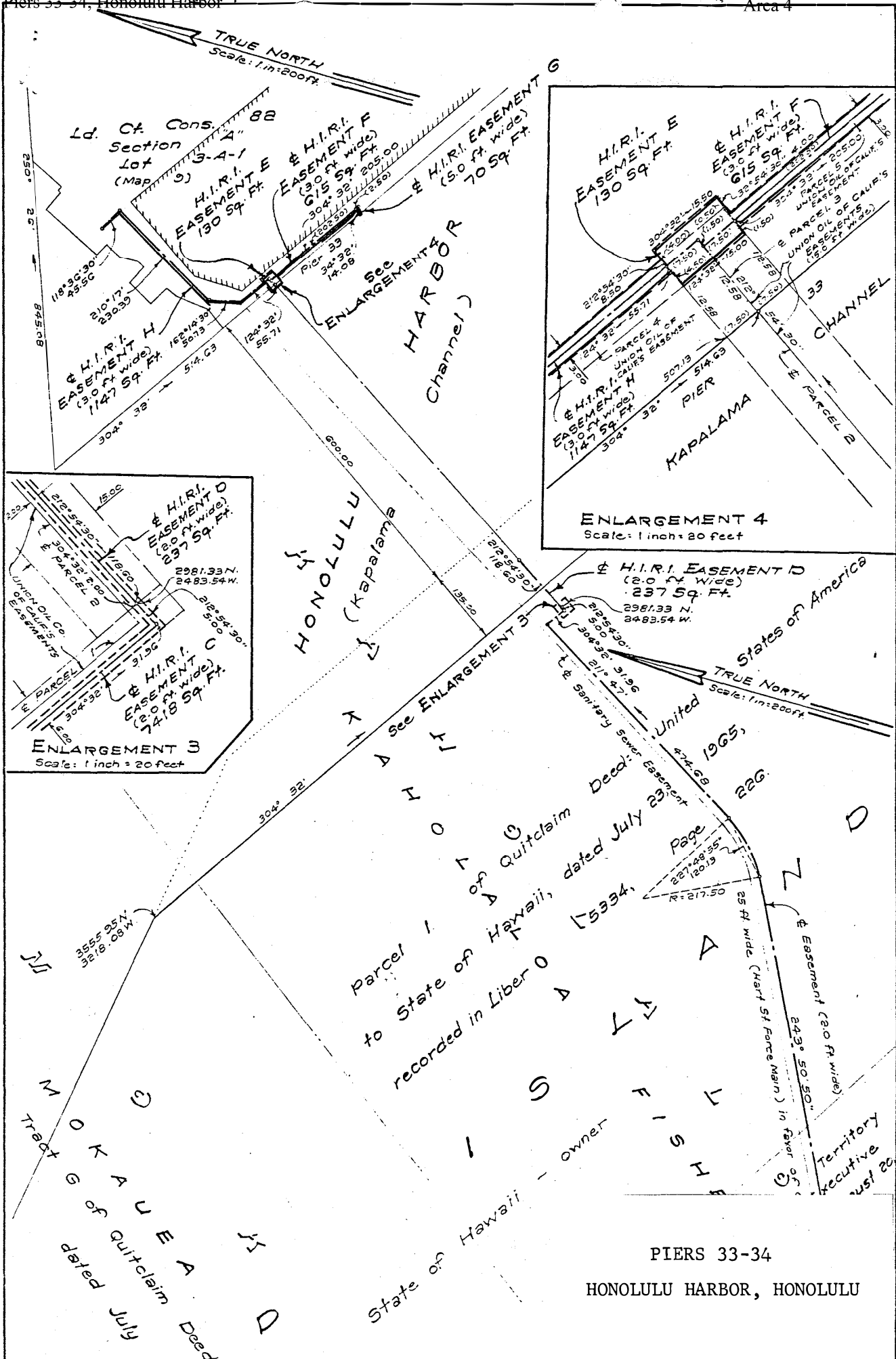
Wilfred Y. K. Chin
Licensed Professional
Land Surveyor
Certificate No. 3499



HAWAIIAN INDEPENDENT REFINERY INC.'S
 PIPELINE EASEMENTS "J" AND "K"
 OVER LOT 3-A-1, SECTION "A" OF
 LAND COURT CONSOLIDATION 82
 At Kaholaloa, Honolulu, Oahu, Hawaii
 Scales as shown

THIS WORK WAS PREPARED BY
 ME OR UNDER MY SUPERVISION





PIERS 33-34
HONOLULU HARBOR, HONOLULU