

JOSH GREEN, M.D.
GOVERNOR
KE KIA'ĀINA



STATE OF HAWAII | KA MOKU'ĀINA 'O HAWAII'
DEPARTMENT OF TRANSPORTATION | KA 'OIHANA ALAKAU
869 PUNCHBOWL STREET
HONOLULU, HAWAII 96813-5097

EDWIN H. SNIFFEN
DIRECTOR
KA LUNA HO'OKELE

Deputy Directors
Nā Hope Luna Ho'okele
DREANALEE K. KALILI
TAMMY L. LEE
CURT T. OTAGURO
ROBIN K. SHISHIDO

IN REPLY REFER TO:

October 24, 2024

Mr. Edwin H. Sniffen, Director
Department of Transportation
869 Punchbowl Street
Honolulu, Hawaii 96813

MAUI

Request for Authorization to issue two month-to-month Revocable Permits (RP) to The Gas Company, LLC, for a non-exclusive subsurface easement for two pipelines for the off-loading and distribution of propane, and a non-exclusive subsurface electrical easement, situated at Pier 2, Kahului Harbor, island of Maui, Tax Map Key (TMK) No. (2) 3-7-010:003 (Portion), Governor's Executive Order No. 2635

LEGAL REFERENCE:

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

APPLICANT:

The Gas Company, LLC (Applicant), is a domestic limited liability company whose mailing address is 745 Fort Street, 18th Floor, Honolulu, Hawaii 96813.

CHARACTER OF USE:

Use of a non-exclusive subsurface easement for two pipelines for the off-loading and distribution of propane, and a non-exclusive subsurface electrical easement at Kahului Harbor.

LOCATION:

Portion of Government lands at Kahului Harbor, island of Maui, TMK No. (2) 3-7-010:003 (Portion), as shown on enclosed Exhibit A.

ZONING:

State Land Use Commission: Urban
 County of Maui: M-2, Heavy Industrial, Draft

AREA: See enclosed Exhibits A and B

AREA	DESCRIPTION	TYPE	SQ. FT.	RATE PER SQ. FT.	MONTHLY RENTAL CHARGE	SECURITY DEPOSIT
1	Non-exclusive subsurface easement for two pipelines for the offloading and distribution of propane	Improved Land-paved	1,287	\$0.42	\$540.54	\$1,081.08
2	Non-exclusive subsurface electrical easement	Improved Land-paved	994	\$0.42	\$417.48	\$834.96

\$958.02	\$1,916.04
Total Monthly Rental	Total Security Deposit

CONSIDERATION:

Month-to-month rent determined by appraisal as of June 1, 2022, for RPs in Kahului Harbor, Maui.

LAND TITLE STATUS:

Under the control and management of the Hawaii Department of Transportation (HDOT), through the issuance of Governor’s Executive Order No. 2635.

TRUST LAND STATUS:

Public Land Trust Information System states trust land status for this parcel as undetermined.

CURRENT USE STATUS:

The area is currently occupied by the Applicant. The HDOT has been reviewing all month-to-month RPs to ensure compliance with and applicability to HRS, Sections 171-17 and 171-55.

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, which 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 HDOT 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, based on the Exemption List for the HDOT, reviewed and concurred to by the Environmental Advisory Council on February 1, 2022, is as follows:

Exemption Type 1, Part 1:

- No. A6. “Repair or maintain existing structures or facilities located in or above the water necessary for the continued function and use, to meet current local, state and federal standards and regulations as permitted by the United States Army Corps of Engineers and Coast Guard.” Structures include, but not limited to:
 - a. Perimeter seawalls, revetments, groins, and other similar protective structures.
 - b. Pier decks, aprons, piles, sheet piles, bulkheads, dolphins, launch ramps, loading docks, substructure elements and other similar structures.
 - c. Bull rails, fender systems, bollards, cleats and other similar mooring features.
 - d. Fuel and other pipelines, hatch frames, manifolds, utilities, manholes, covers and other similar structures.
 - e. Stormwater systems (e.g. culverts, drainage systems, inlets and outfalls), pipes, swales, manholes as other similar structures.
 - f. Navigational aids, range lights and other similar navigational assets.”

Exemption Type 8, Part 1:

- No. 8g. "Creation or extension of leases, revocable permits or easements involving negligible or minor expansion or change of use beyond that previously existing."

REMARKS:

The Applicant has been providing energy for consumers and businesses throughout Hawaii since 1904 and has deep ties to the island community. The Applicant is the first in the State to capture and process biogases that are a byproduct from the City and County of Honolulu's (C&C) Honouliuli Wastewater Treatment Plant and turns them into clean burning biomethane. This facility produces enough energy for roughly 6,000 homes and reduces the need for 15,000 barrels of oil annually. The C&C also generates revenue by selling the accumulated biogas to the Applicant. The Applicant is committed to continuous innovation to integrate renewable natural gas, hydrogen, and other low-carbon fuels in its pipeline to ensure cleaner more sustainable energy practices.

RECOMMENDATION:

Based on this submittal, testimony and facts presented, the HDOT recommends the issuance of two month-to-month RPs to the Applicant including its conditions and rent, under the terms and conditions cited above and other terms and conditions as may be prescribed by the Director of Transportation to best serve the interest of the State.

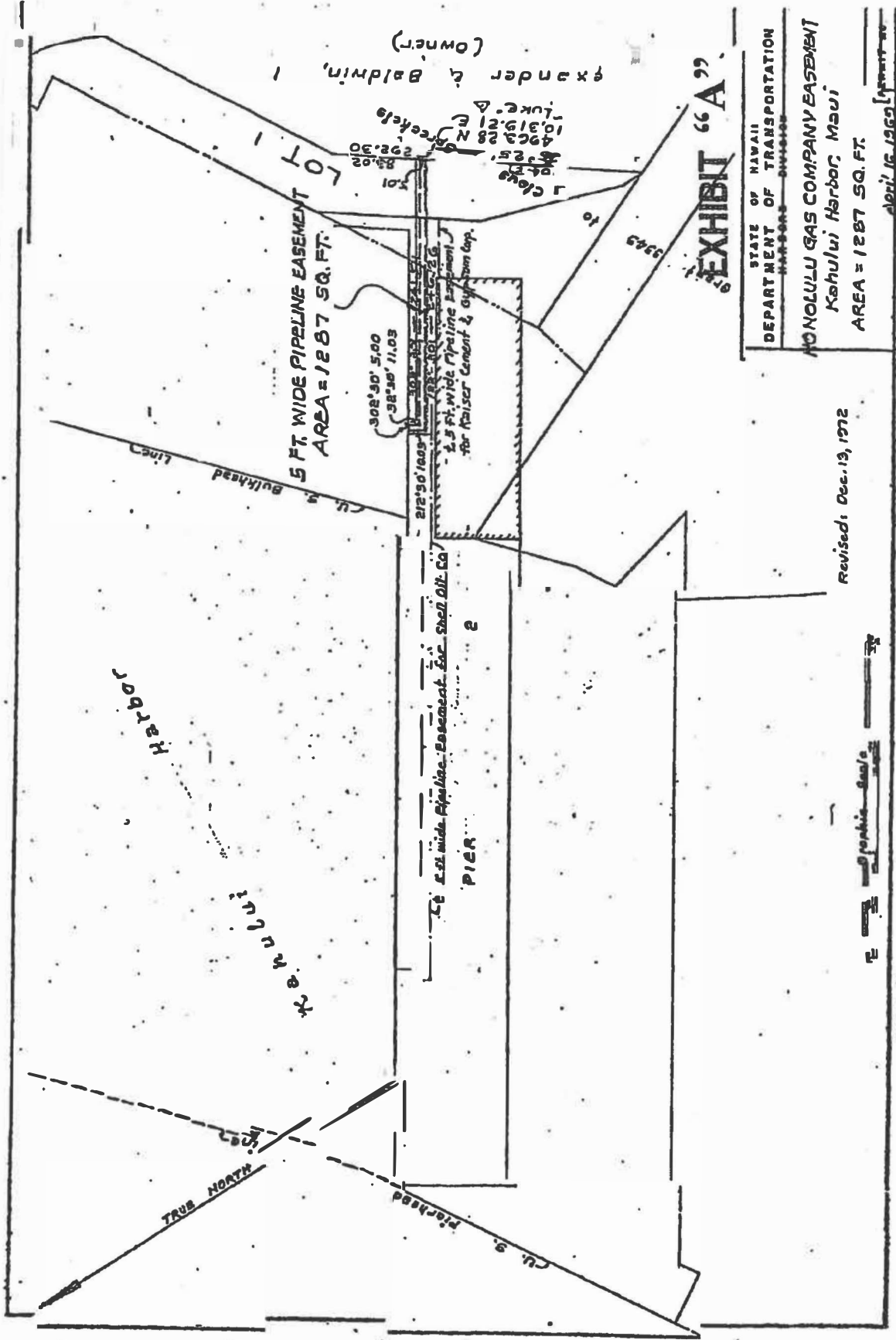
Sincerely,



DREANALEE K. KALILI
Deputy Director of Transportation for Harbors

Enclosures

The Gas Company, LLC
 Kahului Harbor, Adjacent to Pier 2



Lot 1
 Alexander & Baldwin, Inc. (Owner)
 Luke & Luke
 10,319.21 E
 492.28 N
 292.30
 85.02
 201

EXHIBIT "A"

STATE OF HAWAII
 DEPARTMENT OF TRANSPORTATION
 HONOLULU GAS COMPANY EASEMENT
 Kahului Harbor, Maui
 AREA = 1287 SQ. FT.
 April 16, 1969

Revised: Dec. 13, 1972

The Gas Company, LLC
 Kahului Harbor, Adjacent to Pier 2

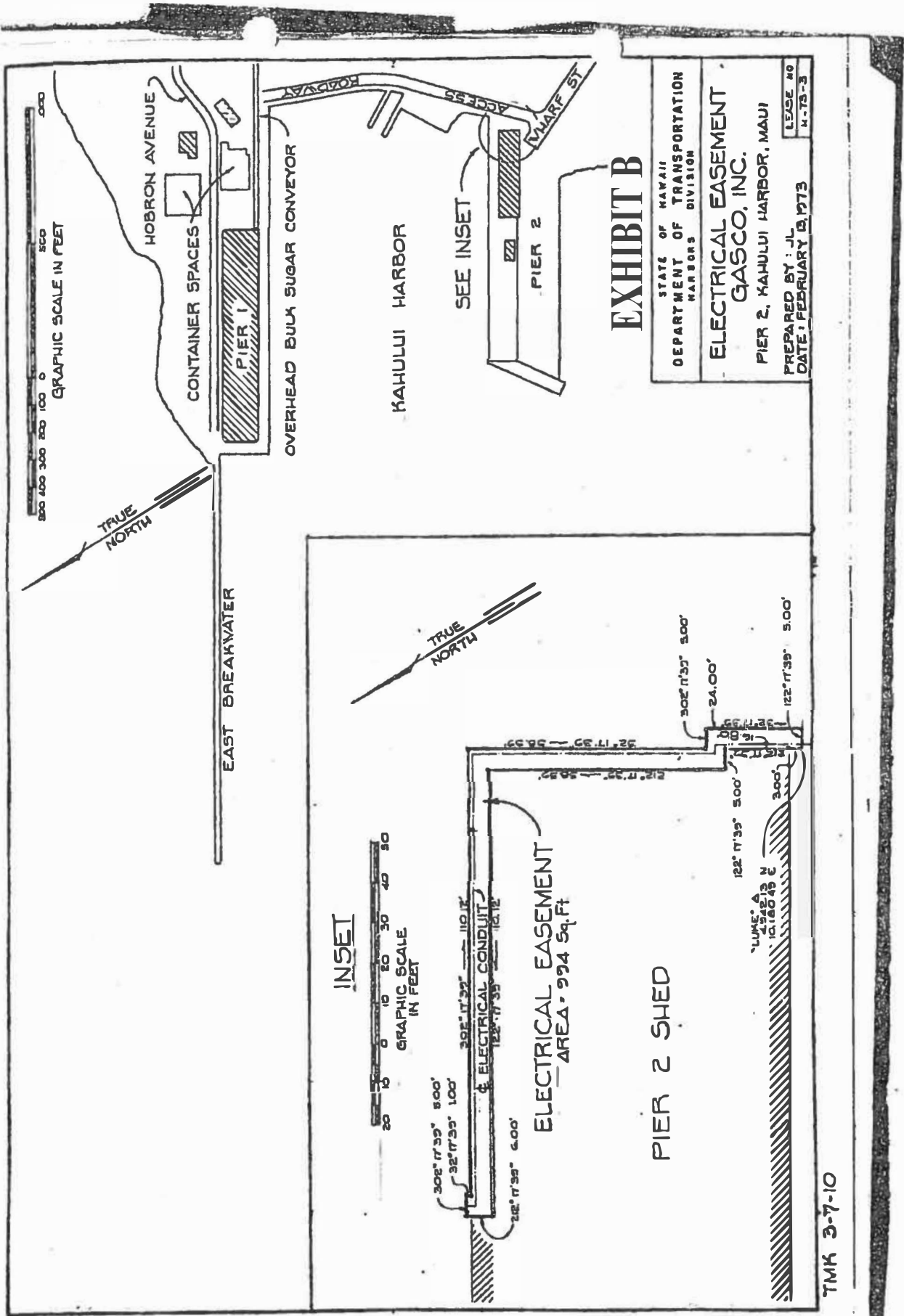


EXHIBIT B

STATE OF HAWAII
 DEPARTMENT OF TRANSPORTATION
 HARBORS DIVISION

ELECTRICAL EASEMENT
GASCO, INC.
 PIER 2, KAHULUI HARBOR, MAUI

PREPARED BY: JL
 DATE: FEBRUARY 13, 1973

LEGE NO
 H-73-3

TMK 3-7-10