August 2, 2016

HARBOUR MASTER NOTICE
HAR-O NO. 03-16

ALLOCATION OF YARD SPACE
AT PIER 51A SPACE FROM PASHA HAWAII & HAWAII STEVEDORES
TO MATSON NAVIGATION TERMINALS
(FORMERLY KNOWN AS THE VEHICLE PROCESSING CENTER)

On January 4, 2016, Matson Navigation Terminals ("Matson") requested a temporary loan for additional cargo space for their increased in business. Matson requested 4.9 acres of the PASHA Hawaii’s and Hawaii Stevedore (“Pasha”) container yard. On March 15, 2016, the Harbors Division denied in part and approved in part the allocation of 60,590 sf of container yard space for the storage of 300 to 400 empty containers. On April 21, 2016, the Harbors Division re-affirmed the allotment of space between Matson and Pasha. The Harbors Division withheld enforcement, and in the alternative, monitored the parties’ discussions on operations and use of space.

On July 15, 2016, the parties agreed to a temporary loan on cargo yard space of approximately 3.5 acres that was formerly used by Pasha/ Horizon as a Vehicle Processing Center.

The Harbors Division’ affirms the agreement between the parties and allotted the space as described and shown on the attached map and agreement in favor of Matson.

The following conditions in the use of the cargo yard as stated in this Harbor Master Notice:

CONDITIONS

1. Pursuant to HAR 19-41-2, the Harbor Master is authorized to control the orderly flow of cargo, allocation of storage areas, and the movement of vessels into, out of, and within the harbor. The Harbor Master has prepared this Notice based on the agreement reached by Matson and Pasha.
2. The attached allocation of space is attached and the cargo space referred to, is the space formerly used by Pasha/Horizon as the Vehicle Processing Center.
3. The approval is also conditioned that the allocation of space is a temporary loan and in lieu of the container yard space requested by Matson.

The Notice is issued to address the change in business and all parties are informed that the Harbor Master Notice is issued to promote the flow of commerce and competition. All parties are notified of the Harbor Master's authority to issue fines and costs as provided below:

**266-25 Violation of rules; penalty.**  (a) In addition to the reimbursement of fines and costs as provided in section 266-28, any person who violates any rule made, adopted, and published by the department of transportation as herein provided, or who violates any lawful command of any harbor master, harbor agent, facility security officer, or harbor district manager, while in the discharge of the person's duty, or who violates this chapter, except as provided in subsections (b) and (c), shall be fined not more than $1,000 or less than $50 for each violation, and any vessel, the agents, owner, or crew of which violate the rules of the department or this part, shall be fined not more than $1,000 or less than $50 for each violation; provided that in addition to or as a condition to the suspension of the fines and penalties, a court, the department, or an administrative hearings officer may deprive the offender of the privilege of entering the secured area of the port or obtaining an operating or mooring permit for any vessel in state waters for a period of not more [than] one year; provided further that the offender, at the resumption of the privilege of operating or mooring a vessel in state waters, shall assume the last position on any waiting list. (emphasis underscored.)

Your cooperation and compliance with this Harbor Masters Notice is to realize the goal of a safe and efficient operation, planning in anticipation of an increase in the volume of cargo arriving at Pier 1, while maintaining proper and fair management.

Yours very truly,

\[Signature\]

Gary D. Moniz  
Acting Harbors District Manager  
State of Hawaii  
Department of Transportation  
Harbors Division  
Oahu District

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