

STATE OF HAWAII  
DEPARTMENT OF LAND AND NATURAL RESOURCES  
Division of Boating and Ocean Recreation  
Honolulu, Hawaii 96813

May 27, 2011

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

Kauai

Request by the Division of Boating and Ocean Recreation (DOBOR) to Cancel/Re-issue Two Revocable Permits on the Island of Kauai, at Nawiliwili Small Boat Harbor (SBH), Cancel Outfitters Kauai (B-98-05) Re-issue to Outfitters Kauai, Ltd. and Cancel Island Adventure, Inc. (B-93-29) and Re-issue to True Blue, Inc.

APPLICANT:

Outfitters Kauai (B-98-05) to Outfitters Kauai, Ltd., a Domestic Profit Corporation,  
Whose business and mailing address is:  
2827 Poipu Rd., Rm. A  
Koloa, Hawaii 96766

Island Adventure, Inc. (B-93-29) to True Blue, Inc., a Domestic Profit Corporation,  
Whose business and mailing address is:  
P.O. Box 1722, Lihue, Hawaii 96766

LEGAL REFERENCE:

Sections §171-13 and -55, 200-2.5 Hawaii Revised Statutes, as amended

LOCATION:

Portion of Government lands of Nawiliwili Small Boat Harbor situated at Lihue, Kauai,  
Identified by Tax Map Key: (4) 3-2-03:07,  
Outfitters Kauai, Ltd. shown as Exhibit A, and True Blue, Inc. shown as Exhibit B

AREA:

Outfitters Kauai, Ltd.: .07 acres, more or less  
True Blue, Inc.: .04 acres, more or less.

TRUST LAND STATUS:

Nawiliwili SBH  
Section 5(b) lands of the Hawaii Admission Act  
DHHL 30% entitlement lands pursuant to the Hawaii State Constitution: YES  NO

CHARACTER OF USE:

Vacant land at Nawiliwili SBH for portable storage/office structure, parking, staging of kayaks and approved vessels, and access to Hule'ia River

COMMENCEMENT DATE:

The first day of the month to be determined by the Chairperson

MONTHLY RENTAL:

Outfitters Kauai, Ltd.: \$ 850.00 per month  
True Blue, Inc. \$ 506.00 per month

COLLATERAL SECURITY DEPOSIT:

Twice the monthly rental

CHAPTER 343 - ENVIRONMENTAL ASSESSMENT:

In accordance with the "Comprehensive Exemption List for the Division of Boating and Ocean Recreation, Department of Land and Natural Resources, State of Hawaii, as concurred in by the Environmental Council, State of Hawaii," dated March, 1995, the subject request is exempt from the preparation of an environmental assessment pursuant to Exemption Class No. 1 that states in pertinent part, "Operations, repairs or maintenance of existing structures, facilities, equipment or topographical features, involving negligible or no expansion or change of use beyond that previously existing."

DCCA VERIFICATION:

Outfitters Kauai, Ltd.  
Place of business registration confirmed: YES  NO   
Registered business name confirmed: YES  NO   
Applicant in good standing confirmed: YES  NO

True Blue, Inc.  
Place of business registration confirmed: YES  NO   
Registered business name confirmed: YES  NO   
Applicant in good standing confirmed: YES  NO

REMARKS:

The Division of Boating and Ocean Recreation is in the process of reviewing all its revocable permits for renewal, cancellation, amendment and update to the most current form. DOBOR will bring forward a few permits at a time of similar use, for recommended action and approval.

These two Permittees have operated at Nawiliwili Small Boat Harbor, at the mouth Hule'ia River under the same use, for many years; Outfitters Kauai under RP B-98-05 since 1998, and now as Outfitters Kauai Ltd. (Outfitters), and Island Adventures, Inc, under B-93-29 since 1993 and now

as True Blue, Inc. (True Blue). Both companies have restructured, continuing under the same management and wish to continue their operations at Nawiliwili SBH as well, and wish to update their Revocable Permits. Outfitters and True Blue continue to be good stewards of the land, continue to pay rent on time, and both companies have not had a lease, permit, easement or other disposition of State lands terminated within the last five years. As there has been no break in occupancy or use, comments were not solicited.

Each Permittee wishes to continue using the land for portable storage/office structure, parking, and be allowed to continue staging, storage of kayaks, vessels, and continue to access Hule'ia River for their tour. The Nawiliwili harbor master may alter the access point to the water from the harbor facility for the health and safety of the harbor users.

DOBOR issues Commercial Use Permits that outline specific activity and a fee of Two Hundred Dollars per month or Three percent (3%) of the gross profits whichever is greater. The Permittee must be in full compliance of both its Revocable Permit and maintain a Commercial Use Permit to operate at this site. Should a Permittee default on either the Revocable Permit or the Commercial Permit, then DOBOR may seek to terminate both agreements. All gross profits made from the operation at Nawilwili shall be included in the percentage portion of the Commercial Use Permit.

Presently DOBOR is looking at all its harbors for development potential and believe at this time these two tenants should remain under month to month Revocable Permits.

**RECOMMENDATION:** That the Board:

Authorize the cancellation of the Revocable Permits to Outfitters Kauai (B-98-05) and Island Adventure Inc. (B-93-29) and Re-issue Revocable Permits to Outfitters Kauai, Ltd. and True Blue, Inc. on the Island of Kauai at their present sites at Nawiliwili Small Boat Harbor to include the following conditions:

1. The standard terms and conditions of the most current revocable permit form, as may be amended from time to time.
2. Each Permittee shall be required to maintain in full compliance a Commercial Use Permit to operate on the Hule'ia River.
3. Outfitters Kauai, Ltd. and True Blue, Inc. shall deposit with the Board of Land and Natural Resources an amount equal to two times the monthly rental then payable as security for the faithful performance of all terms and conditions of the revocable permit.
4. Each Permittee must continue provide liability insurance at all times in an amount to be determined by the Department that names the State of Hawaii as an additional insured.
5. Review and approval of the Attorney General's Office as to form.

6. Any such other terms and conditions as may be prescribed by the Chairperson to best serve the interests of the State

Respectfully Submitted,



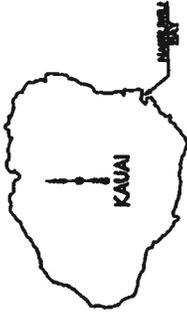
Edward R. Underwood  
Administrator

Attachments: Exhibit A  
Exhibit B

APPROVED FOR SUBMITTAL:

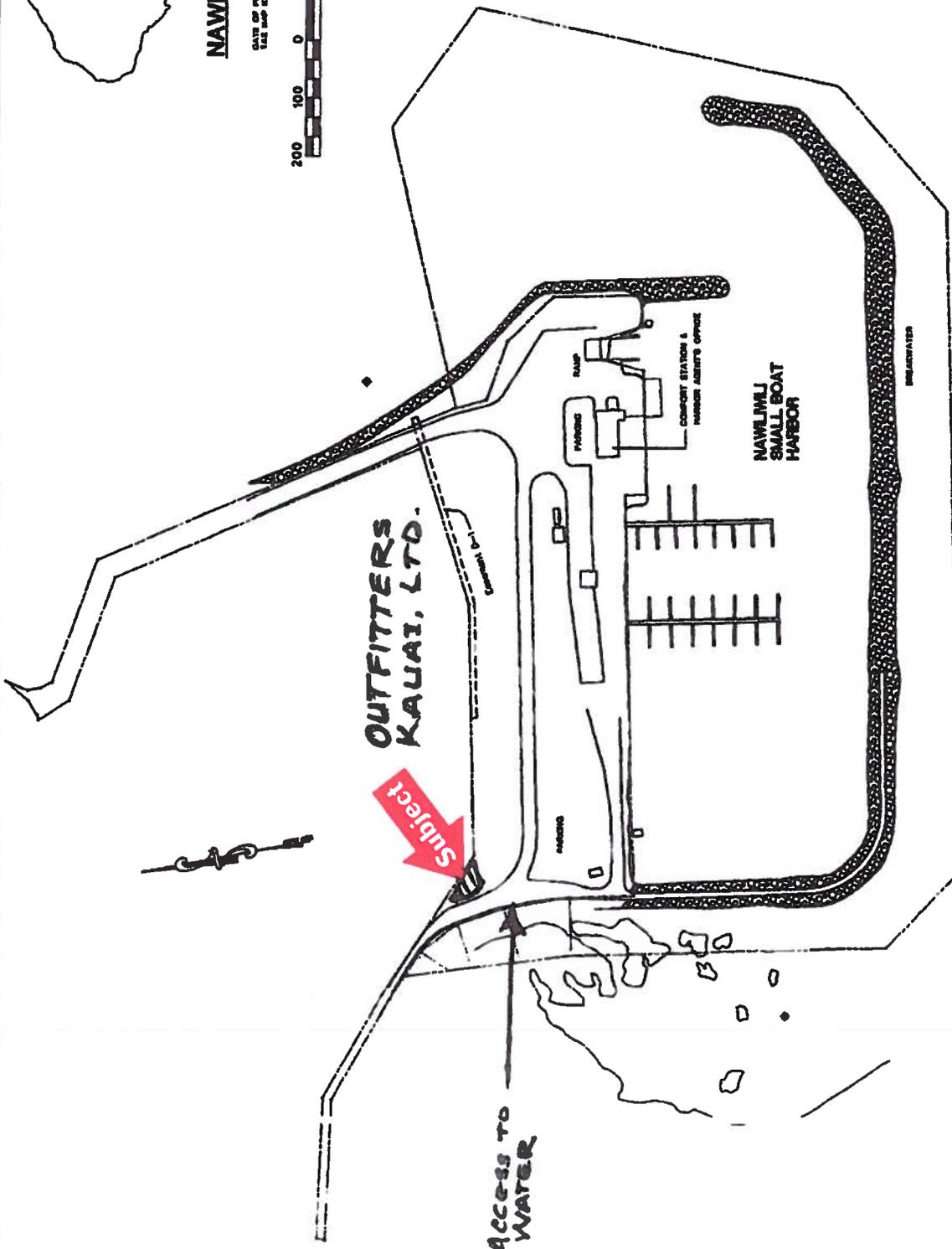


William J. Aila, Jr.  
Chairperson



**NAWILIWILI SBH**

DATE OF PHOTO: JANUARY 8, 1982  
 SCALE: 1:50,000



**PROJECT:** DOCUMENTATION OF FACILITIES FOR BOATING PROGRAM TRANSFER TO THE DEPARTMENT OF LAND AND NATURAL RESOURCES

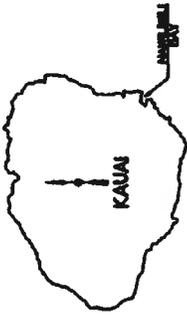
**FOR:** STATE OF HAWAII  
 DEPARTMENT OF TRANSPORTATION  
 MARINE DIVISION

**SHEET TITLE:** NAWILIWILI ISLAND OF KAUAI

**BY:** RMTC  
 U.S. TRAVEL CORPORATION  
 1000 KALANANAKU AVENUE  
 HONOLULU, HI 96817-4811  
 August 1982

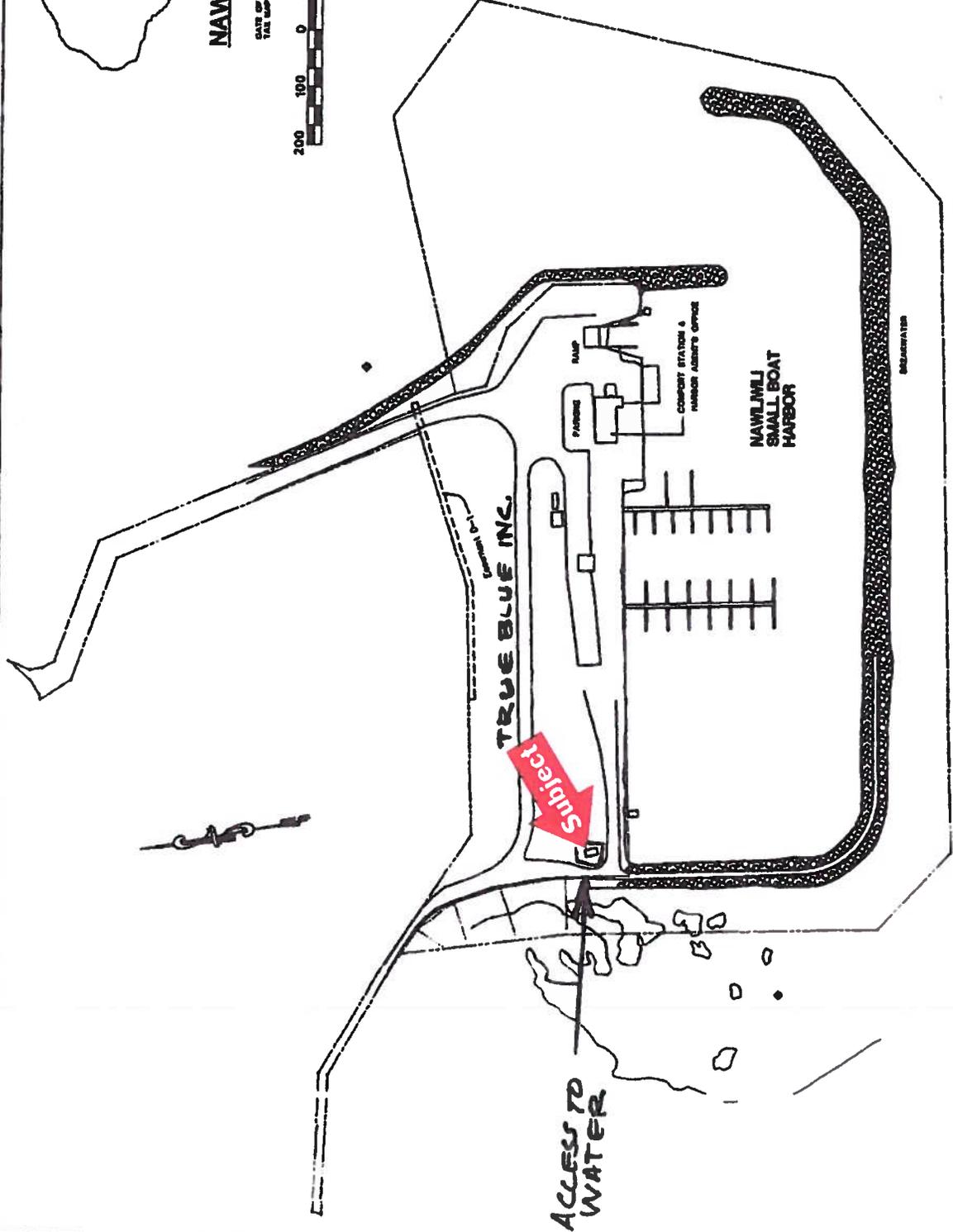
**EXHIBIT A**

OUTFITTERS KAUAI, LTD



**NAWILIWILI SBH**

STATE OF HAWAII  
DEPARTMENT OF TRANSPORTATION  
MARINE DIVISION



**DOCUMENTATION OF FACILITIES FOR BOATING PROGRAM TRANSFER TO THE DEPARTMENT OF LAND AND NATURAL RESOURCES**

PROJECT: STATE OF HAWAII  
 FOR: DEPARTMENT OF TRANSPORTATION  
 MARINE DIVISION  
 DIST. TITLE: NAWILIWILI ISLAND OF KAUAI  
 BY: FMTC  
 141 KALANANAKUWAHELE AVE., 8TH FLOOR  
 HONOLULU, HI 96813-1821  
 August 1992

**EXHIBIT B**

**TRUE BLUE INC.**