



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

AMENDMENT TO ISSUANCE OF A DIRECT LEASE TOGETHER WITH A
CONSTRUCTION RIGHT-OF-ENTRY TO SAUSE BROS., INC., KALAELOA
BARBERS POINT HARBOR, HONOULIULI, EWA, OAHU, TAX MAP
KEY: (1) 9-1-14:24 (POR) AND (1) 9-1-74:37 & 38 (PORS.)

BACKGROUND:

At its meeting on April 22, 2005, Item M-1, the Board of Land and Natural Resources authorized the issuance of a direct lease together with a construction right-of-entry to Sause Bros., Inc. for office, maintenance shed, storage, and inter island tug operation purposes for lands situated at Kalaeloa Barbers Point Harbor further identified as Tax Map Key: (1) 9-1-14:24 (Por).

At its meeting on March 24, 2006, Item M-3, the Board of Land and Natural Resources approved to amend its prior Board action of April 22, 2005, Item M-1, to authorize the issuance of a direct lease for lands identified as Tax Map Key: (1) 9-1-14:24 (Por.) and (1) 9-41-74:37 & 38 (Pors.) and increase the lease area by 39,754 square feet, more or less. In addition an extension to the construction right-of-entry for an additional six (6) months or until the issuance of the subject lease, whichever is sooner.

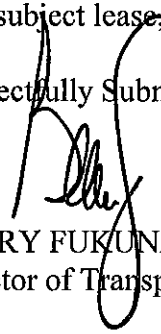
At its meeting on November 17, 2006, Item M-1, the Board of Land and Natural Resources approved to amend its prior Board actions of April 22, 2005, Item M-1 and March 24, 2006, Item M-3, to authorize a six (6) months extension to the construction right of entry.

In their letter dated April 2, 2007, Sause Bros., Inc. has requested another extension for an additional twelve (12) months due to continued delays in the permitting process. The last extension expired April 31, 2007.

RECOMMENDATION:


That the Board amends its prior actions of April 22, 2005, Item M-1, March 24, 2006, Item M-3, November 17, 2006, Item M-1, authorizing the issuance of a direct lease together with a construction right-of-entry for lands identified as Tax Map Key: (1) 9-1-14:24 (Por.) and (1) 9-1-74:37 & 38 (Pors.) by extending the construction right-of-entry for an additional twelve (12) months. The term of the extension shall be May 1, 2007 to April 30, 2008 or until the issuance of the subject lease, whichever is sooner.

Respectfully Submitted,



BARRY FUKUNAGA
Director of Transportation

APPROVED FOR SUBMITTAL:



LAURA H. THIELEN
Interim Chairperson and Member