

NEIL ABERCROMBIE  
GOVERNOR OF HAWAII



**STATE OF HAWAII  
DEPARTMENT OF LAND AND NATURAL RESOURCES**

POST OFFICE BOX 621  
HONOLULU, HAWAII 96809

**Testimony of  
WILLIAM J. AILA, JR.  
Chairperson**

**Before the House Committee on  
OCEAN, MARINE RESOURCES, & HAWAIIAN AFFAIRS**

**Wednesday, March 19, 2014  
9:45 A.M.**

**State Capitol, Conference Room 325**

**In consideration of  
HOUSE CONCURRENT RESOLUTION 14  
AUTHORIZING THE ISSUANCE OF A LEASE AND EASEMENT OF CERTAIN  
SUBMERGED LANDS AT MANELE BAY, LANA'I, TO LANA'I RESORTS, LLC**

House Concurrent Resolution 14 authorizes the issuance of a lease and easement of certain submerged lands at Manele Bay, Lana'i, to Lana'i Resorts, LLC. **The Department of Land and Natural Resources (Department) supports this measure.**

The Legislature authorized the issuance of a similar lease and easement to Castle & Cooke, Inc., who then renamed the corporation to Lana'i Resorts, LLC., which was subsequently purchased by Mr. Larry Ellison. The initial lease and easement called for a marina to be built but after the recent tsunami events it was determined that a marina would not be feasible in this area and a single floating dock would be more appropriate. The Department also appreciates Lana'i Resorts, LLC. commitment to maintaining the Manele Small boat Harbor landscaping and ferry passenger waiting areas.

**WILLIAM J. AILA, JR.**  
CHAIRPERSON  
BOARD OF LAND AND NATURAL RESOURCES  
COMMISSION ON WATER RESOURCE MANAGEMENT

**JESSE K. SOUKI**  
FIRST DEPUTY

**WILLIAM M. TAM**  
DEPUTY DIRECTOR - WATER

AQUATIC RESOURCES  
BOATING AND OCEAN RECREATION  
BUREAU OF CONVEYANCES  
COMMISSION ON WATER RESOURCE MANAGEMENT  
CONSERVATION AND COASTAL LANDS  
CONSERVATION AND RESOURCES ENFORCEMENT  
ENGINEERING  
FORESTRY AND WILDLIFE  
HISTORIC PRESERVATION  
KAHOOLAWE ISLAND RESERVE COMMISSION  
LAND  
STATE PARKS



**COMMITTEE ON OCEAN, MARINE RESOURCES, & HAWAIIAN AFFAIRS**

**Representative Faye P. Hanohano, Chair**

**Representative Ty J.K. Cullen, Vice Chair**

**Wednesday, March 19, 2014, 9:45 a.m. Room 325**

**HCR 14 Authorizing the Issuance of a Lease and Easement of  
Certain Submerged Lands at Manele Bay, Lānaʻi, to Lānaʻi Resorts, LLC**

Dear Chair Hanohano, Vice Chair Cullen, and Members of the Committee:

This testimony is in **SUPPORT** of HCR 14 authorizing the issuance of a lease and easement of Manele Small Boat Harbor certain submerged lands to Lānaʻi Resorts, LLC, dba Pulama Lānaʻi. I am Lynn McCrory, Senior Vice President of Government Affairs for Pūlama Lānaʻi.

Pūlama Lānaʻi, the company formed after the purchase of land on Lānaʻi by Larry Ellison, is working with the community to build a sustainable Lanai. Our mission is to develop, advance and nurture a sustainable future for the island of Lānaʻi. The community and we are actively moving forward with historical and cultural preservation, natural resource conservation, a desalination facility, housing additions, education and healthcare expansions, agriculture opportunities, transportation alternatives, hotel enhancements, tourist activities, and capacity building on the island.

One component of these plans is the Manele Small Boat Harbor. The request for a new submerged land lease by Pūlama Lānaʻi is part of this beginning, by looking to the past for guidance. The tsunami damage that is currently being repaired has brought a new perspective as to what type of dock would withstand another tsunami. The floating dock is believed to be the answer, and as part of this lease we will be paying for the cost of the dock. We will also complete an ocean bottom topographical map and an archeological/cultural interpretative study of the areas surrounding the harbor. While repairs are made to the Expeditions Ferry and Trilogy Excursions dock, they will have use of the floating dock for loading and unloading residents and guests to Lānaʻi.

We brought the proposed lease to the Manele Harbor Advisor Committee on November 6, 2013 for their consideration. You will find a letter from the committee following this testimony supporting the proposed lease. We also brought this submerged land lease to the island wide Lānaʻi community at our February 10, 2014 Community Informational Meeting, and again received concurrence from the 38 attendees that there were not issues in going forward with the submerged lease.

We humbly ask that you approve HCR 14 authorizing the issuance of a lease and easement of certain submerged lands at Manele Bay, Lanai, to Lānaʻi Resorts, LLC. Mahalo!

Sincerely,

Lynn P. McCrory  
Senior Vice President of Government Affairs

# MANELE HARBOR ADVISOR COMMITTEE

P.O. BOX 630646  
Lanai City, Hawaii 96763

November 6, 2013

Mr. William J. Aila, Chairperson  
Board of Land & Natural Resources  
1151 Punchbowl  
Honolulu, HI 96813  
By Hand Delivered

**Re: BLNR Agenda Item J.2. November 8, 2013**

Authorize the Termination of General Lease No. B-00-1 and Easement to Lānaʻi Company, Inc., Castle & Cooke Resorts, LLC and the Issuance of the New Lease and Easement by way of Direct Negotiation to Lānaʻi Resorts, LLC, dba Pūlama Lānaʻi, Manele Small Boat Harbor, Manele, County of Maui, Island of Lānaʻi, Tax Map Key (2) 4-9-17:06

Dear Chair Aila:

This testimony is in SUPPORT of the DOBOR submittal on the above termination of a lease and easement and the subsequent direct negotiation for a lease and easement to Lānaʻi Resorts, LLC, dba Pūlama Lānaʻi. We are the Manele Small Boat Harbor Advisory Board, and at our Wednesday, November 6, 2013 meeting we voted to support this submittal as written.

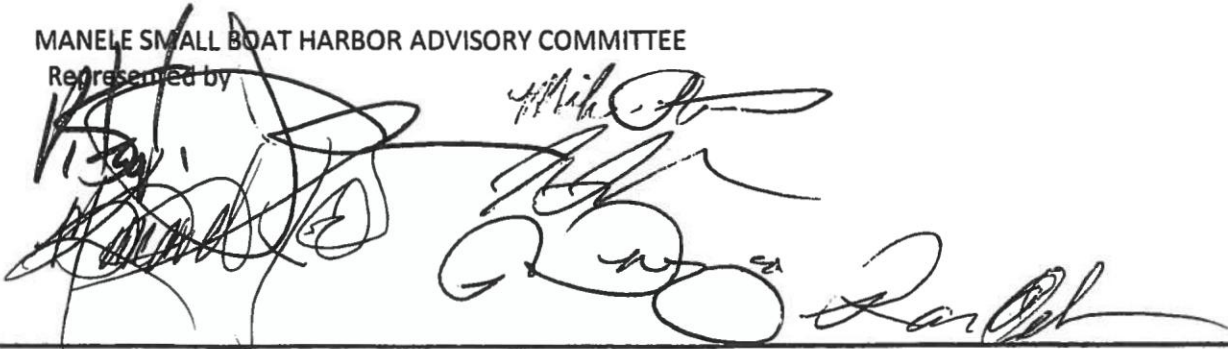
Over the next two years, repairs to the Manele Small Boat Harbor will be taking place and the use of the lease area for multiple entities usage will be very important. During that time the ocean harbor bottom survey and the cultural survey can be completed by Pūlama Lānaʻi and we will have a better understanding of any opportunities to expand or not to expand the harbor. Pūlama Lānaʻi purchasing the floating dock and having it remain in place will be a benefit to the harbor users. Pūlama Lānaʻi's maintenance of the harbor facility continues and is to continue under the lease terms. These will all contribute to our having the most beautiful and functional small boat harbors in Hawaii.

Pūlama Lānaʻi has shown that it is willing and has worked with the Lānaʻi community on a number of issues both for renovations and enhancements to the island community. They are open to community suggestions and we believe that this lease will once more offer a benefit to the Lānaʻi community. We ask that you approve BLNR agenda item J.2. Mahalo!

Sincerely,

MANELE SMALL BOAT HARBOR ADVISORY COMMITTEE

Represented by

The block contains several handwritten signatures in black ink. On the left, there is a large, dense scribble of overlapping signatures. To the right of this, there are three distinct signatures: the top one is a cursive signature, the middle one is a stylized signature, and the bottom one is a signature that appears to read "Ronald".

# Manele Harbor Advisory Committee

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Spinning Dolphin Charters

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### **Department of Land and Natural Resources**

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### **Lanai Resorts, LLC**

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**GUEST**

**Bill Caldwell, Expeditions Passenger Ferry**  
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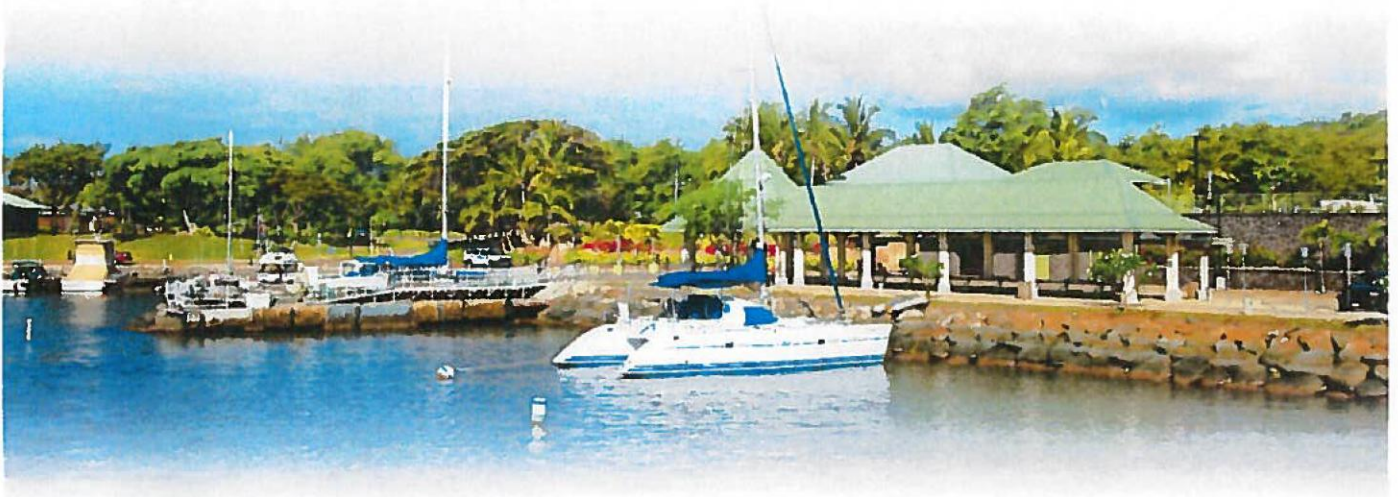
**James Coon**

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**captcoon@gmail.com**



# COMMUNITY UPDATE

## Informational Meeting



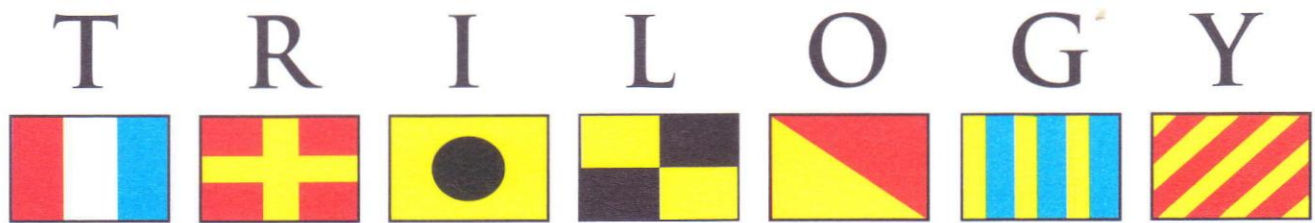
**SUBJECT:** Mooring Permits for Kaumalapau and Mānele Harbors and Mānele Floating Dock Lease

**Monday, February 10, 2014**  
**ILWU Hall • 6 p.m.**

Light refreshments will be served.  
For more information, call (808) 237-2213.



**Pūlama Lānaʻi**  
Preservation. Progress. Sustainability.



COMMITTEE ON OCEAN, MARINE RESOURCES, & HAWAIIAN AFFAIRS

Rep. Faye P. Hanohano, Chair  
Rep. Ty J.K. Cullen, Vice Chair

DATE: Wednesday, March 19, 2014  
TIME: 9:45 a.m.  
PLACE: Conference Room 325

TESTIMONY OF TRILOGY EXCURSIONS SPEAKING IN SUPPORT OF HCR 14

Chair Hanohano, Vice Chair Cullen and Members of the OMH Committee:

My name is James Coon. I am one of the founders and CEO of Trilogy Excursions our family business celebrating over 40 years providing daily excursions to Lanai via Manele Small Boat Harbor. I am speaking in **support** of HCR 14; Pulama Lanai's request to be issued a 55 year lease at Manele Small Boat Harbor.

**We support this lease proposal** and appreciate the language in HCR 14 which provides temporary access for the Ferry and Trilogy while their docks are unavailable for use. The floating dock which was installed in the proposed Pulama Lanai Lease area was originally designed and built to accommodate these two companies while their slips were unavailable to use because of reconstruction.

Only these two companies, Trilogy and Expeditions are severely impacted by this current FEMA project and the Ferry Improvement Project which will soon follow. These two companies have permanent docks in Manele that were built with their own funds and which were damaged in the Japanese Tsunami in March 11, 2011, which severely damaged Manele Small Boat Harbor.

All other visiting vessels--both private and commercial--have access to the Traditional Public Loading Dock at slip #1. This access should remain the same. On the other hand, both Trilogy and Expeditions will have their entire docks torn out and repaired as well as repairing the rock groins which support the docks. This will make it impossible for these two companies to conduct their normal operations without preferential use of the floating dock during both of these projects.

We believe Pulama Lanai will both accommodate our two companies and be an excellent steward of this harbor. We humbly ask you to pass HCR 14 as written.

Sincerely,

James E. Coon, CEO  
Trilogy Excursions