



Campbell Hawaii Investor LLC

April 22, 2010

Mr. Orlando "Dan" Davidson
Executive Officer
Land Use Commission
P. O. Box 2359
Honolulu, HI 96804-2359

LAND USE COMMISSION
STATE OF HAWAII
2010 MAR 23 A 7:18

Dear Mr. Davidson:

2010 Annual Report
Docket No. A89-648
Kapolei Maritime Industrial Park

Campbell Hawaii Investor LLC ("Owner"), an affiliate of the James Campbell Company LLC, successor to the Estate of James Campbell as Manager and majority member of Campbell Hawaii Investor LLC, submits this twentieth Annual Progress Report to the Land Use Commission ("LUC"), the state Office of Planning, and the city Department of Planning and Permitting pursuant to Condition 12 of the March 22, 1990 LUC Decision and Order in Docket No. A89-648.

The subject of this annual report is the petition area comprised of 63.569 acres ("Petition Area") located at Honouliuli, Ewa, Oahu.

I. Status of Compliance with Conditions

These conditions to reclassification are reproduced boldface followed by a description of the progress being made to comply with them.

- Petitioner shall develop the subject property for maritime industrial uses in support of and compatible with activities at Barbers Point Harbor in substantial compliance with the representations made before the Commission.**

The Estate has completed draft design plans for the development of the Petition Area in compliance with the intent of the zoning. The improvements have an estimated cost of \$6.2 million.

- Petitioner shall provide its pro rata share in the funding and construction of present and future transportation improvements as outlined in the proposed Ewa Highway Master Plan and by the State Department of Transportation.**

The Petitioner has worked with other developers and public transportation agencies on the passage of an impact fee ordinance to fund 20% of the cost of six regional highway projects in Ewa. The group was successful in getting the projects in both the Oahu Regional Transportation Plan (ORTP) and Transportation Improvement Program (TIP) which is a prerequisite for obtaining federal funding. The federal funds will provide the remaining 80% of the funds required to complete the six projects.

- 3. Petitioner shall fund and construct the project's wastewater disposal systems acceptable to the State Department of Health.**

The preliminary plans comply with this requirement since a sewer line will be installed in the infrastructure so that tenants can hook up to the sewer service when a system is developed by the City & County of Honolulu.

- 4. Petitioner shall provide water source and transmission to service the subject project.**

Water transmission and storage facilities to service the project have been installed.

The project's potable water requirement is slated to be provided by the Board of Water Supply's sources.

- 5. Petitioner shall provide drainage improvements in the Property and shall coordinate off-site improvements with adjoining landowners and developers and/or other federal, state, or city agencies.**

Preliminary drainage improvements, which are designed to eliminate water from drainage into Barbers Point Harbor, have been installed. These improvements have been coordinated with the State Harbors Division.

- 6. Petitioner shall dispose of any hazardous or noxious waste generated by the proposed project in accordance with federal and state guidelines and shall fund mitigation measures, should adverse impacts occur.**

Petitioner's commitment to comply with this condition remains unchanged from the last annual report.

- 7. Petitioner shall participate in an air quality monitoring program as specified by the State Department of Health.**

Petitioner satisfied the requirements of the Department of Health related to air quality monitoring as indicated in earlier reports.

8. **Petitioner shall provide its equitable pro rata share for police and fire facilities based on such public service needs directly emanating from Petitioner's development of the subject property.**

The Kapolei Fire Station and the Kapolei Regional Police Facility are completed, occupied and providing service to the area. Land for both facilities was dedicated by the Estate of James Campbell to the City and County at no cost.

9. **Petitioner shall immediately stop work and contact the State Historic Preservation office should any archaeological resources such as artifacts, shell, bone or charcoal deposits, human burial, rock or coral alignments, paving or walls be encountered during the project's development.**

No such resources have been found to date.

10. **Petitioner shall coordinate with the Department of Navy to assure that development of the subject property will be compatible with the operations of Barbers Point Naval Air Station.**

Barbers Point Naval Air Station closed in July 1999. The Petitioner continues to work with Hawaii Community Development Authority in planning for the reuse of the former Barbers Point Naval Air Station.

11. **Petitioner shall notify the Commission of any intent to sell, lease, assign, place in trust, or otherwise voluntarily alter the ownership interest in the property prior to visible commencement of construction of the property.**

On July 25, 2008, Petitioner entered into a license agreement for the Petition Area with Grace Pacific Corporation. The license is for a term of five years.

12. **Petitioner shall provide annual reports to the Commission; the State Office of Planning; and the City and County of Honolulu, Department of Planning and Permitting in connection with the status of the project and Petitioner's progress in complying with the conditions imposed.**

Petitioner submits this nineteenth Annual Report to advise the Commission as to the status of the project and Petitioner's progress in complying with the conditions imposed.

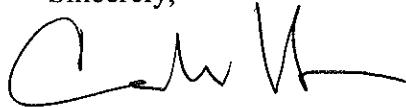
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- 13. The Commission may fully or partially release these conditions as to all or any portion of the Property upon timely motion, and upon the provision of adequate assurance of satisfaction of these conditions by the Petitioner.**

Petitioner has not moved to have these conditions fully or partially released.

If you have any questions, call me at 674-3201.

Sincerely,

A handwritten signature in black ink, appearing to read "Cameron W. Nekota". The signature is fluid and cursive, with a long horizontal stroke at the end.

Cameron W. Nekota
Development Project Manager

ga:010344K10011

cc: Abbey Seth Mayer, Office of Planning
David Tanoue, Planning and Permitting Department