

**Factual Report – Attachment 14**  
**Hawaii DOT Documents**

**OPERATIONAL FACTORS**

WPR19MA177

STATE OF HAWAII  
DEPARTMENT OF TRANSPORTATION  
AIRPORTS DIVISION

REVOCABLE PERMIT NO. 6953

THIS AGREEMENT, made this 8<sup>th</sup> day of Sept, 2010, by and between the STATE OF HAWAII, acting by and through the Department of Transportation, Airports Division, hereinafter called "DEPARTMENT", hereby grants to the PERMITTEE hereinafter named permission to use and occupy the following described premises at the following named AIRPORT for the purpose(s) hereinafter specified; and the PERMITTEE agrees to pay the rental hereinafter specified and to perform all other obligations imposed upon it in the terms and conditions hereof.

1. **PERMITTEE:** HAWAII PARACHUTE CENTER LLC
2. **ADDRESS:** [REDACTED]  
Waialua, Hawaii 96791
3. **AIRPORT:** DILLINGHAM AIRFIELD
4. **PREMISES AS SHOWN ON ATTACHED EXHIBIT:**  
Lot No. 820-104B, containing an area of approximately 9,832 square feet.
5. **PURPOSE(S):** Parachute loft
6. **RENTAL:**  
Monthly Rental \$ [REDACTED]  
\$ [REDACTED]  
\$ [REDACTED]  
Total Monthly Rental \$ [REDACTED]
7. **SECURITY DEPOSIT:** \$ [REDACTED]
8. **EFFECTIVE DATE OF PERMIT:** JANUARY 1, 2010
9. **HOLD OVER TENANCY:** \$ [REDACTED]
10. **SPECIAL TERMS AND CONDITIONS AS INDICATED HEREON SPECIFIED AS ATTACHED HERETO:**
  - a. Environmental Compliance – Permittee's Duties
  - b. Special Conditions for Dillingham Airfield
  - c. Chapter 13 entitled "Aircraft Operations at Public Airports."
  - d. Chapter 17.1 entitled "Small Plane Hangar Units and Tie-Down Spaces at Public Airports."
  - e. Chapter 31.1 entitled "Aircraft Registration" of Title 19, Hawaii Administrative Rules, Department of Transportation, Subtitle 2, Airports Division.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be duly executed on the day and year first hereinabove indicated.

STATE OF HAWAII  
DEPARTMENT OF TRANSPORTATION  
AIRPORTS DIVISION

PERMITTEE: HAWAII PARACHUTE CENTER LLC

By [REDACTED]  
Its Director of Transportation

By [REDACTED]  
Title: owner/operator

1. **Term.** This Permit is granted on a month-to-month basis only, for a period not to exceed one year from the effective date hereof. Any renewal of this permit shall be on a month-to-month basis for a period not to exceed one year. Notice of renewal need not be reduced to writing, it being agreed that such renewal shall be automatic unless a party hereto shall give the other party ten (10) days' notice of its intention not to renew or unless the Board of Land and Natural Resources shall fail to approve the renewal.
2. **Termination.** This Permit may be terminated by either party without cause upon thirty (30) days' advance written notice.
3. **Change in Rent.** The DEPARTMENT reserves the right to increase or decrease the monthly rental at any time upon thirty (30) days' advance written notice.
4. **Payment of Rent.** Without notice or demand, the PERMITTEE shall pay, at the Fiscal Office of the Airports Division, Department of Transportation, Honolulu, Hawaii, or at the Airport District Manager's office of the above named AIRPORT, the sum hereinbefore set forth upon the execution of this Permit and on the first (1st) day of each and every month thereafter during the remainder of the life of this Permit or until it is terminated or revoked as provided herein.
5. **Interest; Service Charge.** Without prejudice to any other remedy available to the DEPARTMENT, PERMITTEE agrees without further notice or demand, as follows: (a) to pay interest at the rate of twelve percent (12%) per annum on all delinquent payments; (b) that the term "delinquent payments" as used herein means any payment of rent, fees, service charges, or other charges payable by PERMITTEE to DEPARTMENT, which are not paid when due.
6. **Acceptance of Rent not a Waiver.** The acceptance of rent by the DEPARTMENT shall not constitute a waiver of any breach by the PERMITTEE of any of the terms and conditions, upon which this Permit is granted and to which the PERMITTEE agrees, nor of the DEPARTMENT's right to terminate or revoke this Permit. Failure by the DEPARTMENT to insist upon strict performance thereof by the PERMITTEE, or to exercise any option herein reserved, shall not be construed as a waiver or as a relinquishment of any of its rights under this Permit.
7. **Security Deposit.** The PERMITTEE, upon execution of this Permit, shall deposit with the DEPARTMENT in legal tender or in such other form acceptable to the DEPARTMENT in the amount hereinbefore set forth as security that it will perform faithfully all the terms and conditions of this Permit. The said deposit will be returned without interest to the PERMITTEE within a reasonable time after the termination of this Permit only if the PERMITTEE has faithfully performed said terms and conditions to the satisfaction of the DEPARTMENT. In the event the PERMITTEE does not so perform, then the DEPARTMENT shall keep all of the said sum as compensation for the damages resulting from the PERMITTEE's breach of contract, and the DEPARTMENT's retention of all the said deposit shall not prevent the DEPARTMENT from recovering any damages not compensated thereby.
8. **Cost of Collection.** The PERMITTEE shall pay any and all court costs, including attorney's fees, incurred by the DEPARTMENT in collecting rents, penalties, interest, fees or other charges due and payable by the PERMITTEE under this Permit or in removing the PERMITTEE and/or the improvements or additions, constructed or installed by it, from the Premises, where necessary, or in recovering any damages or loss caused by the PERMITTEE's breach of any of the terms and conditions under this Permit.
9. **Equal Treatment.** The PERMITTEE will furnish service on a fair, equal and not unjustly discriminatory basis to all users thereof, and will charge fair, reasonable and not unjustly discriminatory prices for each unit or service; provided, that the PERMITTEE may be allowed to make reasonable and non-discriminatory discounts, rebates or other similar types of price reductions to volume purchasers.
10. **Repairs.** The PERMITTEE shall at its own expense keep and maintain the Premises in a condition similar to that which existed on the effective date of this Permit, ordinary wear and tear and damage by acts of God excepted.
11. **Waste, Strip and Nuisance, and Maintenance.** The PERMITTEE shall not make, permit or suffer any waste, strip, nuisance or any other unlawful, improper or offensive use of the Premises. The PERMITTEE shall, at all times and at its own expense keep the Premises clean, neat, safe and orderly, free of waste, rubbish and debris and shall provide for the safe and sanitary handling and disposal of all trash, garbage and other refuse from its activities on the Premises.
12. **Utilities and Other Charges.** The PERMITTEE shall be responsible for and pay all charges for water, electricity, telephone and other utilities, and all charges for sewer, garbage and trash disposal. Where any of such services are provided by the DEPARTMENT at the request of the PERMITTEE, the PERMITTEE shall pay the DEPARTMENT's charges therefor.
13. **Property Taxes.** The PERMITTEE will pay all taxes including real property taxes, imposts and assessments required under the laws of all governing authorities, in relations to the use and occupancy of the Premises and the conduct of its activities thereon.
14. **Commercial General Liability Insurance.** The PERMITTEE shall, at its own expense, effect, maintain and keep in force throughout the life of this Permit, a Commercial General Comprehensive Public Liability Insurance policy or policies with a combined single limit coverage of at least \$1,000,000 per occurrence and \$2,000,000 aggregate for bodily injury and damage to property per occurrence. The specification of limits as contained herein shall not be construed in any way to be a limitation on the amount of liability of the PERMITTEE under this Permit. Such insurance policy shall (a) be issued by an insurance company or surety company authorized to do business in the State of Hawaii or approved in writing by the DEPARTMENT; (b) name the State of Hawaii as an additional insured; (c) provide that the DEPARTMENT shall be notified at least thirty (30) days prior to any termination, cancellation or material change in its insurance coverage; and (d) cover all injuries, losses or damages arising from, growing out of or caused by any acts or omissions of the PERMITTEE, its officers, agents, employees, invitees or licensees in connection with the PERMITTEE's use or occupancy of the Premises. The PERMITTEE shall furnish to the DEPARTMENT upon execution of this Permit and prior to occupancy of the Premises, a certificate showing such insurance policy to have been issued to the PERMITTEE and to be then in force, and shall furnish a like certificate upon each renewal thereof.
15. **Fire Insurance.** The PERMITTEE shall procure immediately and keep in force with respect to the Premises a fire insurance policy for real property improvements in the amount determined by the DEPARTMENT whenever it is deemed necessary and specified in the special terms and conditions.
16. **PERMITTEE's Prior Inspection.** The PERMITTEE warrants that it has inspected the Premises and all improvements thereon, knows the conditions thereof and fully assumes all risks incidental to the use and enjoyment thereof.

**17. Indemnity.** The PERMITTEE shall at all times with respect to the Premises use due care for public safety and shall defend, hold harmless and indemnify the DEPARTMENT, its officers, agents, and employees from and against all claims, or demand for damages, including claims for property damage, personal injury or death, (a) arising on the Premises, or caused by any fire or explosion thereon; or (b) arising from, growing out of, or caused by any act or omission on the part of the PERMITTEE, its officers, agents, employees, invitees or licensees, in connection with the PERMITTEE's use or occupancy of the Premises.

**18. Surrender and Restoration.** The PERMITTEE shall, prior to the termination or revocation of this Permit, restore, at its own cost and risk, the Premises to a condition similar to that which existed prior to the effective date of this Permit, reasonable and ordinary wear and tear and damage by acts of God excepted, and peacefully surrender possession thereof to the DEPARTMENT. In the event the PERMITTEE fails to effectuate such restoration of the Premises, the DEPARTMENT reserves the right to accomplish same by its own employees or by an independent contractor and assess the PERMITTEE and total costs thereof. The DEPARTMENT is not required to furnish replacement facilities or relocation assistance to the PERMITTEE.

**19. Transferability.** This Permit and the Premises or any part thereof inclusive of any and all rights or obligations accruing or arising under it shall not be sold, transferred, assigned, leased, mortgaged or otherwise alienated or encumbered in any manner whatsoever.

**20. Improvements, Alterations or Additions.** No substantial improvement, alteration or addition of a structural nature shall be made, installed or constructed on, under or within the Premises by the PERMITTEE unless it first submits plans and specifications therefor to the DEPARTMENT for its approval and unless said plans and specifications are in fact approved in writing by the DEPARTMENT. Such plans and specifications shall not be submitted unless they are in full compliance with all applicable statutes and rules and regulations. The DEPARTMENT may impose reasonable conditions on its approval.

Any improvements, alterations or additions shall be constructed at the sole cost and risk of the PERMITTEE and the DEPARTMENT shall not be responsible for any damage to or injury to persons or property arising from the construction, maintenance or use of any such improvements, alterations or additions. Once installed or constructed, no improvements, alterations or additions shall be removed except in accordance with the terms and conditions of this Permit (paragraph 22 herein).

**21. Removal of Fixtures and Equipment.** The PERMITTEE shall have the right at its own expense to remove any and all fixtures and equipment installed by it on the Premises, provided that (a) PERMITTEE shall give five (5) days' prior written notice of its intention to remove such fixtures and equipment, (b) the removal shall be completed during the time PERMITTEE occupies the Premises and at a time PERMITTEE is current in the payment of rent and is in compliance with all other obligations under the Permit, (c) the Premises are restored by PERMITTEE to a condition similar to what existed immediately prior to the installation thereof, reasonable wear and tear excepted. The PERMITTEE's failure to give such written notice shall be deemed to be a waiver of the right of removal and shall constitute an abandonment of such fixtures and equipment.

**22. Option to Require Removal of Improvements, Additions, Alterations, Fixtures and Equipment.** The DEPARTMENT, with respect to any improvements, additions, alterations, fixtures and equipment or any portions thereof constructed or installed on the Premises by PERMITTEE, reserves the right upon giving written notice within twenty (20) days after the date of termination of this Permit, to require PERMITTEE to remove the same at PERMITTEE's cost and risk, such removal to be completed within thirty (30) days after receipt of such notice. PERMITTEE shall restore the Premises to condition similar to what existed immediately prior to the construction or installation. If PERMITTEE shall fail to effect such removal and restoration within the specified time, the DEPARTMENT may effect such removal and restore the Premises to a condition similar to what existed immediately prior to the construction or installation by its own employees or independent contractor and assess the cost of such removal, disposition, and restoration to PERMITTEE.

**23. Entry by DEPARTMENT.** The DEPARTMENT or its agents and employees may enter the Premises at all reasonable hours to inspect the Premises and determine if the PERMITTEE is complying with the terms and conditions of this permit or for any other proper purpose. The PERMITTEE shall not make any claim for damages or set off of rent or other charges by reason or on account of such entry.

**24. Advertising Signs.** The PERMITTEE may install and operate, at its own expense, such signs and advertising materials as shall be expressly approved by the DEPARTMENT as being of acceptable character on the basis of appearance, size, design, color, quality, number, location, content, and general conformity with the architectural character of the AIRPORT. Prior to the termination or revocation of this Permit, the PERMITTEE shall remove, obliterate or paint out any and all advertising signs, posters and similar devices placed by him on the Premises. If the PERMITTEE fails to carry out this requirement, the DEPARTMENT may perform such work as may be necessary and the PERMITTEE shall pay the costs thereof immediately upon demand by the DEPARTMENT.

**25. Public Address System.** The PERMITTEE shall permit the installation of the DEPARTMENT's public address system within the Premises and the reception within such Premises of public announcements, flight information and background music broadcast over such systems.

**26. Hold Over Tenancy.** If the PERMITTEE does not vacate the Premises upon the revocation or termination of the Permit, the PERMITTEE shall pay the DEPARTMENT hold over rent. The rent for each day, or part of a day, during which the PERMITTEE remains in possession will be the amount payable immediately prior to the revocation or termination of the Permit. During any hold over period, the PERMITTEE shall be deemed an illegal occupant and acceptance of such payment by the DEPARTMENT shall not constitute a waiver of any of the terms and conditions of this Permit and shall not preclude the DEPARTMENT from pursuing any other rights or remedies the DEPARTMENT may be entitled to pursue under this Permit, including but not limited to assuming possession of the Premises as provided in paragraph 32 or bringing an ejectment action for the recovery of Premises, without first giving notice to quit or making a demand for possession.

**27. Non-Discrimination.** The PERMITTEE, for itself, its personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that in the event facilities are constructed, maintained, or otherwise operated on the said property described in this Permit for a purpose involving the provision of similar services or benefits, the PERMITTEE shall maintain and operate such facilities and services in compliance with all other requirements imposed pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally assisted programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.

That in the event of breach of any of the above nondiscrimination covenants, the DEPARTMENT shall have the right to re-enter said lands and facilities thereon, and the above described lands and facilities shall thereupon revert to and vest in and become the absolute property of the DEPARTMENT and its assigns.

The PERMITTEE, for itself, its personal representatives, successor in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree that : (1) no person on the grounds of race, creed, color, sex, national origin, or physical handicap shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities; (2) that in the construction of any improvements on, over or under such land and the furnishing of services thereon, no person on the grounds of race, creed, color, sex, national origin or physical handicap shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination; and (3) that the PERMITTEE shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally assisted programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.

That in the event of breach of any of the above nondiscrimination covenants, the DEPARTMENT shall have the right to terminate this permit and re-enter and repossess said land and the facilities thereon, and hold the same as if said Permit had never been made or issued.

**28. Civil Rights Provision.** The PERMITTEE assures that it will undertake an affirmative action program as required by Title 14 Code of Federal Regulations, Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, sex, national origin, or physical handicap be excluded from participating in or receiving the services or benefits of any program or activity covered by this subpart. The PERMITTEE assures that it will require that its covered suborganizations provide assurances to the DEPARTMENT that they similarly will undertake affirmative action programs and that they will require assurances from their suborganizations, as required by Title 14 Code of Federal Regulations Part 152, Subpart E, to the same effect.

**29. Interpretation.** The use of any gender shall include all genders, the use of the singular shall include the plural and the use of the plural shall include the singular as the context may require.

**30. Conflicting Terms and Conditions.** Where an inconsistency exists between these printed terms and conditions and the special terms and conditions, the special terms and conditions shall govern.

**31. Compliance with Laws.** The PERMITTEE shall comply with all laws, ordinances and rules and regulations of all governmental agencies, applicable to the Premises or relating to and affecting any business or other commercial activity conducted on the Premises.

**32. Breach of Revocable Permit or Terms and Conditions.** Upon a breach of any of the aforementioned terms and conditions, including but not limited to PERMITTEE's failure to pay any rental, interest, fees or charges when due, DEPARTMENT may revoke this Permit upon five (5) business days' written notice of said breach and shall be entitled to regain possession of the Premises administratively, without court action.

**33. Disputes and/or Questions.** Any and all disputes and/or questions arising under this Permit shall be referred to the Director of Transportation and his determination of such disputes or questions shall be final and binding on the parties.

REVOCABLE PERMIT NO. 6953  
SPECIAL TERMS AND CONDITIONS

1. ENVIRONMENTAL COMPLIANCE - PERMITTEE'S DUTIES

- A. Definitions. For purposes of this Permit, the PERMITTEE agrees and understands that the following terms shall have the following meanings:

"Environmental Laws" shall mean all federal, state and local laws of every nature including statutes, ordinances, rules, regulations, codes, notices, standards, directives of every kind, guidelines, permits, licenses, authorizations, approvals, interpretations of the foregoing by any court, legislative body, agency or official, judicial decisions, orders, rulings or judgments, or rules of common law which currently are in effect or which may come into effect through enactment, issuance, promulgation, adoption or otherwise, which in any way pertain to, relate to, or have any relevance to the environment, health or safety. These environmental laws include, but are not limited to, regulations and orders of the federal Environmental Protection Agency and of the State of Hawaii Department of Health.

"Hazardous Substance" shall mean and include any chemical, substance, organic or inorganic material, controlled substance, object, condition, waste, living organism, or combination thereof which is, may be, or has been determined by proper state or federal authority under any environmental law to be, hazardous to human health or safety or detrimental to the environment. This term shall include, but not be limited to, petroleum hydrocarbons, asbestos, radon, polychlorinated biphenyls (PCBs), methane, fuels of any kind, and other materials or substances that are regulated by state or federal authorities.

B. PERMITTEE's Activities and Duties.

1. **Compliance with Environmental Laws.** The PERMITTEE agrees, at its sole expense and cost, to comply with all environmental laws that apply to the Premises during the term of this Permit, and the PERMITTEE's occupancy or use of, and activities on, the Premises. This duty shall survive the expiration or termination of this Permit which means that the PERMITTEE's duty to comply with environmental laws shall include complying with all environmental laws, regulations and orders that may apply, or be determined to apply, to the occupancy and activities of the PERMITTEE on the Premises after the expiration or termination of this Permit. Failure of the PERMITTEE to comply with any environmental laws shall constitute a breach of this Permit for which the DEPARTMENT shall be entitled, in its discretion, to terminate this Permit, exercise its remedies under this Permit, including remediating any condition on behalf of the PERMITTEE at the PERMITTEE's expense under Section B.5 and

Section B.7, and take any other action at law or in equity it deems appropriate.

2. **Hazardous Substances.** The PERMITTEE shall not use, store, treat, dispose, discharge, release, generate, create, or otherwise handle any hazardous substance, or allow the same by any third person, on the Premises without first obtaining the prior written consent of the DEPARTMENT and complying with all environmental laws, including giving all required notices, reporting to, and obtaining permits from all appropriate authorities, and complying with all provisions of this Permit.
3. **Notice to DEPARTMENT.** The PERMITTEE shall keep the Department fully informed at all times regarding all environmental law related matters affecting the PERMITTEE or the Premises. This duty shall include, without limiting the foregoing duty, providing the DEPARTMENT with a current and complete list and accounting of all hazardous substances of every kind which are present on or about the Premises, and with evidence that the PERMITTEE has in effect all required and appropriate permits, licenses, registrations, approvals and other consents that may be required of or by federal, state, and county authorities under all environmental laws. This duty shall also include providing immediate written notice of any investigation, enforcement action, remediation or other regulatory action, order of any type, or any legal action, initiated, issued, or any indication of an intent to do so, communicated in any way to the PERMITTEE by any federal, state, or county authority or any individual which relates in any way to any environmental law or any hazardous substance and the PERMITTEE or the Premises. This written notice to the DEPARTMENT shall include the PERMITTEE immediately providing the DEPARTMENT with copies of all written communications from individuals or state, county, and federal authorities, including copies of all correspondence, claims, complaints, warnings, reports, technical data and any other documents received or obtained by the PERMITTEE. At least thirty days prior to termination of this Permit, or termination of the possession of the Premises by the PERMITTEE, whichever shall first occur, the PERMITTEE shall provide the DEPARTMENT with written evidence satisfactory to the DEPARTMENT that the PERMITTEE has fully complied with all environmental laws, including any orders issued by any governmental authority to the PERMITTEE that relate to the Premises.
4. **Notice to Authorities.** The PERMITTEE shall provide written notice to the State of Hawaii Department of Health at least thirty (30) days prior to the termination of this Permit, or thirty (30) days prior to the PERMITTEE's termination of possession of the Premises, whichever occurs first, the fact that the PERMITTEE intends to vacate the Premises and terminate its operations on those Premises. The PERMITTEE shall

allow the agents or representatives of said authority access to the Premises at any and all reasonable times for the purpose of inspecting the Premises and taking samples of any material for inspection or testing for compliance with any environmental laws. The PERMITTEE shall provide copies of said written notices to the DEPARTMENT at the time said notices are provided to said authorities.

5. **Disposal/Removal.** Except for materials that are lawfully sold in the ordinary course of the PERMITTEE's business, and for which the PERMITTEE has obtained all required authorizations from appropriate authorities including the prior written permission of the DEPARTMENT to have said substance on the Premises, the PERMITTEE shall cause any hazardous substances to be removed from the Premises for disposal. This duty shall include the transportation of said hazardous substances from the Premises solely by duly licensed hazardous substance transporters to duly licensed facilities for final disposal as required by all applicable environmental laws. The PERMITTEE shall provide the DEPARTMENT with copies of documentary proof, including manifests, receipts or bills of lading, which reflect that said hazardous substances have been properly removed and disposed of in accordance with all environmental laws.
6. **Environmental Investigations and Assessments.** The PERMITTEE, at its sole cost and expense, shall cause to be conducted such investigations and assessments of the Premises to determine the presence of any hazardous substance on, in, or under the Premises as may be directed from time to time by the DEPARTMENT, in its sole discretion, or by any federal or state authority. The extent and number of any environmental investigations and assessments shall be determined by the DEPARTMENT or the federal or state authority directing said investigations and assessments to be conducted. The PERMITTEE shall retain a competent and qualified person or entity that is satisfactory to the DEPARTMENT or governmental authority, as the case may be, to conduct said investigations and assessments. The PERMITTEE shall direct said person or entity to provide the DEPARTMENT or governmental authority, if so requested, with testable portions of all samples of any soils, water, ground water or other material that may be obtained for testing, and provide directly to the State and the governmental authority at the sole expense of the PERMITTEE, written results of all tests on said samples upon completion of said testing.

In any event, the PERMITTEE shall be required to have environmental assessments conducted as aforesaid prior to, or at the time of, the PERMITTEE taking possession of the Premises and prior to, or at the time of, the termination of this Permit in order to determine the condition of the Premises. The DEPARTMENT may, in its sole discretion, waive this requirement; provided, however, that any such waiver shall be in writing.



7. **Remediation.** In the event that any hazardous substance is used, stored, treated, disposed on the Premises, handled, discharged, released, or determined to be present on the Premises, or to have migrated from the Premises, the PERMITTEE shall, at its sole expense and cost, remediate the Premises, or any location off the Premises to which it is determined that the hazardous substance has migrated, of any hazardous substances. Said duty to remediate includes the removal and disposal of said hazardous substances in accordance with Section B.5. This duty to remediate includes strictly complying with all environmental laws and directives to remediate said hazardous substances issued from the DEPARTMENT or any federal or state governmental authority charged with enforcing the environmental laws. This duty to remediate shall include replacement of any materials, such as soils, so removed with material that is satisfactory to the DEPARTMENT and or any governmental authority, as the case may be. If the PERMITTEE has conducted an initial site assessment of the Premises which includes soil and ground water analyses for hazardous substances at the commencement of this Revocable Permit or the PERMITTEE's occupancy, whichever shall have first occurred, to the satisfaction of the DEPARTMENT, the PERMITTEE shall be responsible for remediation and restoration of the Premises to the extent it is necessary to remediate and restore the Premises to the condition of the premises and levels of contamination or hazardous substances that existed on the Premises at the commencement of the PERMITTEE's occupancy or term of this Permit, whichever shall have first occurred, as shown by said initial site assessment.
8. **Tanks, Pipelines; Inspections and Repairs.** All tanks, pipelines, containers or conduits of any kind that may at any time be used to contain, or may be intended to contain, hazardous substances of any type (hereinafter referred to as a "facility"), that the PERMITTEE intends to install on the permitted Premises, must be installed above ground level in such manner that allows for periodic inspection and maintenance of the facility for purposes of determining the existence of leaks and discharges from, and deterioration of any kind to, and that allows repair of, the facility. The PERMITTEE shall provide the DEPARTMENT with prior notice of the PERMITTEE's intent to install a facility to allow the DEPARTMENT ample time, as determined by the DEPARTMENT, to inspect such a facility. Unless and until each facility and its manner of installation are approved by the DEPARTMENT, said facility shall not be installed. Within ninety (90) days of the commencement of this Permit, or commencement of possession of the permitted Premises by the PERMITTEE, whichever first occurs, the PERMITTEE shall submit a contingency plan to control and remedy any spill, discharge or leak from any facility on the permitted Premises, which plan shall include the cleanup of all hazardous substances so spilled, discharged or leaked, all to the satisfaction of the DEPARTMENT. The PERMITTEE shall also

submit a plan for the PERMITTEE to conduct, or have conducted, regular inspections of all facilities on the permitted Premises for the purpose of prevention of any leak, discharge or spill from said facilities. Said contingency plan and inspection plan are subject to the approval of the DEPARTMENT. Failure to submit said plans, or to comply with said plans, constitutes a breach of this Permit, giving the DEPARTMENT the right to immediately terminate this Permit, and pursue the DEPARTMENT's remedies under this Permit, at law, or in equity.

9. **Restoration and Surrender of Premises.** The PERMITTEE hereby agrees to restore the Premises, at its sole cost and expense, including the soil, water and structures on, in, or under the Premises, to the same condition as the Premises existed at the commencement of this Permit, fair wear and tear to the structures excepted. In the event the PERMITTEE does not restore the Premises to the same condition as it existed at the commencement of this Permit, as determined by the DEPARTMENT, the PERMITTEE understands and agrees that the DEPARTMENT may exercise its rights under Section B.10, and until such time as the restoration is complete to the satisfaction of the DEPARTMENT, the PERMITTEE shall be liable for the Permit rent in the same manner and amount as if this Permit had continued in effect during the same period of restoration.
10. **DEPARTMENT's Right to Act.** In the event the PERMITTEE fails for any reason to comply with any of its duties under this Permit or under any environmental laws within the time set for doing so, or within a reasonable time as determined by the DEPARTMENT, the DEPARTMENT shall have the right, but not the obligation, in its sole discretion, to perform those duties, or cause them to be performed. The PERMITTEE hereby grants access to the Premises at all reasonable hours to the DEPARTMENT, its agents and anyone designated by the DEPARTMENT in order to perform said acts and duties. Any cost, expense or liability of any type that may be incurred by the DEPARTMENT in performing said acts or duties shall be the sole responsibility of the PERMITTEE, and the PERMITTEE hereby agrees to pay for those costs and expenses, and indemnify the DEPARTMENT for any liability incurred. This obligation shall extend to any costs and expenses incident to enforcement of the right to act, including litigation costs, attorneys fees, and the cost and fees for collection of said cost, expense or liability.
11. **Release and Indemnity.** The PERMITTEE hereby agrees to release the DEPARTMENT, its officers, employees, agents, successors and assigns from any liability of any kind, including, but not limited to, any liability for any damages, penalties, fines, judgments or assessments that may be imposed or obtained by any person, agency or governmental authority

against the DEPARTMENT and/or the PERMITTEE, by reason of any hazardous substance that may be present by whatever means on, in or under the Premises. The PERMITTEE hereby agrees to indemnify, defend with counsel suitable to the DEPARTMENT, and hold harmless the DEPARTMENT from any liability that may arise in connection with, or by reason of, any occurrence involving any hazardous substance that may be alleged to be connected or related in any way with the Premises, the ownership of the Premises, or this Permit, including the presence of any hazardous substance on the Premises. The PERMITTEE understands and agrees that any assessments, fines or penalties that may be assessed against the PERMITTEE or the DEPARTMENT by reason of any environmental law violation concerning the Premises, shall be paid, complied with, and in every way satisfied by the PERMITTEE, and not the DEPARTMENT.

12. **Insurance.** As part of the insurance requirements under Paragraph 14, of the general Terms and Conditions and effective at the commencement of this Permit, the insurance coverage the PERMITTEE obtains shall provide coverage for personal injury and damage to property caused by hazardous substances, or any occurrence that may constitute a violation of any environmental law by the PERMITTEE or the DEPARTMENT. The DEPARTMENT shall be named as additional insured.

REVOCABLE PERMIT NO. 6953  
SPECIAL CONDITIONS

Hawaii Parachute Center LLC

DILLINGHAM AIRFIELD

The Permittee understands and acknowledges that the Permit is subject to all applicable terms and conditions contained in Contract No. [REDACTED] dated July 6, 2009, entered into between the United States of America, by its Secretary of the Army, and the State of Hawaii regarding the lease of the Dillingham Military Reservation ("Lease"). Compliance with the Lease includes, but is not limited to, non-use of the airfield by the Permittee because of the airfield's closure for military exercises. The Permittee agrees that it will not hold the State of Hawaii ("State") responsible for any damage or injury, including but not limited to any rebate of rent or compensation to the Permittee for any loss of revenue, occupancy, or quiet enjoyment during the time the airfield is closed; Permittee further agrees not to institute any action or suit at law or in equity against the State, nor institute or prosecute any claim for damage, injury, costs, or expenses arising out of or related to compliance with the Lease.

**(NOT ATTACHED TO THIS PERMIT)**  
**DILLINGHAM AIRFIELD**

**Dillingham Lease DACA84-1-09-135**

The following Hawaii Administrative Rules are not attached to this revocable permit. If a hardcopy of the rules and regulations is needed, please refer to DOT-A Website, click on Hawaii Administrative Rules and select respective Chapter(s) or refer to tenant folder.

**Chapter 19-13**

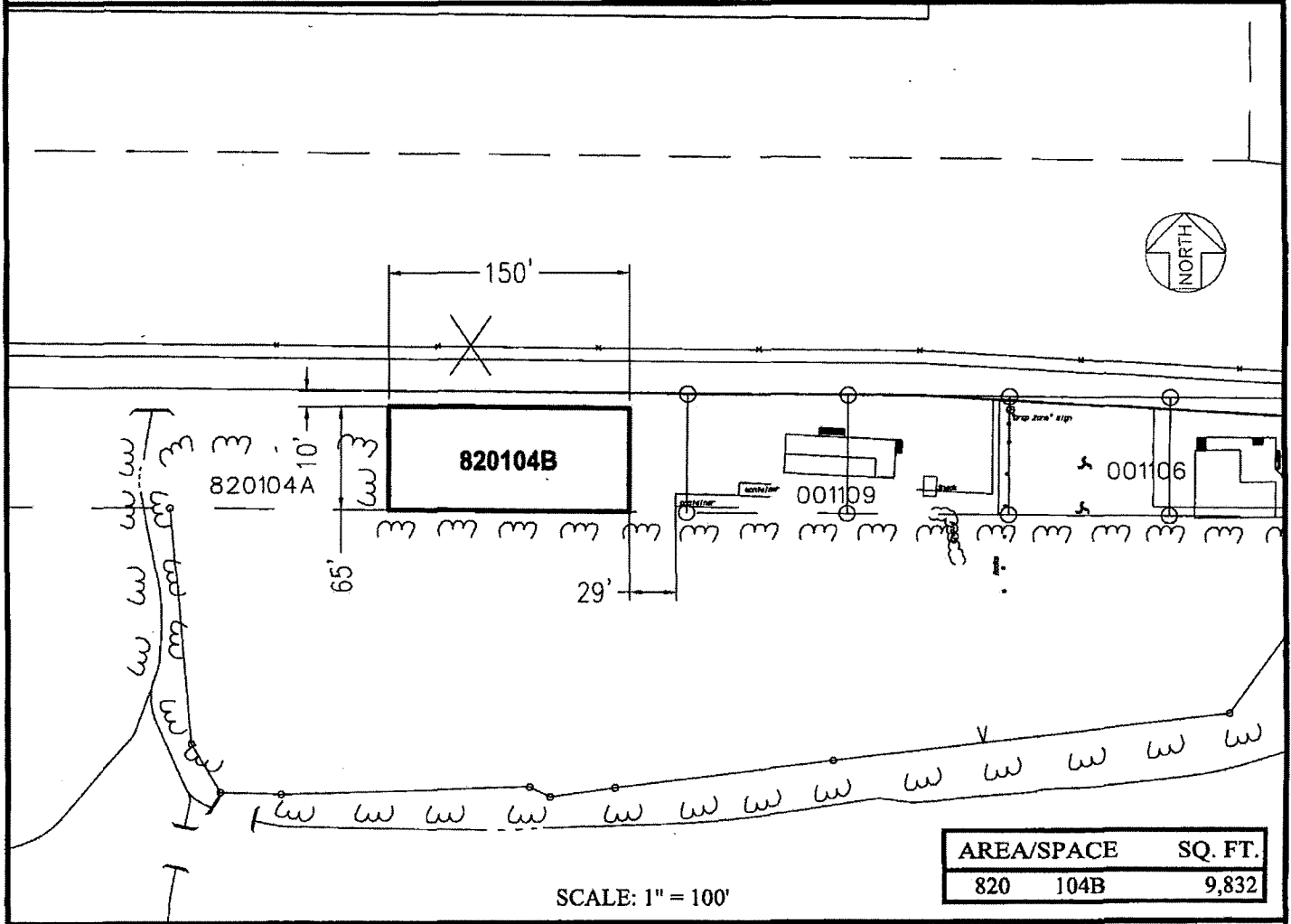
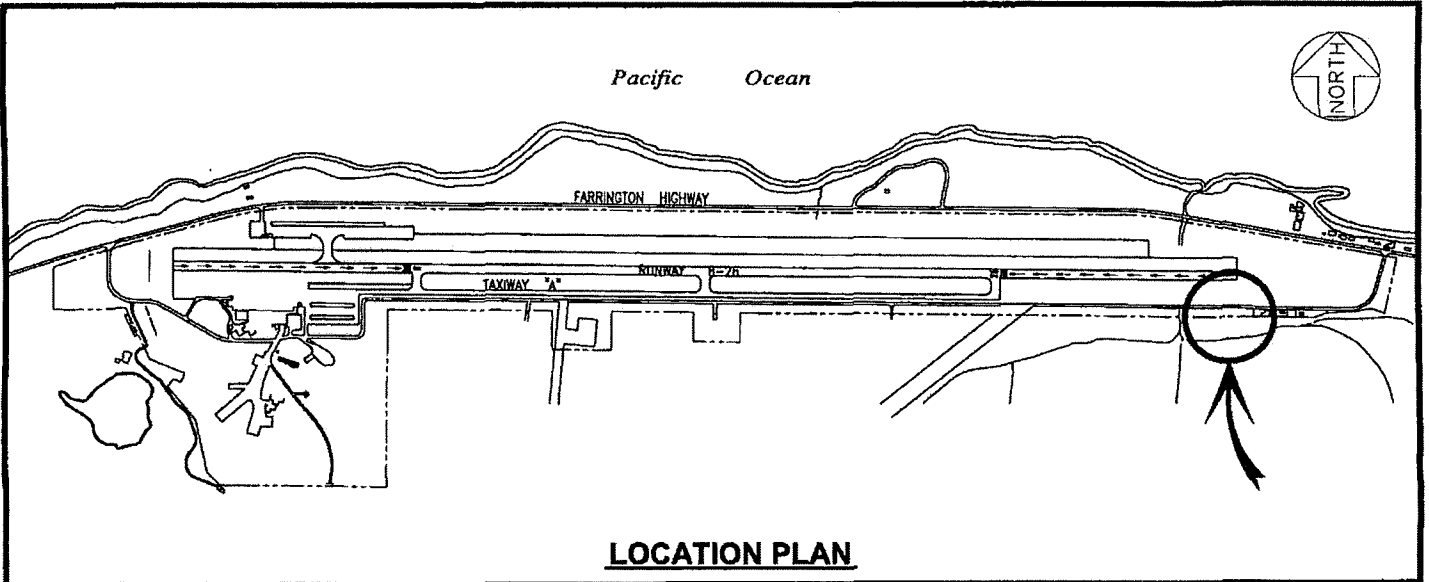
Aircraft Operations at Public Airports

**Chapter 19-17 & 19-17.1**

Small Plane Hangar Units and Tie-down Spaces at Public Airports

**Chapter 19.31 & 19-31.1**

Aircraft Registration



RP-6953	DATE : MARCH 2009	EXHIBIT: <b>A</b>
Airports Division	HAWAII PARACHUTE CENTER LLC	LOTS E OF AIRPORT PROPERTY 820104B PLAT 35

**DILLINGHAM AIRFIELD**

DAVID Y. IGE  
GOVERNOR



JADE T. BUTAY  
DIRECTOR

Deputy Directors  
LYNN A.S. ARAKI-REGAN  
DEREK J. CHOW  
ROSS M. HIGASHI  
EDWIN H. SNIFFEN

STATE OF HAWAII  
DEPARTMENT OF TRANSPORTATION  
AIRPORTS DIVISION – OAHU DISTRICT  
DANIEL K. INOUE INTERNATIONAL AIRPORT  
300 RODGERS BOULEVARD, #12  
HONOLULU, HAWAII 96819-1830

IN REPLY REFER TO:  
**AIR-OPM**  
19.0009

April 16, 2019

**CERTIFIED MAIL, RETURN RECEIPT REQUESTED**

#7014-1200-0001-5546-6741

Mr. George Rivera  
Hawaii Parachute Center LLC  
[REDACTED]  
Waialua, Hawai'i 96791

Dear Mr. Rivera:

SUBJECT: CEASE AND DESIST  
HAWAII PARACHUTE CENTER LLC, REVOCABLE PERMIT NO. 6953  
AND OAHU PARACHUTE CENTER LLC  
KAWAIHĀPAI AIRFIELD

The Department of Transportation, Airports Division (DOTA) has discovered Hawaii Parachute Center LLC, who is renting space under Revocable Permit No. 6953 (RP-6953), is not in good standing with the Department of Commerce and Consumer Affairs (DCCA). Also, Oahu Parachute Center LLC is not a registered tenant of the DOTA at Kawaihāpai Airfield.

Pursuant to Section 171-36(a)(4), Hawai'i Revised Statutes, State property shall not be rented to any applicant who is arrears in the payment of taxes, rents or other obligations to any agency of the State of its political subdivision.

Hawaii Parachute Center LLC has until May 15, 2019, to provide the DOTA with current State of Hawai'i and City and County of Honolulu Tax Clearance Certificates as well as a current Certificate of Good Standing from the DCCA in order to resume operations under Hawaii Parachute Center LLC. Failure to comply will result in immediate termination of Hawaii Parachute Center LLC's RP-6953.

If you have any questions, please contact Mr. Daniel Oshiro, Property Manager of our Property and Business Development Staff at [REDACTED].

Sincerely,

[REDACTED]  
ROSS M. HIGASHI  
Deputy Director-Airports

DAVID Y. IGE  
GOVERNOR



**STATE OF HAWAII**  
**DEPARTMENT OF TRANSPORTATION**  
**AIRPORTS DIVISION**  
400 RODGERS BOULEVARD, SUITE 700  
HONOLULU, HAWAII 96819-1880  
June 5, 2019

JADE T. BUTAY  
DIRECTOR

Deputy Directors  
LYNN A.S. ARAKI-REGAN  
DEREK J. CHOW  
ROSS M. HIGASHI  
EDWIN H. SNIFFEN

IN REPLY REFER TO:  
**AIR-PM**  
19.0510

Mr. George Rivera  
Owner  
Oahu Parachute Center LLC  
[REDACTED]  
Waialua, Hawai'i 96791

Dear Mr. Rivera:

Enclosed for your review and signature is the Application for Revocable Permit ("Application") for space for skydiving operations, identified as Area/Space Nos. 820-104B and 820-110A, and aircraft parking, identified as Area/Space No. 404-115 located at Kawaihapai Airfield (Airport).

If you concur, please sign and return the Application along with the following:

1. Tax Clearance Certificates (application forms enclosed) for the State of Hawai'i and City & County of Honolulu. Obtain current (within the past six months) tax clearance certificates and remit them to our office;
2. Certificate of Good Standing issued by the State of Hawai'i, Department of Commerce and Consumer Affairs (DCCA);
3. Certificate of Registration and/or proof of ownership, i.e., Bill of Sale and Registration Application;
4. Copy of the aircraft log book showing the date of the most recent aircraft certification inspection;
5. Airworthiness Certificate;
6. State of Hawai'i, Department of Transportation Aircraft Registration;
7. Commercial General Liability Insurance policy or policies, naming the State of Hawai'i as additional insured, with a combined single limit coverage of at least \$1,000,000 per occurrence and \$2,000,000 aggregate for bodily injury and damage to property per occurrence; and
8. Remittance, in the amount of \$ [REDACTED] [\$ [REDACTED] first month's rent, \$ [REDACTED] security deposit (3 months' rent) and \$25.00 administrative fee], made payable to the State of Hawai'i, Department of Transportation, Airports Division.

Mailed: 6/6/19



Mr. George Rivera  
June 5, 2019  
Page 2

AIR-PM  
19.0510

Occupancy of these spaces are not official until after the Revocable Permit is fully executed. We will not accept the Application unless all the required items listed above are fully executed and submitted together to our office.

This letter and Application is not intended to hold and/or reserve space at the Airport and may be cancelled at any time with or without prior notice.

If we do not receive the signed original Application, required documents and payment, as stated above within thirty (30) calendar days from the date of receipt of this letter, we will assume that you are no longer interested, and this offer will no longer be valid.

If you have any questions, please contact Mr. Daniel Oshiro, Property Manager, of our Property and Business Development Staff at [REDACTED]

Sincerely,

  
[REDACTED]

ROSS SMITH, Supervisor  
Property and Business  
Development Staff

Enclosures

**APPLICATION FOR REVOCABLE PERMIT**

R.P. No. \_\_\_\_\_

**KAWAIHAPAI AIRFIELD**

Application is hereby made to the Department of Transportation, Airports Division, hereinafter called the Department, for permission to use and occupy the following described premises at the above-named Airport for the purposes hereinafter specified and purposes incidental thereto in accordance with the terms and conditions set forth by the Department.

1. **Applicant's Name and Address:**

OAHU PARACHUTE CENTER LLC  
[REDACTED]  
WAIALUA, HAWAII 96791

2. **Premises as shown on attached exhibits A & B:**

Rate

Area/Space No. 820-104B, containing an area of approximately 10,704 square feet  
Area/Space No. 820-110A, containing an area of approximately 51,564 square feet  
Area/Space No. 404-115, containing an area of approximately 1,350 square feet

\$ [REDACTED] PSFPY  
\$ [REDACTED] PSFPY  
\$ [REDACTED] FIXED

3. **Purpose(s):** Skydiving Operation and Aircraft Parking.

4. **Fees:**

Monthly Rental: 820-104B      \$ [REDACTED]  
Monthly Rental: 820-110A      \$ [REDACTED]  
Monthly Rental: 404-115        \$ [REDACTED]  
  
**TOTAL MONTHLY FEE:**        \$ [REDACTED]

5. **Security Deposit:** \$ [REDACTED], or three (3) times the monthly rental in effect.

6. **Holdover Tenancy:** \$ [REDACTED]

I have examined the premises and have read and accept the terms and conditions of the Revocable Permit of the Department. I agree that I will not occupy the premises until I have (1) been notified by the Department, (2) paid one full month's rental in advance, (3) furnished the Department with the required security deposit, insurance policies and tax clearances from the State and County Tax Offices (from the Internal Revenue Service if the revocable permit calls for an annual rent of \$25,000.00 or more), and (4) signed the Revocable Permit. I understand that if I fail to obtain all of the requirements stated hereinabove, the Revocable Permit will be cancelled. **A \$25.00 administrative fee is required from the Applicant to cover the processing of the permit.**

Signature: \_\_\_\_\_

Phone No.: \_\_\_\_\_

Print Name: \_\_\_\_\_

Work No.: \_\_\_\_\_

Title: \_\_\_\_\_

Cellular No.: \_\_\_\_\_

Date Signed: \_\_\_\_\_

E-mail: \_\_\_\_\_

**RECOMMEND APPROVAL:**

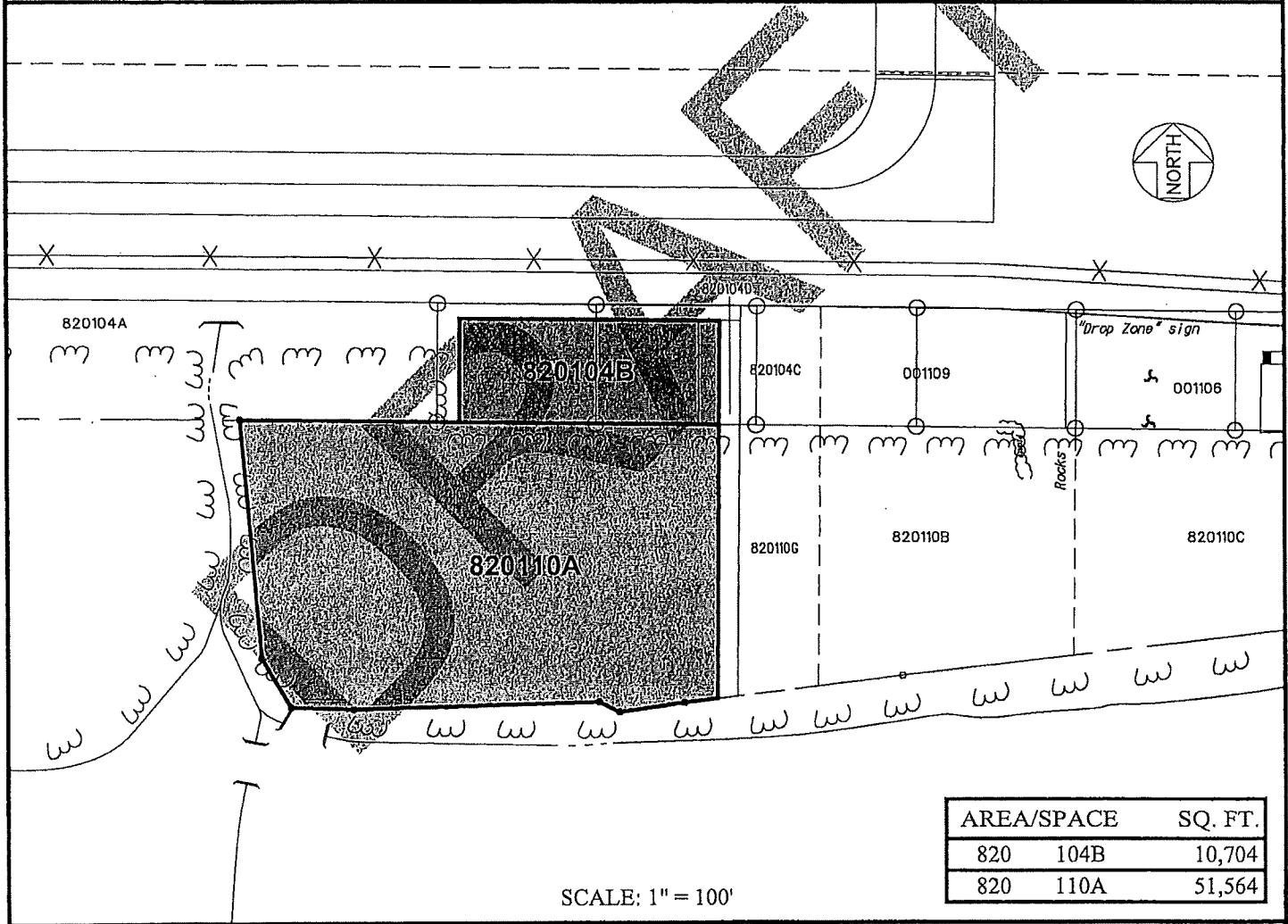
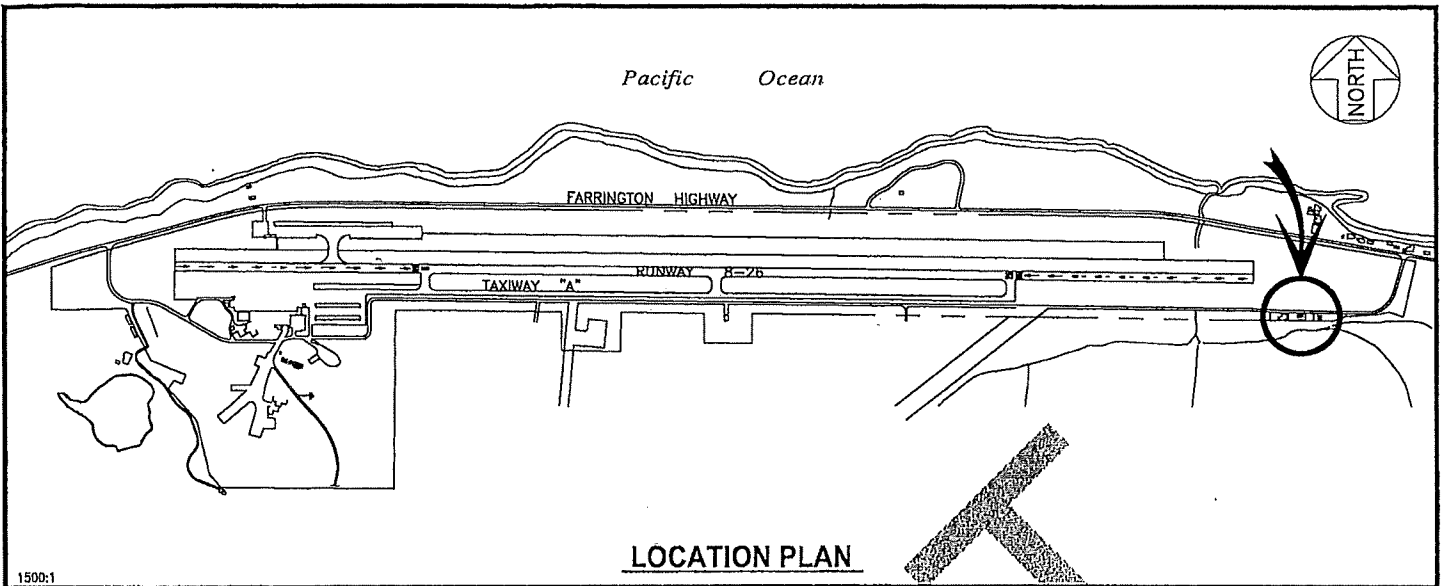
**APPROVED:**

\_\_\_\_\_  
ROY K. SAKATA  
Oahu District Airport Manager

\_\_\_\_\_  
ROSS M. HIGASHI  
Deputy Director – Airports

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date



DATE : MAY 2019

EXHIBIT: **A**

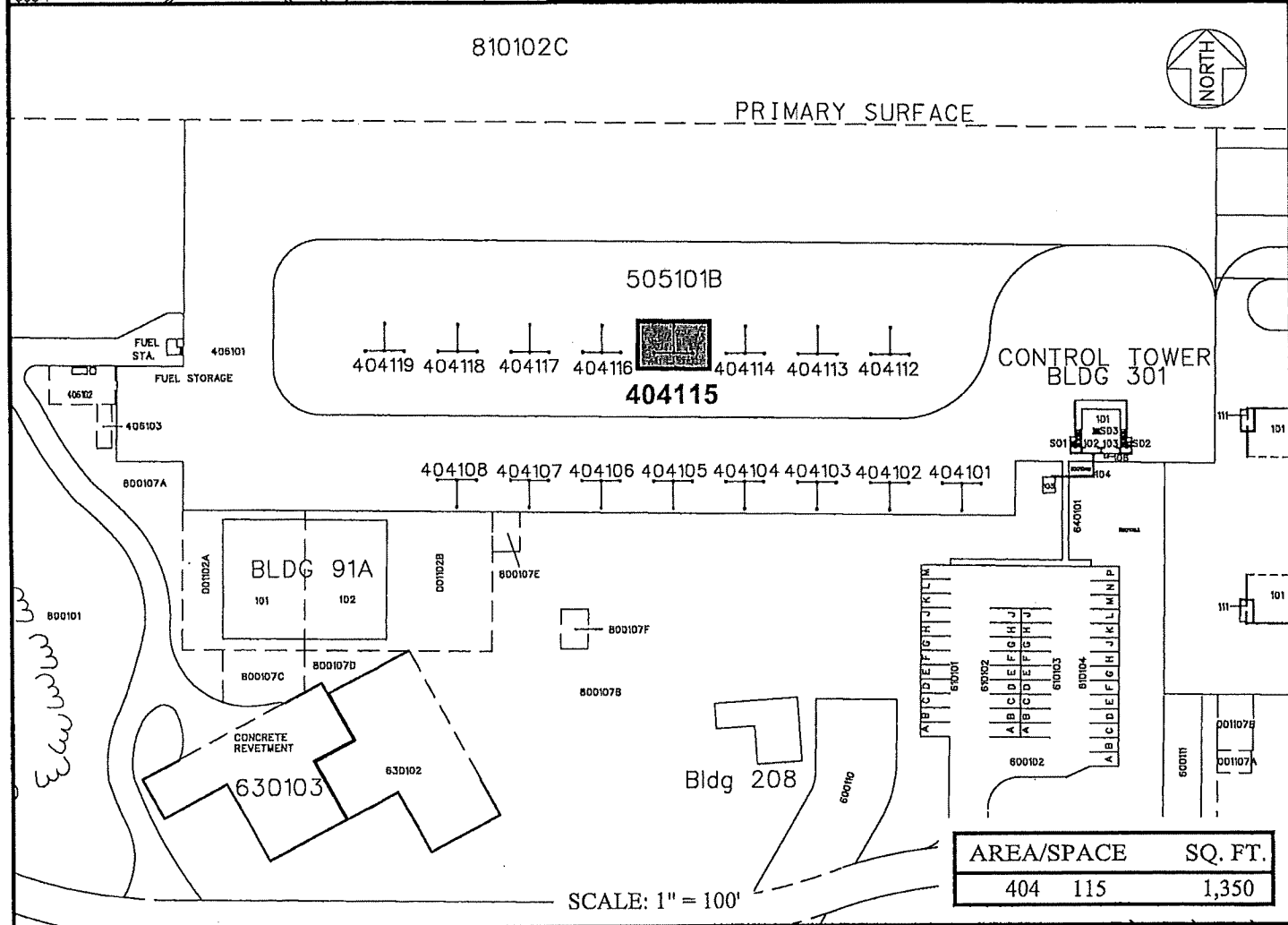
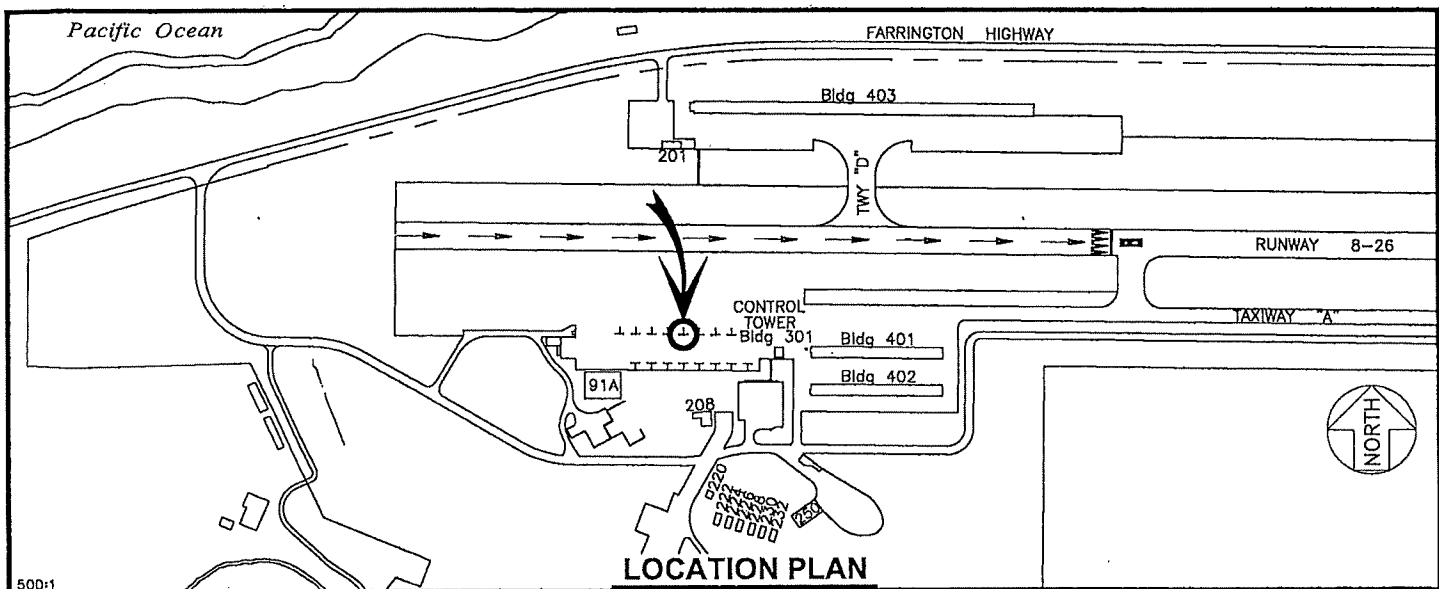


OAHU PARACHUTE  
CENTER LLC

LOTS

820104B  
820110A

**DILLINGHAM AIRFIELD**



DATE : MAY 2019

EXHIBIT: **B**



OAHU PARACHUTE CENTER LLC

TIE DOWN  
GENERAL AVIATION  
FACILITIES

404115  
PLAT B1

DAVID Y. IGE  
GOVERNOR



**STATE OF HAWAII**  
**DEPARTMENT OF TRANSPORTATION**  
**AIRPORTS DIVISION**  
400 RODGERS BOULEVARD, SUITE 700  
HONOLULU, HAWAII 96819-1880

JADE T. BUTAY  
DIRECTOR

Deputy Directors  
LYNN A.S. ARAKI-REGAN  
DEREK J. CHOW  
ROSS M. HIGASHI  
EDWIN H. SNIFFEN

IN REPLY REFER TO:

AIR-PM  
19.0560

June 26, 2019

Mr. George Rivera  
Owner  
Hawaii Parachute Center, LLC  
[REDACTED]  
Waialua, Hawai'i 96791

Dear Mr. Rivera:

**SUBJECT: LETTER OF REVOCATION AND NOTICE TO VACATE**

The State of Hawai'i, Department of Transportation, Airports Division (DOTA), is hereby exercising its right to revoke Revocable Permit No. 6953 (RP-6953) demised to Hawaii Parachute Center, LLC (HPC) at Kawaihāpai Airfield (Airport) pursuant to Terms and Conditions No. 31. (Compliance with Laws), which states:

**31. Compliance with Laws.** The PERMITTEE shall comply with all laws, ordinances, and rules and regulations of all governmental agencies, applicable to the Premises, or relating to and affecting any business or other commercial activity conducted on the Premises.

RP-6953 was issued to HPC for the purpose of a Parachute Loft with the understanding that HPC was conducting activities at the Airport as a parachute rigger.

In addition, HPC's failure to obtain DOTA's consent to; (1) operate skydiving activities under Oahu Parachute Center, LLC (2) register an aircraft, and (3) submit a completed application (Proposal to Provide Air Service in the State of Hawai'i) has resulted in the revocation of RP-6953.

**NOTICE IS HEREBY GIVEN**, to vacate and remove all personal property from the Premises covered by said RP-6953 within five (5) business days' written notice from HPC's receipt of this letter pursuant to Terms and Conditions No. 32. (Breach of Revocable Permit or Terms and Conditions).

The DOTA reserves the right to re-enter the Premises upon the effective date of revocation without further notice of any kind, and may regain and resume possession without the institution of summary or any other legal proceedings or otherwise. Any personal property remaining at the subject Premises after the revocation date will be considered abandoned property and may be sold or disposed of by DOTA, pursuant to State of Hawai'i laws.

Mailed: 6/28/19

Mr. George Rivera  
June 26, 2019  
Page 2

AIR-PM  
19.0560

If you have any questions, please contact Mr. Roy Sakata, Airports District Manager at [REDACTED], or Ms. Abby Lareau of our Property and Business Development Office at [REDACTED]

Sincerely,

[REDACTED]  
FORD N. FUCHIGAMI  
Administrative Services Officer

Enclosures

bc: AIR-O  
AIR-L

CERTIFIED MAIL, RETURN RECEIPT REQUESTED  
9414 7266 9904 2110 5940 61