

MARYANNE W. KUSAKA
MAYOR



CESAR C. PORTUGAL
COUNTY ENGINEER
TELEPHONE 241-6600

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ADMINISTRATIVE ASSISTANT

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DEPUTY COUNTY ENGINEER
TELEPHONE 241-6640

AN EQUAL OPPORTUNITY EMPLOYER
COUNTY OF KAUA'I
DEPARTMENT OF PUBLIC WORKS
4444 RICE STREET
MO'IKEHA BUILDING, SUITE 275
LIHU'E, KAUA'I, HAWAII 96766

RECEIVED

May 16, 2001

'01 MAY 24 11:45

Honorable Ronald Kouchi, Chairperson
and Members of the County Council
4396 Rice Street
Lihue, HI 96766

THE CLERK OF
THE COUNTY COUNCIL
COUNTY OF KAUA'I

Dear Chairperson Kouchi and Members of the County Council:

SUBJECT: ABANDON AND DISPOSE A PORTION OF PAPAA ROAD, TMK
4-9-5:6,10,13; 4-9-06:5,7,8,9 11; 4-9-07:1,7,8

Enclosed for your information and review is a copy of a letter dated May 2, 2001 from Mr. Max Graham who represents Mandalay Properties Hawaii LLC who request to purchase a section of Papaa Road from Aliomanu Estates Road to its Easterly terminus. Mr. Graham has reached agreement with abutting owners who will relinquish any rights to purchase the roadway subject to conditions stipulated in the agreement. Mandalay Properties as represented by Max Graham will pay all costs to acquire the remnant right of way.

We have no objections to the request since the remnant roadway services only the Mandalay properties. We are requesting Council concurrence and approval to dispose the remnant roadway.

Very truly yours,


CESAR C. PORTUGAL
County Engineer

APPROVED:


MAYOR MARYANNE W. KUSAKA

kk

Attachment

cc: County Attorney
Max Graham
Planning Department

C2001-220

**BELLES GRAHAM
PROUDFOOT & WILSON**

ATTORNEYS AT LAW

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MAX W.J. GRAHAM, JR.
DAVID W. PROUDFOOT
DONALD H. WILSON

Federal I.D. No. 99-0317663

May 2, 2001

Mr. Cesar C. Portugal, County Engineer
Department of Public Works
County of Kauai
4444 Rice Street, Suite 275
Lihue, Kauai, Hawaii 96766

VIA HAND DELIVERY

Re: **Papaa Bay Ranch Project**
Papaa, Kauai, Hawaii
Kauai Tax Map Key Nos. (4) 4-9-05:06, 10, 13,
(4) 4-9-06:05, 07, 08, 09, 11, and (4) 4-9-07:01, 07, 08

Dear Mr. Portugal:

I am writing to you on behalf of Mandalay Properties Hawaii LLC, a Hawaii limited liability company ("Mandalay") in response to your letter to me dated October 11, 1999, concerning the purchase by Mandalay of the Papaa Road Remnant.

In support of that request, and consistent with the request contained in your letter, I have enclosed the following:

1. A Map of Papaa Road Remnant, together with a metes and bounds description of the Papaa Road Remnant, both prepared by Ronald J. Wagner, licensed professional land surveyor. The total size of the Papaa Road Remnant is 2.687 acres.
2. Appraisal of the Fee Simple Market Value for Government Road Remnant located at Moloaa Hui Lands, Kawaihau, Kauai, Tax Map Key: (4) 4-9-05 (por.) dated February 22, 2001, prepared by Dennis T. Nakahara, Licensed Real Estate Appraiser (CGA-202). Mr. Nakahara has appraised the value of the Papaa Road Remnant at \$47,000.00.
3. Papaa Road Agreement signed by the owners of Units A through E of the Aliomanu Estates XI Agricultural Condominium located on Lot 11 of the Aliomanu Estates Subdivision, identified by Kauai Tax Map Key No. (4) 4-9-05:26 (CPR Nos. 1-5). As noted

Mr. Cesar C. Portugal, County Engineer
Department of Public Works
May 2, 2001
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in the Papaa Road Agreements, each of the respective owners of Lot 11 have waived their right to purchase any portion of the Papaa Road Remnant.

In addition, Mandalay confirms that it will pay for all costs involved in the transfer of the Papaa Road Remnant, including but not limited to, surveying, mapping, title searches, appraisal, land costs, escrow fees, obtaining road deeds from the State of Hawaii, Department of Land and Natural Resources, any subdivision expenses (if required), and recordation.

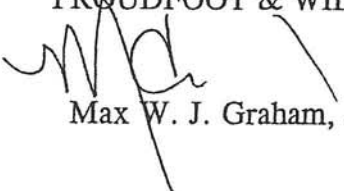
As you know, the Papaa Road Remnant is one of the government roads to which title is disputed as between the County of Kauai ("County") and the State of Hawaii ("State"), with neither the County nor the State claiming ownership. I understand in similar situations in the past this problem has been resolved by having the State quitclaim any and all interest it may have in the governmental road to the County, which then transfers title by quitclaim deed to the purchaser. I am requesting that a similar process take place in this case. In order to move this matter along, I would be willing to contact the Department of Land and Natural Resources ("DLNR") in order to request that DLNR arrange for the transfer by the State of any interest it may have in the Papaa Road Remnant to the County. However, if you would rather contact DLNR directly yourself, then I am requesting that you make this request.

Please let me know if there are any other issues or concerns that you might have concerning the transfer of the Papaa Road Remnant to Mandalay, or whether there are any other matters which Mandalay must resolve in order to obtain approval of the transfer of the Papaa Road Remnant by the County to Mandalay.

Thank you very much for your assistance in this matter and for your consideration of these requests.

Sincerely yours,

BELLES GRAHAM
PROUDFOOT & WILSON


Max W. J. Graham, Jr.

MWJG:jgm
Enclosures

cc: Mr. Peter Guber (w/o encls.)