From: "Edward E. Case" <<u>ecase@legalhawaii.com</u>> Date: July 1, 2011 12:49:16 PM HST To: "<u>carrollcox@carrollcox.com</u>" <<u>carrollcox@carrollcox.com</u>> Subject: Regarding Waikele Caves questions

Carroll:

This responds further to our interchange below on behalf of our client, Ford Island Ventures, LLC ("FIV").

The United States of America, through the Department of the Navy ("Navy"), has owned certain lands commonly referred to as Waikele Gulch, Oahu for several decades. Among the Navy's prior uses of these lands are a number of tunnel magazines utilized for weapons and explosives storage and sometimes referred to as Waikele Caves.

Navy currently leases Waikele Gulch to FIV subject to various restrictions and other conditions. FIV subleases the lands to HIDC Small Business Storage, LLC (HIDC), which in turn enters into space leases for portions of the lands to individual tenants.

By a Notice of Violation (NOV) dated October 4, 2010, the City and County of Honolulu (City) claimed that Navy and FIV were violating specific City ordinances with respect to certain Waikele Gulch land uses. The NOV did not relate to use of the Waikele Caves by HIDC's tenants.

Navy's position, with which FIV concurred, was that Waikele Gulch is subject to exclusive federal jurisdiction and that City does not have jurisdiction to issue an NOV. Both Navy's and FIV's counsel discussed this position with City's counsel, and FIV's counsel provided a draft letter (copy attached) outlining FIV's position for purposes of this discussion, which draft was not finalized and delivered. City subsequently withdrew its NOV.

Ed Case

Edward E. Case Bays Lung Rose & Holma Attorneys at Law 16th Floor, Ali'i Place 1099 Alakea Street Honolulu, Hawai'i 96813 Telephone: (808) 523-9000 Fax: (808) 533-4184 E-mail: ecase@legalhawaii.com

From: Edward E. Case Sent: Thursday, June 16, 2011 10:34 AM To: '<u>carrollcox@carrollcox.com</u>' Subject: RE: Regarding Waikele Caves questions

Carroll:

Ford Island Ventures intends to respond to your questions including your request for documents.

Ed Case

Edward E. Case Bays Lung Rose & Holma Attorneys at Law 16th Floor, Ali'i Place 1099 Alakea Street Honolulu, Hawai'i 96813 Telephone: (808) 523-9000 Fax: (808) 533-4184 E-mail: ecase@legalhawaii.com From: carrollcox@carrollcox.com [mailto:carrollcox@carrollcox.com] Sent: Tuesday, June 14, 2011 7:15 AM To: Edward E. Case Cc: carrollcox@carrollcox.com Subject: Regarding Waikele Caves questions

Dear Mr. Case,

Thank you for your June 13, 2011 response to my inquiry regarding the Waikele Caves case. I appreciate your time and assistance.

You indicated that you are an attorney with the law firm of Bays Lung Rose and Holma, which represents Ford island Ventures.

However, it is unclear to me whether you intend to respond to the questions I sent to you. I would appreciate it if you would let me know when you intend to respond to the questions, or if you intend to respond and provide the requested documents.

Sincerely,

Carroll Cox