Board of Land and 
Natural Resources 
State of Hawaii 
Honolulu, Hawaii 

ISSUANCE OF AN ON-DEMAND AIRPORT-BASED SHUTTLE BUS CONCESSION 
HONOLULU INTERNATIONAL AIRPORT 
O'AHU 
TAX MAP KEY: (1) 1-1-003: PORTION OF 1 

The Department of Transportation (DOT) proposes to offer an On-Demand Airport-Based 
Shuttle Bus Concession at the Honolulu International Airport (HNL) to service all locations on 
the Island of O'ahu. The following contains a description and summary of some of the major 
terms and conditions that the DOT anticipates incorporating into the Concession Agreement 
(“Agreement”): 

PURPOSE: 

To award the Agreement to the qualified Concessionaire submitting the highest bid to 
operate the concession at HNL. 

LEGAL REFERENCE: 

Chapter 102, Hawaii Revised Statutes, as amended. 

LOCATION: 

HNL - Terminal Building Complex. 

PREMISES: 

At Commencement of the Agreement. 

1. Passenger Service Space. 

   a. Diamond Head Domestic, Building 339, Space No. 110A, 
      containing an area of approximately 76 square feet and Space 
      No. 110C, containing an area of 211 square feet as shown on 
      Exhibit B-1 dated April 2016.
b. Diamond Head Extension, Building 341, Space No. 105A, containing an area of approximately 114 square feet as shown on Exhibit B-2 dated April 2016.

c. Interisland Terminal Complex, Building 310, Space No. 132, containing an area of approximately 291 square feet as shown on Exhibit B-3 April 2016.

2. **Bus Parking and Passenger Pickup/Drop-off**

   a. Space No. 610-199D, containing an area of approximately 575 square feet as shown on Exhibit C-1 dated April 2016.

   b. Space Nos. 610-191A, B, C, and D, each containing an area of approximately 410 square feet as shown on Exhibit C-2 dated April 2016.

   c. Space No. 610-193F, containing an area of approximately 1,188 square feet as shown on Exhibit C-3 dated April 2016.

   d. Space No. 610-912E, containing an area of approximately 351 square feet, and Space No. 610-198L containing an area of approximately 388 square feet as shown on Exhibit D dated April 2016.

**ZONING:**

- **Land Use:** Urban
- **County:** Industrial (I-2)

**TAX MAP KEY:**

Honolulu International Airport, Island of O'ahu, Hawai'i
1st Division – 1-1-003:Portion of 1

**LAND STATUS:**

- Section 5(a), Hawaii Admission Act –Non-Ceded
- DHHL 30% entitlement lands Yes___ No_X___

**CHAPTER 343, HRS – ENVIRONMENTAL ASSESSMENT:**

Pursuant to Section 11-200-8(a) Environmental Impact Statement Rules of the Department of Health, State of Hawai‘i, this disposition is exempt from the requirements
regarding preparation of an environmental assessment, negative declaration, or
environmental impact statement as required by Chapter 343, Hawai‘i Revised Statues, as
amended, relating to Environmental Impact Statements, because the proposed action falls
within Exemption Class #1, Comprehensive Exemption List for the State of Hawai‘i,
Department of Transportation, dated November 2000, as approved by the Environmental
Quality Council. Exemption Class #1 covers operations, repairs, or maintenance of
existing structures, facilities, equipment, or topographical features involving negligible or
no expansion or change of use beyond that previously existing.

TERM:

Five (5) years.

CONCESSION FEE:

Annual Concession Fee. The total annual Concession Fee shall be the greater of the
following:

a. Minimum Annual Guaranteed Fee. The minimum annual guaranteed fee
   (MAG) for the first year of the term of the Concession, as set forth in the
   Concessionaire’s Bid Proposal; or

b. Percentage Fee. For each year of the term of this Concession Agreement,
   the percentage fee shall be fifteen percent (15%) of the Concessionaire’s
   annual gross receipts generated from, related or attributable to, or
   connected with the operation of the concession.

c. Minimum Annual Guaranteed Fee in subsequent years. The MAG for the
   second thru the fifth year of the Concession term shall be eighty-five
   percent (85%) of the concession fee paid and payable for the preceding
   year.

UPSET FEE:

The minimum annual guaranteed fee for the first year of the Concession Agreement
shall be not less than Five Hundred Thousand Dollars ($500,000.00).

IMPROVEMENTS:

The Concessionaire will be required to invest a minimum total of $10,000.00 for
improvements, certain fixtures and equipment on or within the premises of the spaces
assigned under the Concession Agreement in accordance with DOT and county building
standards.
Basis of Award:

The award of the Agreement will be to the highest responsible bidder, based upon the total amount of the minimum annual guaranteed concession fee bid for the first year of the five-year term of the Agreement.

Remarks:

The On-Demand Airport-Based Shuttle Bus Concession at Honolulu International Airport shall provide service from the Airport to all areas of the Island of O'ahu. The On-Demand Airport-Based Shuttle Bus Concession provides a valuable service to the traveling public by providing an alternative to private vehicles, rental cars and taxis as a means of getting to and from the Airport.

Recommendation:

That the Board authorize the call for sealed bid tenders and issuance of a new On-Demand Airport-Based Shuttle Bus Concession as hereinabove outlined, subject to (1) such other terms and conditions as may be prescribed by the Director of Transportation to best serve the interests of the State; and (2) review and approval of the Department of the Attorney General as to the agreement form and content.

Respectfully submitted,

FORD N. FUCHIGAMI
Director of Transportation

Approved for Submittal:

SUZANNE D. CASE
Chairperson and Member