



STATE OF HAWAII
DEPARTMENT OF TRANSPORTATION
869 PUNCHBOWL STREET
HONOLULU, HAWAII 96813-5097

Board of Land and
Natural Resources
State of Hawai'i
Honolulu, Hawai'i

DIRECT ISSUANCE OF A PARKING CONCESSION
HONOLULU INTERNATIONAL AIRPORT

O'AHU

The Department of Transportation proposes to directly offer a Concession Agreement (Agreement) to ABM On-Site Services West, Inc. for the parking concession at Honolulu International Airport 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 Agreement.

LEGAL REFERENCE:

Chapter 102, Hawai'i Revised Statutes, as amended.

LOCATION AND TAX MAP KEY:

Honolulu International Airport
Tax Map Key: 1st Division, 1-1-003:001 (Portion)

ZONING:

State Land Use: Urban
City and County of Honolulu: Industrial (I-2)

LAND STATUS:

Section 5(a), Hawai'i Admission Act – Non-Ceded
DHHL 30% entitlement lands Yes ____ No X

CURRENT USE STATUS:

Land presently encumbered by Governor's Executive Order No. 3201, dated June 8, 1983, setting aside 3,152.177 acres designated as Honolulu International Airport under

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the control and management of the State of Hawai‘i, Department of Transportation, Airports Division for Airport Purposes.

TERM:

Eight years commencing on July 1, 2016 and ending on June 30, 2024.

CONCESSION FEE:

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

a. Minimum Annual Guaranteed Fee.

First Year. The minimum annual guaranteed fee for the first year of the term of the Agreement shall be \$15,600,000.00 (Fifteen Million, Six Hundred Thousand Dollars).

Successive Years. The minimum annual guaranteed fee for subsequent years of the term of the Agreement shall be 85% of what was paid and payable in the prior year.

b. Percentage Fee.

The percentages (%) of the gross receipts from all Automobile Parking Facilities at the Airport for each Contract Year shall be as follows:

\$0 - \$30,000,000	80% of gross receipts
\$30,000,000.01 - \$31,000,000	81% of gross receipts
\$31,000,000.01 - \$32,000,000	82% of gross receipts
\$32,000,000.01 - \$33,000,000	83% of gross receipts
\$33,000,000.01 - \$34,000,000	84% of gross receipts
Over \$34,000,000	85% of gross receipts

IMPROVEMENTS:

The Concessionaire will make a minimum of \$1,700,000.00 (One Million, Seven Hundred Thousand Dollars) in improvements.

BASIS OF AWARD:

Chapter 102, Hawai‘i Revised Statutes, in part, states the following:

102-1 Definition. The word “concession” as used in this chapter means the grant to a person of the privilege to:

... (2) Operate a parking lot on property owned or controlled by the State with the exception of buildings, facilities, and grounds operated by or otherwise under the jurisdiction of the department of education; ...

102-2 Contracts for concessions; bid required, exception.

(a) Except as otherwise specifically provided by law, no concession or concession space shall be leased, let, licensed, rented out, or otherwise disposed of either by contract, lease, license, permit or any other arrangement, except under contract let after public notice for sealed bids in the manner provided by law; provided that the duration of the grant of the concession or concession space shall be related to the investment required but in no event to exceed fifteen years; provided further that and subject to approval by county council resolution, the fifteen-year limit shall not apply to nonprofit corporations organized pursuant to chapter 414D.

(b) The bidding requirements of subsection (a) shall not apply to concessions or space on public property set aside for the following purposes:

(1) For operation of ground transportation services and parking lot operations at airports, except for motor vehicle rental operations under Chapter 473D; ...

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 Statutes, 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.

REMARKS:

During the term of the Parking Concession it is almost certain that changes to airport property that will have a significant impact on the parking concession will be made. At this point, it is anticipated that the rail project will be traversing airport property. Part of the rail plan is the location of a station on airport property. Such a station would replace an existing parking lot. In addition, another parking lot will be closed temporarily to allow for construction and installation of pillars that will support overhead train tracks. When the parking lot is returned the number of parking stalls will be significantly reduced.

The DOTA is also moving ahead with plans to build the Mauka Concourse to expand the number of airplane gates available for use by airlines and travelers. The Mauka Concourse will eliminate the current parking Lot B, which provides in excess of 400 hundred parking stalls.

Construction in the areas noted above has, in addition to reducing the number of available parking stalls, the potential of impacting various utilities including communication and electrical services used by the concession. Given the existing concessionaire's familiarity with the airport, its processes, and utility locations, the existing concessionaire is the best candidate to be able to reduce the impact, as much as possible, on the parking operations as well as inconvenience to the users of the parking facilities.

RECOMMENDATION:


That the Board authorize the Department of Transportation to enter into a Concession Agreement with ABM Onsite Services – West, Inc. for the management and operation of the Parking Concession at Honolulu International Airport (HNL).

Respectfully submitted,

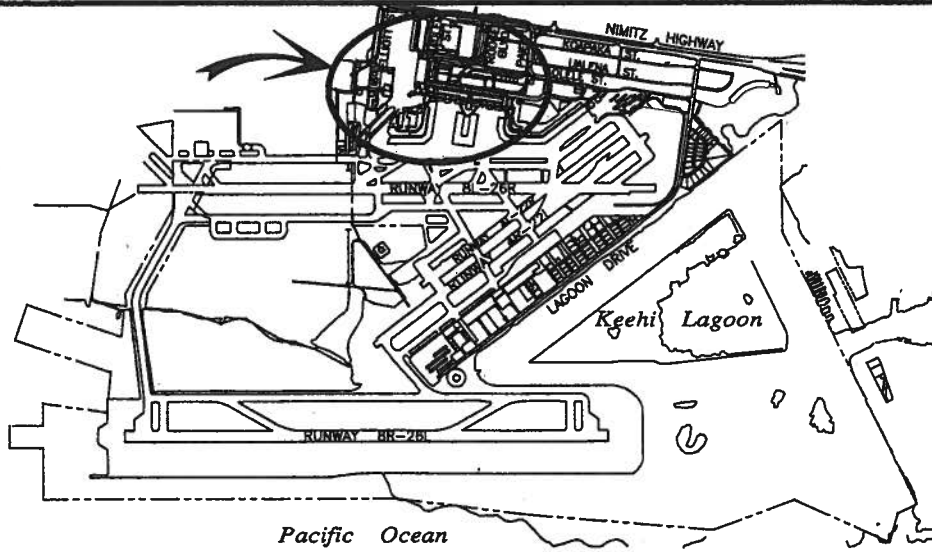


FORD N. FUCHIGAMI
Director of Transportation

APPROVED FOR SUBMITTAL:

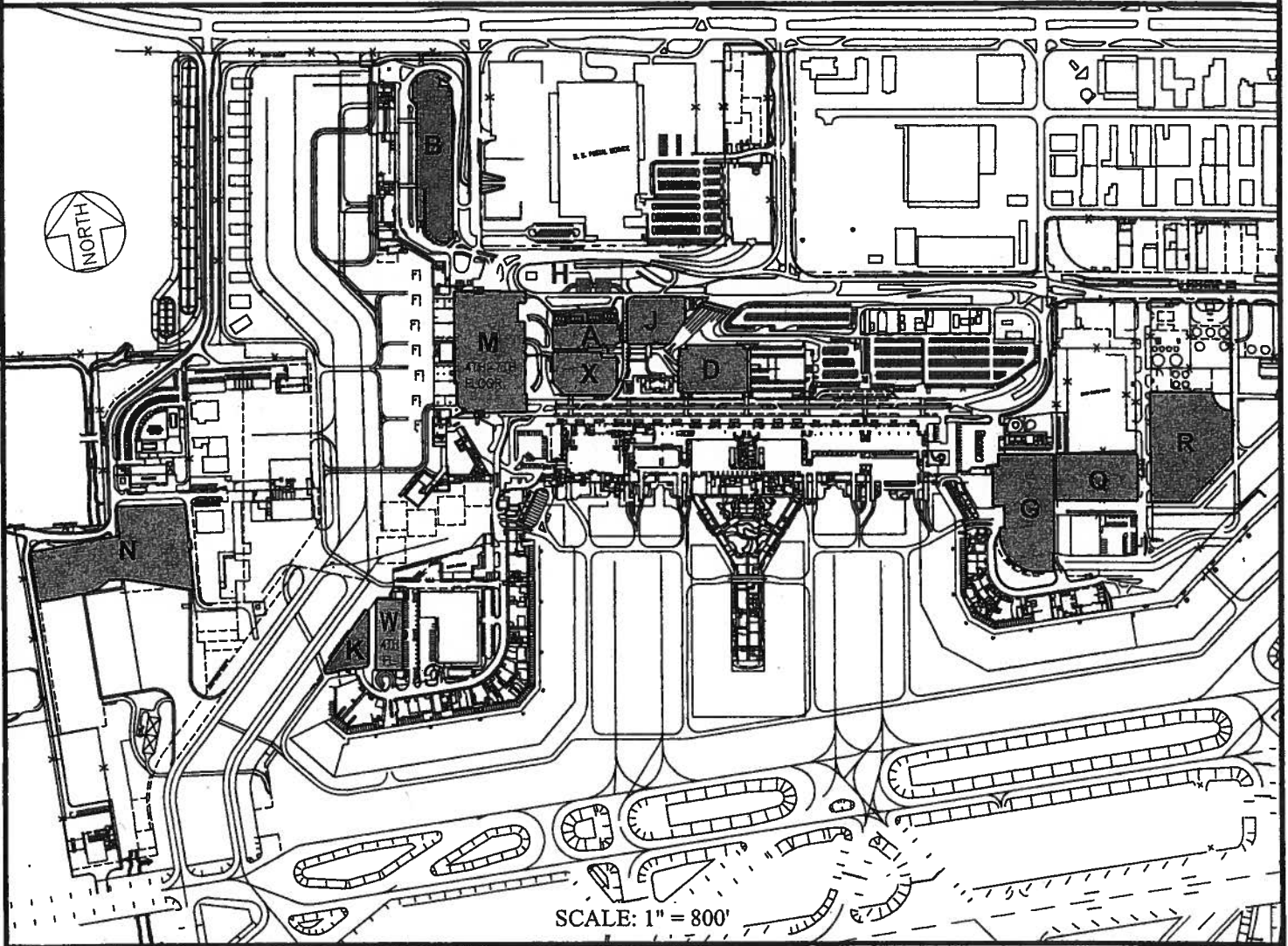


SUZANNE D. CASE
Chairperson and Member



LOCATION PLAN

5000:1



SCALE: 1" = 800'

DATE : JUNE 2016

EXHIBIT: **B**



Airports Division

ABM ON-SITE
SERVICES WEST, INC.

MAIN
PARKING AREAS

PLAT 14,15,24,25

HONOLULU INTERNATIONAL AIRPORT

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DCCA State of Hawaii

Downloaded on June 7, 2016.

The information provided below is not a certification of good standing and does not constitute any other certification by the State.

Website URL: <http://hbe.hawaii.gov/documents>

Business Information

MASTER NAME	ABM ONSITE SERVICES - WEST, INC.
BUSINESS TYPE	Foreign Profit Corporation
FILE NUMBER	49398 F1
STATUS	Active
PURPOSE	PROVIDES COMMERCIAL JANITORIAL SERVICES AND COMMERCIAL LANDSCAPE SERVICES
PLACE INCORPORATED	Delaware UNITED STATES
REGISTRATION DATE	Dec 20, 2013
MAILING ADDRESS	1111 FANNIN, SUITE 1500 HOUSTON, Texas 77002 UNITED STATES
AGENT NAME	THE CORPORATION COMPANY, INC.
AGENT ADDRESS	1136 UNION MALL STE 301 HONOLULU, Hawaii 96813 UNITED STATES

Annual Filings

FILING YEAR	DATE RECEIVED	STATUS
2015	Nov 17, 2015	Processed
2014	Mar 2, 2015	Processed

Officers

NAME	OFFICE	DATE
MCCLURE, JAMES P.	P/D	Oct 1, 2015
MCCONNELL, SARAH H.	S	Oct 1, 2015
GALLO, THOMAS J.	T	Oct 1, 2015
SALMIRS, SCOTT	D	Oct 1, 2015
SCAGLIONE, DIEGO ANTHONY	D	Oct 1, 2015

Trade Names

NAME	TYPE	CATEGORY	REGISTRATION DATE	STATUS
ABM FACILITY SERVICES	Trade Name	NO CATEGORY SELECTED	Mar 3, 2014	Active
ABM JANITORIAL SERVICES	Trade Name	NO CATEGORY SELECTED	Feb 18, 2014	Active
ABM LANDSCAPE AND TURF	Trade	NO CATEGORY	Nov 19, 2014	Active