



**STATE OF HAWAII**  
**DEPARTMENT OF TRANSPORTATION**  
869 PUNCHBOWL STREET  
Honolulu, Hawaii 96813-5097

IN REPLY REFER TO:

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

**ISSUANCE OF A RESTAURANT AND LOUNGE CONCESSION AGREEMENT  
BY REQUEST FOR PROPOSALS TO VOLUME SERVICES, INC. DBA SODEXO LIVE!  
AT HILO INTERNATIONAL AIRPORT AND ELLISON ONIZUKA KONA  
INTERNATIONAL AIRPORT AT KEĀHOLE  
TAX MAP KEY: HILO - (3) 2-1-12: PORTION OF 9 AND KONA - (3) 7-3-43: PORTION OF 3  
HAWAI'I**

**REQUEST:**

The Department of Transportation (DOT) proposes to issue a Concession Agreement to Volume Services, Inc. dba Sodexo Live! for the management and operation of a Restaurant and Lounge Concession at Hilo International Airport and Ellison Onizuka Kona International Airport at Keāhole.

**LEGAL REFERENCE:**

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

**APPLICANT:**

Volume Services, Inc., a Delaware corporation, authorized to do business in the State of Hawai'i, whose business address is 700 Canal Street Fl 1, Stamford, Connecticut 06902.

**DCCA VERIFICATION:**

Place of business registration confirmed:	YES <u>X</u>	NO _____
Registered business name confirmed:	YES <u>X</u>	NO _____
Good standing confirmed:	YES <u>X</u>	NO _____

**LOCATION AND TAX MAP KEY:**

Hilo International Airport, Island of Hawai'i  
Tax Map Key: 3<sup>rd</sup> Division, 2-1-12: Portion of 9

**ITEM M-5**

BLNR – ISSUANCE OF A RESTAURANT AND LOUNGE CONCESSION AGREEMENT BY  
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INTERNATIONAL AIRPORT, AND ELLISON ONIZUKA KONA INTERNATIONAL  
AIRPORT AT KEĀHOLE

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Ellison Onizuka Kona International Airport at Keāhole, Island of Hawai‘i  
Tax Map Key: 3<sup>rd</sup> Division, 7-3-03: Portion of 3

PREMISES:

1. Hilo International Airport (HILO)

Bldg/Room No. 307-121, containing an area of approximately 4,995 square feet;  
Bldg/Room No. 307-121A, containing an area of approximately 1,079 square feet;  
Bldg/Room No. 307-190, containing an area of approximately 1,122 square feet;  
Bldg/Room No. 307-191, containing an area of approximately 1,091 square feet; and  
as shown and delineated on the attached map labeled Exhibit A-1.

Bldg/Room No. 307-145B, containing an area of approximately 600 square feet,  
as shown and delineated on the attached map labeled Exhibit A-2.

2. Ellison Onizuka Kona International Airport at Keāhole (KONA):

Bldg/Room No. 309-101, containing an area of approximately 2,168 square feet;  
Bldg/Room No. 309-102, containing an area of approximately 38 square feet;  
Bldg/Room No. 355-101, containing an area of approximately 1,332 square feet; and  
Area/Space No. 640-148, containing an area of approximately 396 square feet;  
as shown and delineated on the attached map labeled Exhibit B-1.

Bldg/Room No. 325-101, containing an area of approximately 2,162 square feet;  
Bldg/Room No. 356-101, containing an area of approximately 1,324 square feet; and  
Area/Space No. 640-149, containing an area of approximately 396 square feet,  
as shown and delineated on the attached map labeled Exhibit B-2.

Bldg/Room No. 331-105, containing an area of approximately 463 square feet,  
as shown and delineated on the attached map labeled Exhibit B-3.

Bldg/Room No. 354-104, containing an area of approximately 388 square feet; and  
Bldg/Room No. 345-105, containing an area of approximately 610 square feet,  
as shown and delineated on the attached map labeled Exhibit B-4.

ZONING:

HILO: State Land Use: Urban                      County: Industrial (ML20)  
KONA: State Land Use: Urban                     County: Industrial (MG1a)

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LAND TITLE STATUS:

HILO: Section 5(b), Hawai‘i Admission Act – Ceded  
DHHL 30% entitlement lands: Yes\_\_\_ No X

KONA: Section 5(b), Hawai‘i Admission Act – Ceded  
DHHL 30% entitlement lands: Yes\_\_\_ No X

CURRENT USE STATUS:

HILO: Land presently encumbered by Governor’s Executive Order No. 2653, dated March 5, 1973, setting aside 284.466 acres designated as General Lyman Field under the control and management of the State of Hawai‘i, Department of Transportation, Airports Division for public purposes.

KONA: Land presently encumbered by Governor’s Executive Order No. 3074, dated August 20, 1981, setting aside 4,204.10 acres designated as KONA under the control and management of the State of Hawai‘i, Department of Transportation, Airports Division for Airport Purposes.

CHARACTER OF USE:

Restaurant and Lounge Concession.

TERM OF LEASE:

Fifteen (15) years.

COMMENCEMENT DATE:

Upon execution of the Concession Agreement.

CONCESSION FEE:

The annual Concession Fee shall be the greater of the Minimum Annual Guaranteed (MAG) Fee of \$960,000 or Percentage Fee.

For each succeeding years, the MAG shall be 85% of the actual annual fee paid and payable to the State of Hawai‘i (either MAG or percentage) in the prior concession agreement year.

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DISADVANTAGE BUSINESS ENTERPRISE (DBE) GOAL:

A DBE minimum participation goal of nineteen percent (19%) will be used to meet DBE regulations of the Federal Aviation Administration, U.S. Department of Transportation.

MINIMUM IMPROVEMENTS REQUIREMENT:

Volume Services, Inc. will invest a minimum of \$8 million in capital improvements.

CHAPTER 343, HRS – ENVIRONMENTAL ASSESSMENT:

HILO:

The State of Hawai‘i, Department of Transportation, Airports Division, has determined that the subject land use is covered by the Final Environmental Impact Statement (EIS), New Passenger Terminal, General Lyman Field, Hilo, Hawai‘i, published by the Office of Environmental Quality Control (OEQC) in the October 17, 1973, issue of The EIS Newsletter. Accordingly, all relevant mitigation from the EIS and best management practices will be implemented to address the minimum impacts of this action. On July 1, 1989, General Lyman Field was renamed Hilo International Airport.

KONA:

The State of Hawai‘i, Department of Transportation, Airports Division, has determined that the subject land areas are covered by the Keahole Airport Master Plan Final Environmental Impact Statement (EIS), published by the Office of Environmental Quality Control (OEQC) in the November 8, 1988, issue of The Environmental Notice and accepted by the Governor on December 19, 1988. Accordingly, all relevant mitigation from the EIS and best management practices will be implemented to address the minimum impacts of this action.

REMARKS:

In accordance with Chapter 102, Hawai‘i Revised Statutes, as amended, relating generally to Concessions on Public Property, The DOT issued a request for proposals to operate and manage a Restaurant and Lounge Concession at HILO and KONA. Based on the proposals submitted, Volume Services, Inc. dba Sodexo Live! was determined to be the best qualified candidate to operate the concession.

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RECOMMENDATION:

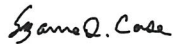
That the Board authorize the Department of Transportation to enter into a Concession Agreement with Volume Services dba Sodexo Live! subject to: (1) the terms and conditions hereinabove outlined; (2) such other terms and conditions as may be prescribed by the Director of Transportation to best serve the interest of the State; and (3) review approval by the Department of the Attorney General.

Respectfully submitted,

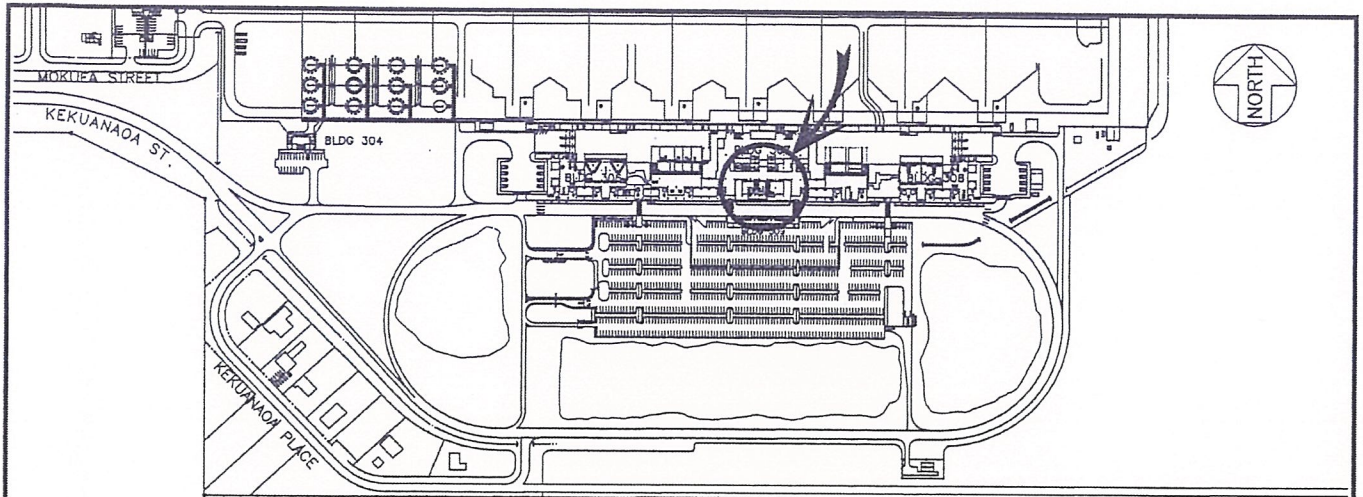


JADE T. BUTAY  
Director of Transportation

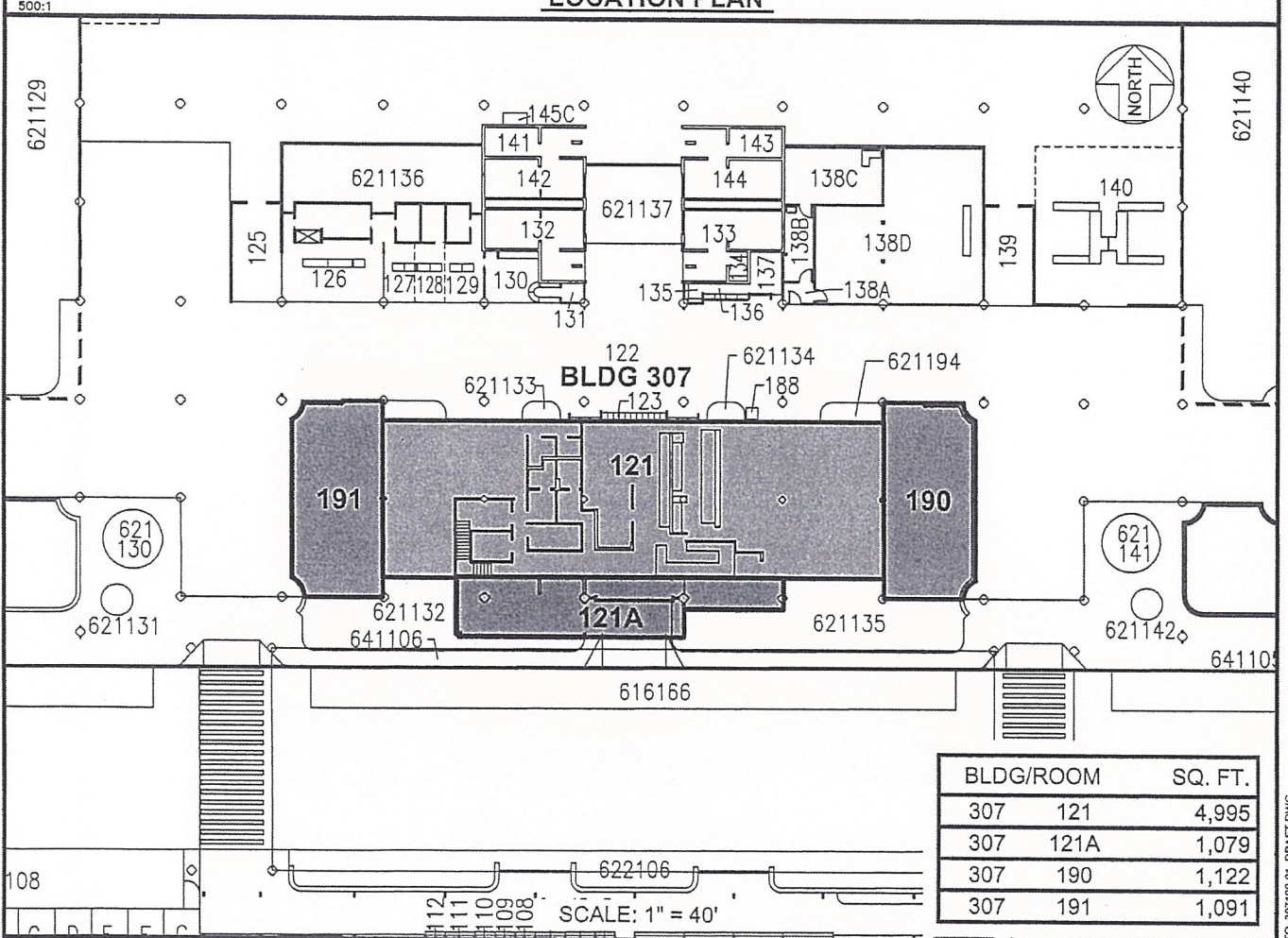
APPROVED FOR SUBMITTAL:



SUZANNE D. CASE  
Chairperson  
Board of Land and Natural Resources



**LOCATION PLAN**



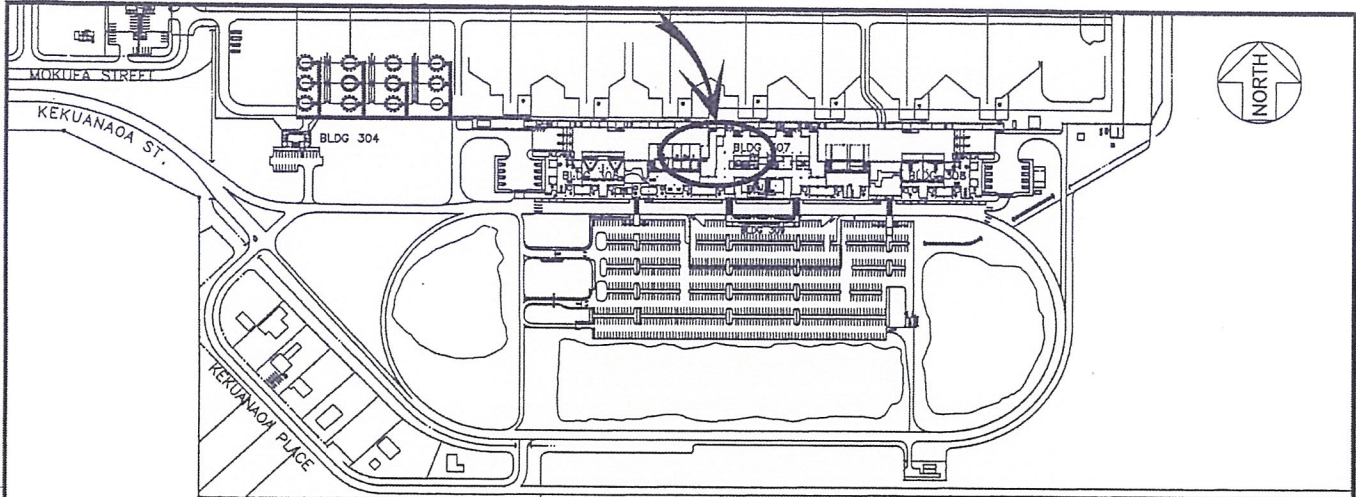
BLDG/ROOM	SQ. FT.
307 121	4,995
307 121A	1,079
307 190	1,122
307 191	1,091

DATE: MAY 2022 EXHIBIT: **A-1**

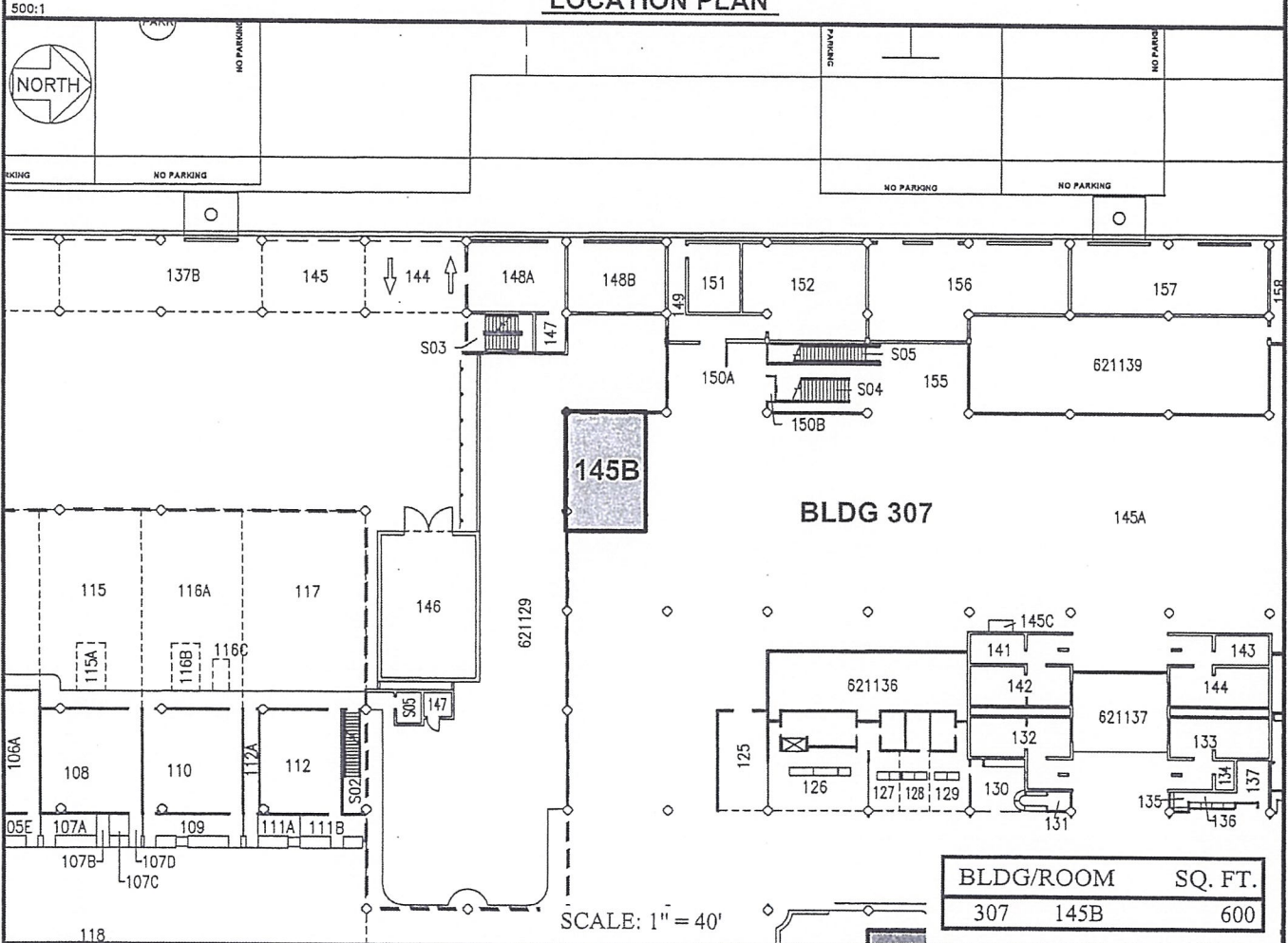
	<p>BLDG 307 DEPARTURE TERMINAL GROUND LEVEL</p>	<p>307121 307121A 307190,191 PLAT C1,42</p>
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**HILO INTERNATIONAL AIRPORT**

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**LOCATION PLAN**



BLDG/ROOM	SQ. FT.
307 145B	600

SCALE: 1" = 40'

DATE : MAY 2022

EXHIBIT: **A-2**

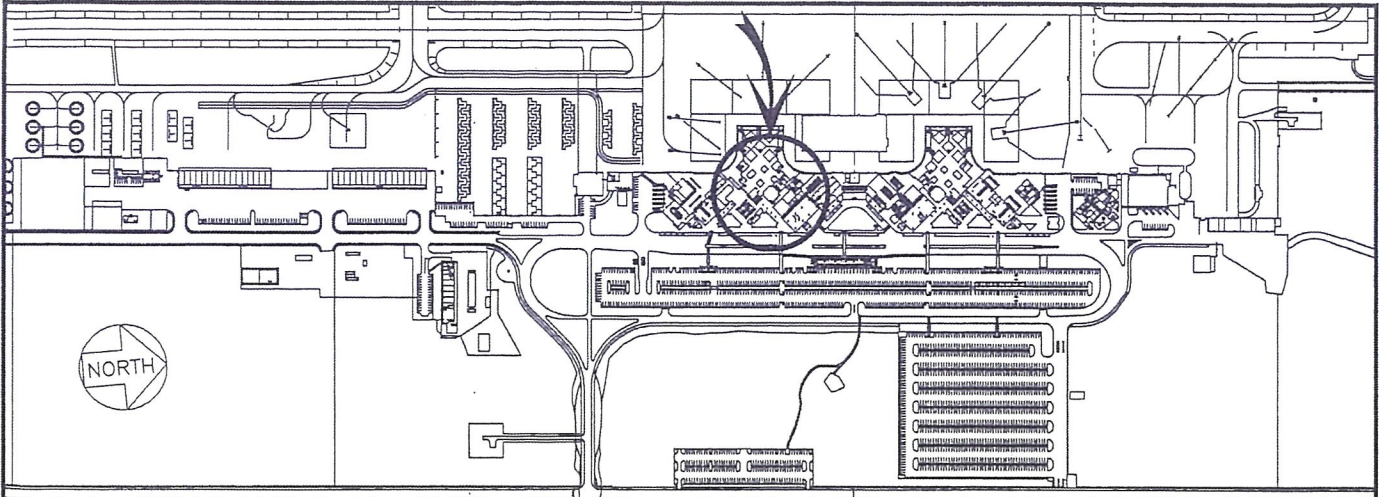


**BUILDING 307  
DEPARTURE TERMINAL  
GROUND LEVEL**

**307145B  
PLATS C1,42**

**HILO INTERNATIONAL AIRPORT**

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LOCATION PLAN



BLDG/ROOM	SQ. FT.
309 101	2,168
309 102	38
355 101	1,332
AREA/SPACE	
640 148	396

SCALE: 1" = 40'

DATE : MAY 2022

EXHIBIT: B-1



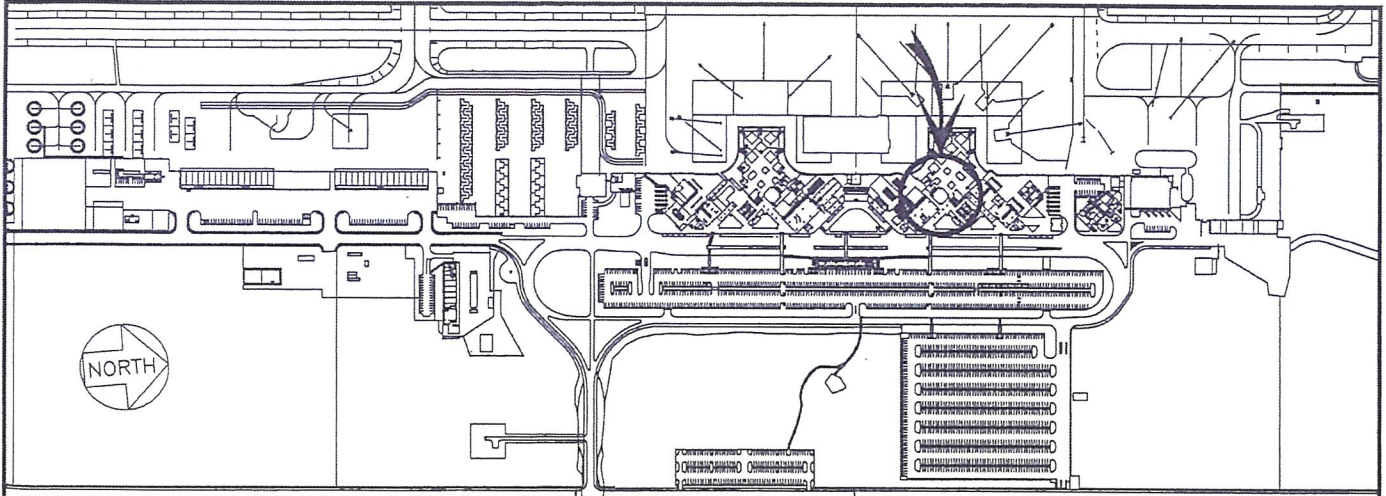
BUILDING 309 & 355  
RESTAURANT  
GROUND LEVEL

309101-102  
355101  
640148  
PLATS D1,E1,38,58

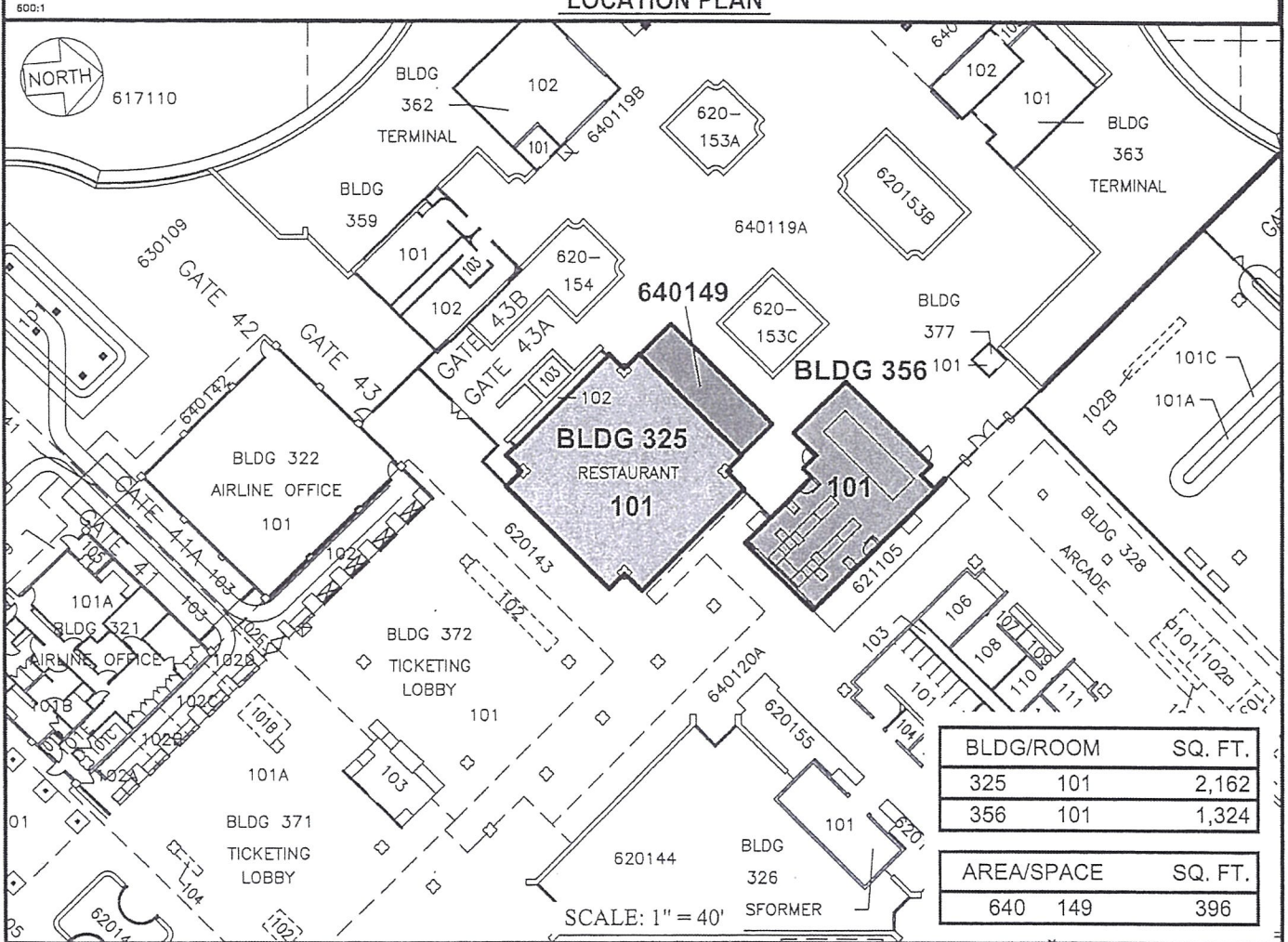
ELLISON ONIZUKA KONA INTERNATIONAL AIRPORT AT KEAHOLE

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LOCATION PLAN



BLDG/ROOM	SQ. FT.
325 101	2,162
356 101	1,324

AREA/SPACE	SQ. FT.
640 149	396

DATE : MAY 2022

EXHIBIT: B-2

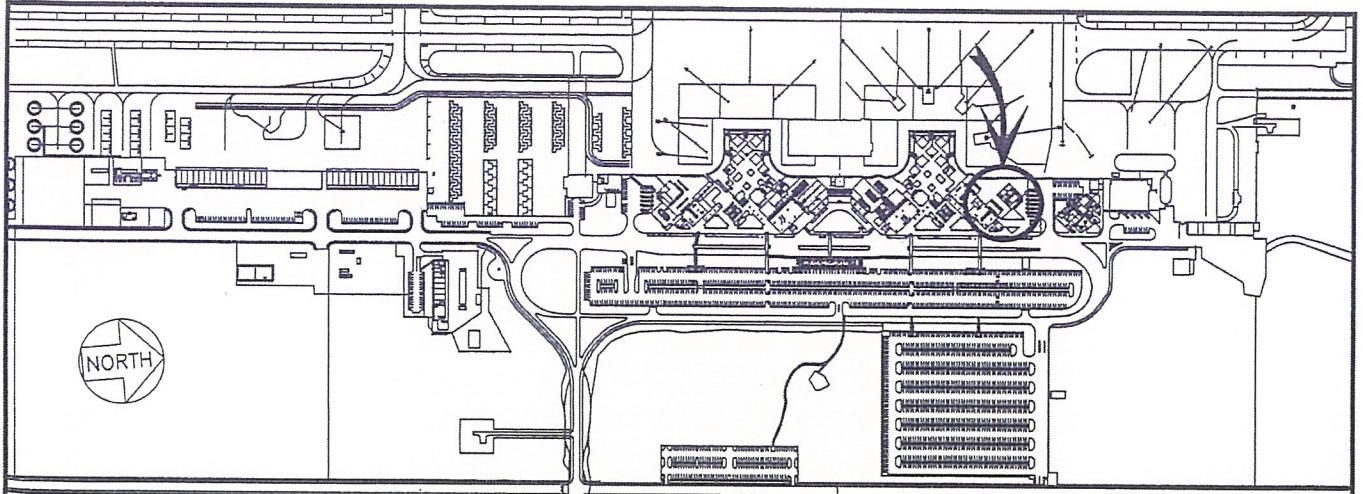


BUILDING 325 & 356  
RESTAURANT  
GROUND LEVEL

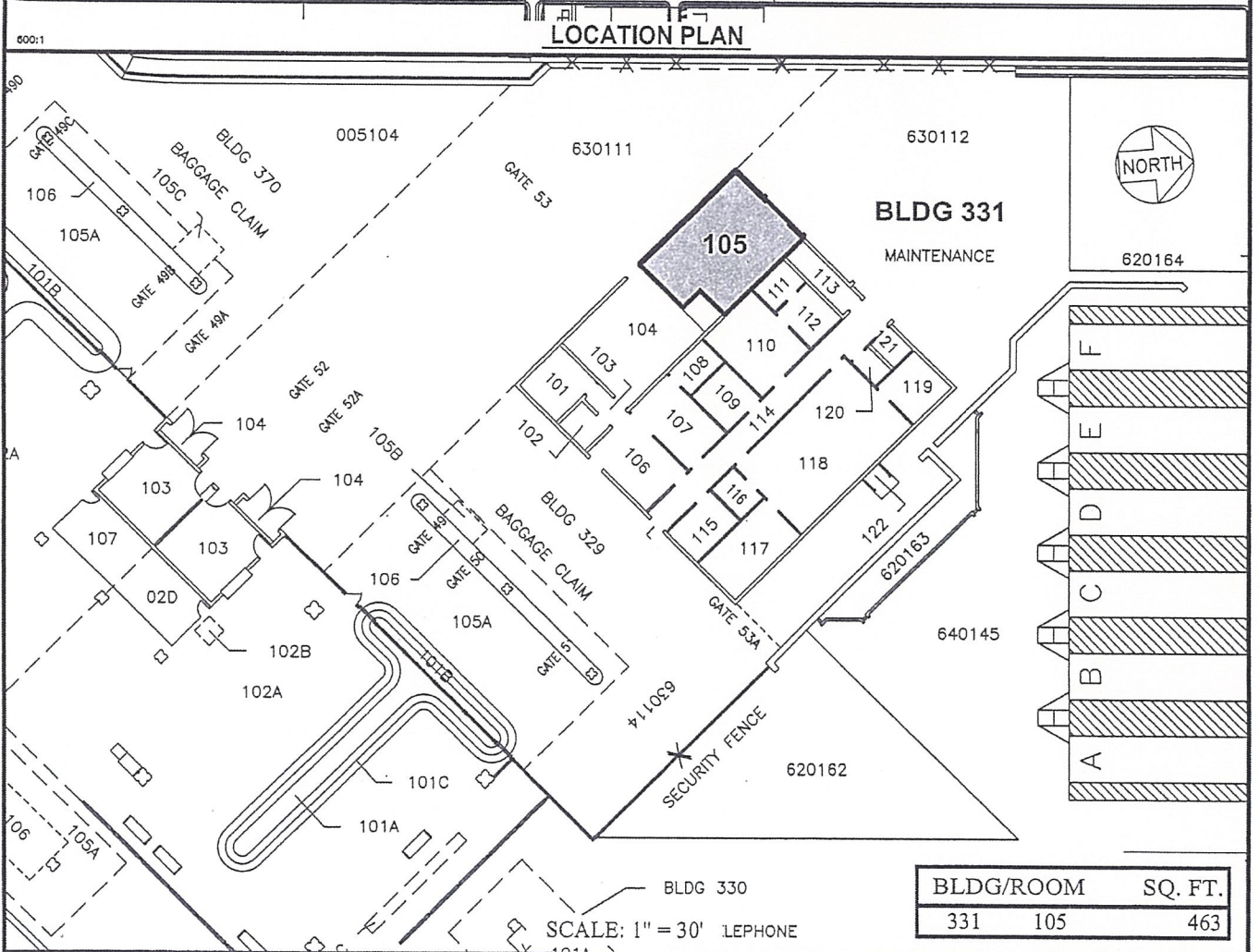
325101  
356101  
640149  
PLAT E1, 58

ELLISON ONIZUKA KONA INTERNATIONAL AIRPORT AT KEAHOLE

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**LOCATION PLAN**



DATE : MAY 2022

EXHIBIT: **B-3**



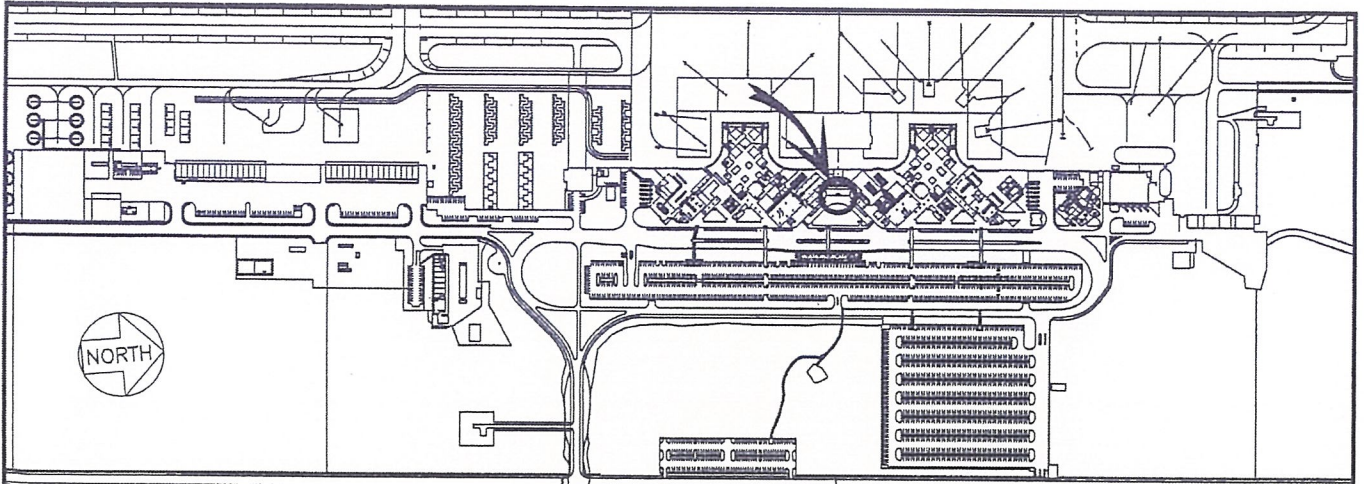
Airports Division

**BUILDING 331  
MAINTENANCE  
GROUND LEVEL**

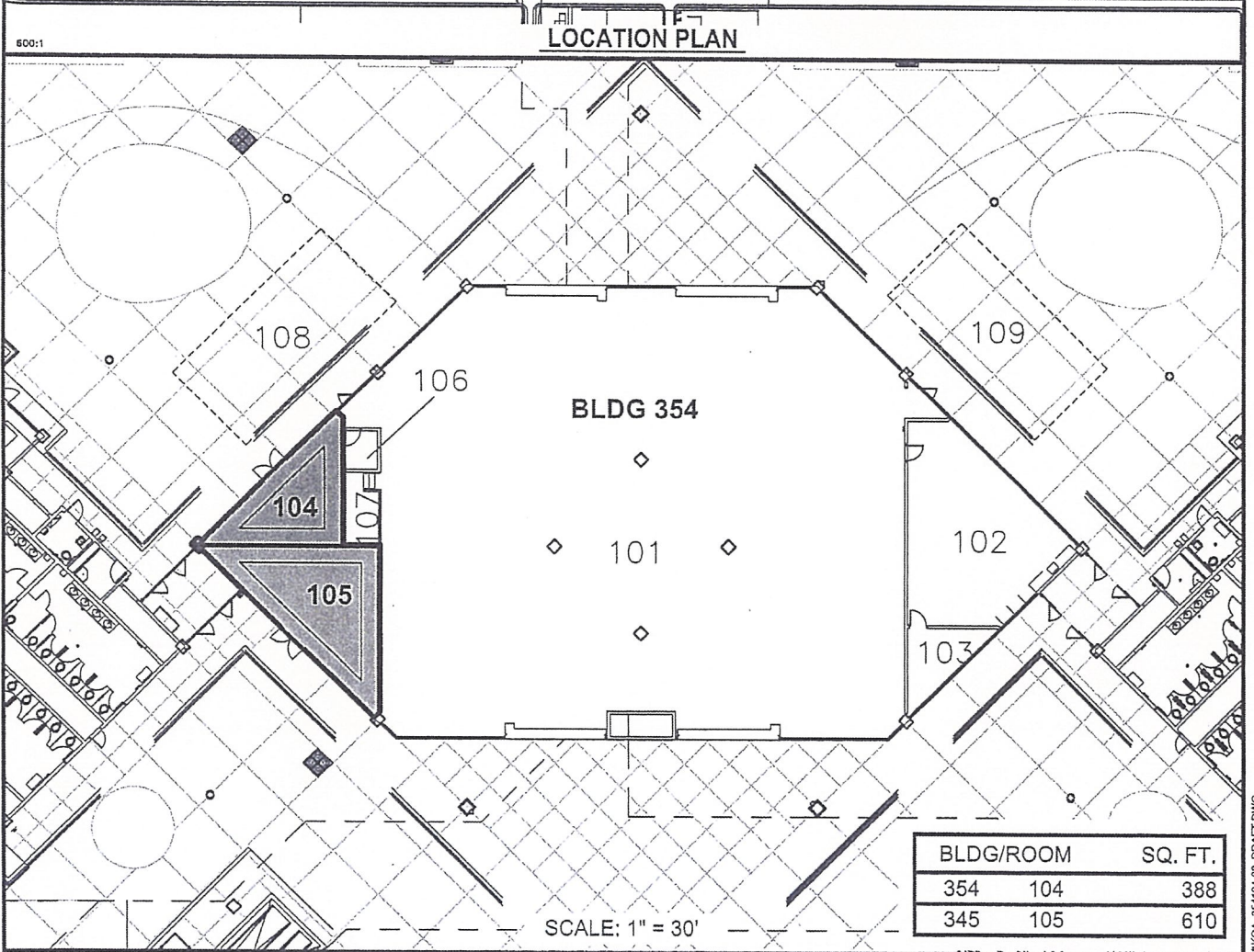
331105  
PLAT E1, 58

**ELLISON ONIZUKA KONA INTERNATIONAL AIRPORT AT KEAHOLE**

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**LOCATION PLAN**



SCALE: 1" = 30'

BLDG/ROOM	SQ. FT.
354 104	388
345 105	610

DATE: APRIL 2022

EXHIBIT: B-4



BLDG 354  
SECURITY CHECKPOINT  
GROUND LEVEL

354104  
354105  
PLAT E1,58

354104  
354105  
PLAT E1,58

**ELLISON ONIZUKA KONA INTERNATIONAL AIRPORT AT KEAHOLE**