



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

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

ISSUANCE OF A REVOCABLE PERMIT FOR THREE PREFERENTIAL
HOLD ROOMS LOCATED AT GATES 1, 3 AND 5 IN THE MAIN TERMINAL
SOUTHWEST AIRLINES CO.
KAHULUI AIRPORT
TAX MAP KEY: (2) 3-8-001: PORTION OF 228

MAUI

LEGAL REFERENCE:

Section 171-55, Hawaii Revised Statutes (HRS), as amended.

APPLICANT:

Southwest Airlines Co. (SWA), whose business address is 2702 Love Field Drive,
Dallas, Texas 75235.

LOCATIONS AND TAX MAP KEYS:

Portion of Kahului Airport (OGG), Kahului, Island of Maui, identified by
Tax Map Key: 2nd Division, 3-8-001: Portion of 228.

AREAS:

Preferential Hold Rooms located at Gates 1, 3 and 5 in the Main Terminal, each
containing an average area of approximately 3,591 square feet, as described on the
attached State of Hawaii, Department of Transportation, Airports (DOTA) letter dated
June 2, 2023 (DEP-A 23.0014), labeled Exhibit A.

ZONING:

State Land Use District: Urban
County of Maui: Airport

ITEM M-25

BLNR – ISSUANCE OF A REVOCABLE PERMIT FOR THREE PREFERENTIAL HOLD ROOMS LOCATED AT GATES 1, 3 AND 5 IN THE MAIN TERMINAL SOUTHWEST AIRLINES CO.

Page 2

LAND TITLE STATUS:

Section 5(a) lands of the Hawaii Admission Act: Non-Ceded
DHHL 30% entitlement lands pursuant to Hawaii Admission Act YES ___ NO X

CURRENT USE STATUS:

Land presently encumbered by Governor’s Executive Order No. 2427, dated February 12, 1969, setting aside 1,268.938 acres designated as Kahului Airport to be under the control and management of the State of Hawaii, Department of Transportation (DOT) for public purposes.

CHARACTER OF USE:

Three Preferential Hold Rooms located at Gates 1, 3 and 5 in the Main Terminal.

COMMENCEMENT DATE:

To be determined by the Director of Transportation at a later date.

MONTHLY RENTAL:

\$93,195.42 (based on a rate of \$103.81 per square foot, per annum, as determined from the Airports Signatory Rates and Charges, Hawaii Airports System, effective July 1, 2023).

DCCA VERIFICATION:

Place of business registration confirmed: YES X NO ___
Registered business name confirmed: YES X NO ___
Good standing confirmed: YES X NO ___

CHAPTER 343, HRS - ENVIRONMENTAL ASSESSMENT:

The State of Hawaii, Department of Transportation, Airports, has determined that the subject land area and use is covered by the Kahului Airport Terminal Complex Expansion Negative Declaration, published by the Environmental Quality Commission (EQC) in the September 8, 1981, issue of the EQC Bulletin. Accordingly, all relevant mitigation from the Negative Declaration and best management practices will be implemented to address the minimum impacts of this action.

BLNR – ISSUANCE OF A REVOCABLE PERMIT FOR THREE PREFERENTIAL
HOLD ROOMS LOCATED AT GATES 1, 3 AND 5 IN THE MAIN TERMINAL
SOUTHWEST AIRLINES CO.

Page 3

REMARKS:

In accordance with Section 171-55, HRS, relating to Permits, the DOT proposes to issue a month-to-month revocable permit to SWA for three Preferential Hold Rooms located at Gates 1, 3 and 5 in the Main Terminal at OGG.

RECOMMENDATION:

Based on this submittal, and testimony and facts presented, the DOT recommends the Board finds that approving the issuance of a month-to-month Revocable Permit to SWA, including its conditions and rent, will serve the best interests of the State.

Respectfully submitted,



EDWIN H. SNIFFEN
Director of Transportation

APPROVED FOR SUBMITTAL:



DAWN N. S. CHANG
Chairperson
Board of Land and Natural Resources



STATE OF HAWAII
DEPARTMENT OF TRANSPORTATION
AIRPORTS
400 RODGERS BOULEVARD, SUITE 700
HONOLULU, HAWAII 96819-1880

DEP-A 23.0014

June 2, 2023

Mr. David Sellers
Southwest Airlines
P. O. Box 36611
Dallas, Texas 75235-1611

Dear Mr. Sellers:

Subject: Preferential Holdrooms/Gates for July to December 2023

The First Amended Lease Extension Agreement provides airlines the opportunity to qualify for the preferential lease of holdrooms/gates if they are able to complete a minimum of six daily turns per holdroom/gate. Qualification criteria is as follows.

1. Minimum of six daily turns on a single gate at HNL, OGG, KOA, LIH and ITO, or;
2. Minimum of five daily turns on a single gate but less than six (applicable only to HNL), and the total number of seats is greater than six times the average seats per turn for all scheduled commercial flights at HNL, based upon the projected flight schedules for the first month of the qualifying period.

For July 2023, the average number of seats per turn for all scheduled commercial flights at HNL equals 380. Accordingly, to qualify under this criterion, an airline must be able to accommodate five or five and one-half daily turns with greater than 2,280 seats on a single gate.

Although demand for Hawaii air travel has rebounded considerably, many international flights have not resumed at HNL and KOA. In addition, the holdroom improvements project at OGG continues to affect the availability of gates. Accordingly, the preferential lease of holdrooms/gates for all airports will continue to be assessed semi-annually.

In accordance with the above, and the Preferential Holdroom Lease Policies agreed to in 2013 between the State of Hawaii, Department of Transportation, Airports Division (DOT-A) and the Airlines Committee of Hawaii, three airlines requested preferential holdrooms/gates for July to December 2023 as follows.

Daniel K. Inouye International Airport

- Alaska Airlines – Two preferential holdrooms/gates
- Hawaiian Airlines – Thirteen preferential holdrooms/gates
- Southwest Airlines – Six preferential holdrooms/gates

Kahului Airport

- Alaska Airlines – One preferential holdroom/gate
- Hawaiian Airlines – Seven preferential holdrooms/gates
- Southwest Airlines – Four preferential holdrooms/gates

Ellison Onizuka Kona International Airport at Keahole

- Alaska Airlines – One preferential holdroom/gate
- Hawaiian Airlines – Three preferential holdrooms/gates
- Southwest Airlines – One preferential holdroom/gate

Lihue Airport

- Hawaiian Airlines – Three preferential holdrooms/gates
- Southwest Airlines – Two preferential holdroom/gates

Hilo International Airport

- Hawaiian Airlines – Two preferential holdrooms/gates

Based upon a review of the aggregate flight schedules at the respective airports and the most efficient utilization of gates, the following preferential holdroom/gate requests are approved effective July 1, 2023 to December 31, 2023, based upon the conditions outlined below.

Daniel K. Inouye International Airport

- Alaska Airlines – Preferential lease of two holdrooms/gates (E2 and E4)
- Hawaiian Airlines – Preferential lease of thirteen holdrooms/gates (A13, A14, A15, A16, A17, A18, A19, A20, B1, B2, B3, B4 and B5)
- Southwest Airlines – Preferential lease of six holdrooms/gates (E1, E3, E5, E6, E7 and E9)

Kahului Airport

- Alaska Airlines – Preferential lease of one holdroom/gate (15)
- Hawaiian Airlines – Preferential lease of six holdrooms/gates (17, 19, 21, 23, 27 and 29)
- Southwest Airlines – Preferential lease of three holdrooms/gates (1, 3 and 5, subject to change due to construction)

Ellison Onizuka Kona International Airport at Keahole

- Alaska Airlines – Preferential lease of one holdroom/gate (7)
- Hawaiian Airlines – Preferential lease of two holdrooms/gates (9 and 10, which includes gates 10A, 10B and 10C)
- Southwest Airlines – Preferential lease of one holdroom/gate (5, which includes gates 4 and 6)

Lihue Airport

- Hawaiian Airlines – Preferential lease of three holdrooms/gates (3, 4 and 5)
- Southwest Airlines – Preferential lease of two holdroom/gates (7 and 8)

Hilo International Airport

- Hawaiian Airlines – Preferential lease of two holdrooms/gates (6 and 7)

The airlines that are granted preferential holdrooms/gates must understand that the DOT-A has the discretion to gate other airline flights on preferential holdrooms/gates if doing so results in the most efficient utilization of all gates. Failure to accommodate other airline flights on preferential holdrooms/gates as directed by the DOT-A will result in the immediate loss of one or more preferential holdrooms/gates. Further, the DOT-A has the authority to reduce the number of, or eliminate, preferential leasing of holdrooms/gates at any time.

All flights by airlines without preferential holdrooms/gates that are directed by the DOT-A to utilize another airlines' preferential gate will be assessed the applicable joint use holdroom charge by the DOT-A, similar to their other flights that operated on a common use gate.

Mr. David Sellers
June 2, 2023
Page 4

DEP-A 23.0014

The DOT-A appreciates your continued support and cooperation. If you have any questions, please contact me at (808) 838-8602.

Sincerely,

Ford Fuchigami

FORD N. FUCHIGAMI
Deputy Director – Airports

c: Ed Sniffen, Director of Transportation
Malcom Smith, Oahu District Manager
Marvin Moniz, Maui District Manager
Chauncey Wong Yuen, Hawaii District Manager
Craig Davis, Kauai District Manager
Tiffinie Smith, Hilo Assistant District Manager
Kurt Yamasaki, Acting Fiscal Management Officer
Abby Lareau, Property and Business Development Supervisor
Hawaii Airline Liaison Office

EXHIBIT A