

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

FORD N. FUCHIGAMI DIRECTOR

Deputy Director JADE T. BUTAY ROSS M. HIGASHI EDWIN H. SNIFFEN

IN REPLY REFER TO:

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

> AMENDMENT NO. 1 TO STATE LEASE NO. DOT-A-11-0014 RFP FUELING FACILITIES LEASE TO INSTALL A NEW 20,000 GALLON ABOVE-GROUND JET-A FUEL TANK TO THE PREMISES BARBERS POINT FLIGHT SCHOOL, LLC KALAELOA AIRPORT, ISLAND OF OAHU, STATE OF HAWAII TAX MAP KEY. NO. (1) 9-1-13: PORTION OF 32

**OAHU** 

# **PURPOSE:**

To amend the existing RFP Fueling Facility Lease, to allow the State of Hawaii, Department of Transportation, Airports Division to install a new 20,000 gallon above-ground Jet-A Fuel Tank to the Premises for the sale of Jet-A fuel (State Project No. CO4320-43) at Kalaeloa Airport. In accordance with Article III. (Use of Premises) of the Lease, the DOTA has the discretion to add additional fuel tanks to the Premises for the sale of Avgas or Jet-A Fuel, during the term of the Lease.

## LEGAL REFERENCE:

Section 171-59(b), Hawaii Revised Statutes, as amended.

## LESSEE:

Barbers Point Flight School, LLC, whose business address is 91-1259 Midway Road, Kapolei, Hawaii 96707.

# LOCATION AND TAX MAP KEY:

Portion of Kalaeloa Airport, Ewa, Island of Oahu, State of Hawaii, identified by Tax Map Key: 1st Division, 9-1-13: Portion of 32.

#### AREA:

Area/Space No. 001-101, containing approximately 10,000 square feet, as shown and delineated on the attached map labeled Exhibit A.

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#### **ZONING:**

State Land Use District: Urban

City and County of Honolulu: P-2 (to be rezoned in the future.

# LAND TITLE STATUS:

Section 5(1) lands of the Hawaii Admissions Act: Non-Ceded DHHL 30% entitlement lands pursuant to the Hawaii State Constitution: No

## TERM:

The Lease is set to expire on June 19, 2017.

# **IMPROVEMENTS:**

The State of Hawaii, Department of Transportation, Airports Division, through State Project No. CO4320-43, is currently in the process of installing a new ACE 20,000 Gallon Above-Ground Fuelsafe System (UL-2085 Fireguard Tank), Tank Equipment, and a Dispensing Skid System, for the sale of Jet-A Petroleum Fuel at Kalaeloa Airport.

#### Rental:

No additional rent will be charged.

Pursuant to the Lease, LESSEE shall continue to pay a fuel flowage fee for all types of aviation fuel received from a commercial distributor. The fee shall be \$.04 per gallon for the first 100,000 gallons of fuel received, and \$.06 per gallon for any fuel over 100,000 gallons received annually. This fuel flowage fee is effective throughout the term of the Lease.

#### CHAPTER 343, HRS - ENVIRONMENTAL ASSESSMENT:

Pursuant to Section 11-200-8(a), Environmental Impact Statement Rules of the Department of Health, State of Hawaii, this disposition is exempt from requirements regarding preparation of an environmental assessment, negative declaration, or environment impact statement as required by Chapter 343, Hawaii 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 Hawaii, Department of Transportation dated November 1, 2000, as approved by the environmental Quality Council. Exemption class #1 covers operation, repairs, or maintenance of existing structures, facilities, equipment, or topographical features involving negligible or no expansion or change of use beyond that previous existing.

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# REMARKS:

The Department of Transportation and Barbers Point Flight School, LLC. entered into that certain RFP Fueling Facilities Lease No. DOT-A-11-0014, dated June 20, 2012, for the right to operate a nonexclusive self-service fueling facility at Kalaeloa Airport. The Premises currently operates a system that consists of a 10,000 gallon above-ground storage tank intended to sell AVGAS Fuel. The installation of a new ACE 20,000 gallon above-ground Jet-A Fuel Tank, Tank Equipment, and a Dispensing Skid System, will allow the sale of Jet-A Fuel at Kalaeloa Airport.

# **RECOMMENDATION:**

The Board authorizes the Department of Transportation to amend Article III. (Use of Premises) of the Lease as herein outlined, subject to: (1) terms and conditions herein outlined, which are by reference incorporated herein; (2) such other terms and conditions as may be prescribed by the Director of Transportation to best serve the interests of the State; and (3) review and approval of the Department of the Attorney General as to the amendment of lease form and content.

Respectfully submitted,

FORD N. FUCHIGAMI

Director of Transportation

APPROVED FOR SUBMITTAL:

CARTY S. CHANG

Acting Chairperson

