

DAVID Y. IGE  
GOVERNOR



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

FORD N. FUCHIGAMI  
DIRECTOR

Deputy Directors  
JADE T. BUTAY  
ROSS M. HIGASHI  
EDWIN H. SNIFFENI  
DARRELL T. YOUNG

IN REPLY REFER TO:

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

ISSUANCE OF DIRECT FAST-FUELING FACILITY LEASE  
DOUGLAS AIRCRAFT, INC.  
HONOLULU INTERNATIONAL AIRPORT  
TMK: (1) 1-1-76: PORTION OF 2

OAHU

REQUEST:

Issuance of a direct lease to Douglas Aircraft, Inc. for the operation and maintenance of a Fast-Fueling Facility, servicing general aviation aircraft at the Honolulu International Airport.

LEGAL REFERENCE:

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

APPLICANT / LESSEE:

Douglas Aircraft, Inc, a Hawaii corporation, whose mailing address is 66-1497 East Ko Uka Place, Kamuela, Hawaii 96743.

LOCATION AND TAX MAP KEY:

Portion of Honolulu International Airport, Honolulu, Island of Oahu, State of Hawaii, identified by Tax Map Key: 1<sup>st</sup> Division, 1-1-72: Portion of 2.

AREA:

Exclusive use of Area/Space No. 011-101B, containing an area of approximately 2,693 square feet; and

Non-Exclusive use of Area/Space No. 011-101A, designated as the Fuel Operational Area for ingress/egress and aircraft maneuvering, as shown and delineated on the attached map labeled Exhibit "A".

ZONING:

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

**ITEM M-4**

BLNR – ISSUANCE OF A DIRECT FAST-FUELING FACILITY LEASE  
DOUGLAS AIRCRAFT, INC  
Page 2

LAND TITLE STATUS:

Section 5(e) - Public Law 88-223 - "ceded" land of the Hawaii Admission Act  
DHHL 30% entitlement lands pursuant to the Hawaii State Constitution: YES \_\_\_ NO X

CURRENT USE STATUS:

Land presently encumbered by Governor's Executive Order No. 3201, setting aside a portion of Honolulu International Airport under the control and management of the Department of Transportation, Airports Division, State of Hawaii, for Airport Purposes.

CHARACTER OF USE:

The operation and maintenance of a Fast-Fueling Facility.

TERM OF LEASE:

Five (5) years

LEASE COMMENCEMENT DATE:

Upon execution of the lease document

LEASE RENTAL:

The annual ground lease rental amount shall be \$12,112.51 for the Exclusive use of Area/Space No. 011-101B; and the annual rental amount for the Fuel Operational Area shall be \$1,152.00 for the Non-Exclusive use of Area/Space No. 011-101A.

In addition, Douglas Aircraft, Inc. shall pay a Fuel Flowage Fee:

1. \$0.04 per gallon for the first 100,000 gallons of fuel sold annually, and
2. \$0.06 per gallon for any fuel sold over 100,000 gallons annually.

PERFORMANCE BOND:

Sum equal to one-half of the annual land lease rentals in effect

PROPERTY CHARACTERISTICS:

Utilities: All utilities are available at the site

Improvements: Douglas Aircraft Inc. shall operate and maintain a Fast-Fueling Facility servicing general aviation aircraft.

CHAPTER 343, HRS - ENVIRONMENTAL ASSESSMENT:

The subject land area is covered by Volume 3, Environmental Assessment for the Honolulu International Airport Master Plan Update and Noise Compatibility Program, dated September 1989 and referenced as State Project No. AO1011-03. This Environmental Assessment evaluated the environmental effects of the recommended Airport Development Plan which would accommodate the forecast general and commercial aviation needs of the island of Oahu through the year 2005 and was prepared for the State of Hawaii, Department of Transportation, Airports Division by KFC Airport, Inc.

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 _____

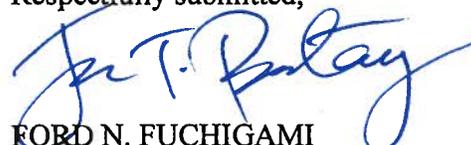
REMARKS:

In accordance with Section 171-59(b), HRS, relating generally to Management and Disposition of Public Lands and relating specifically to Disposition by negotiation, the Department of Transportation proposes to issue a direct lease to Douglas Aircraft, Inc. for the operation, and maintenance of a Fast-Fueling Facility servicing general aviation aircraft at Honolulu International Airport. The DOT has determined that the issuance of this direct lease encourages competition within the aeronautical and airport-related industries.

RECOMMENDATION:

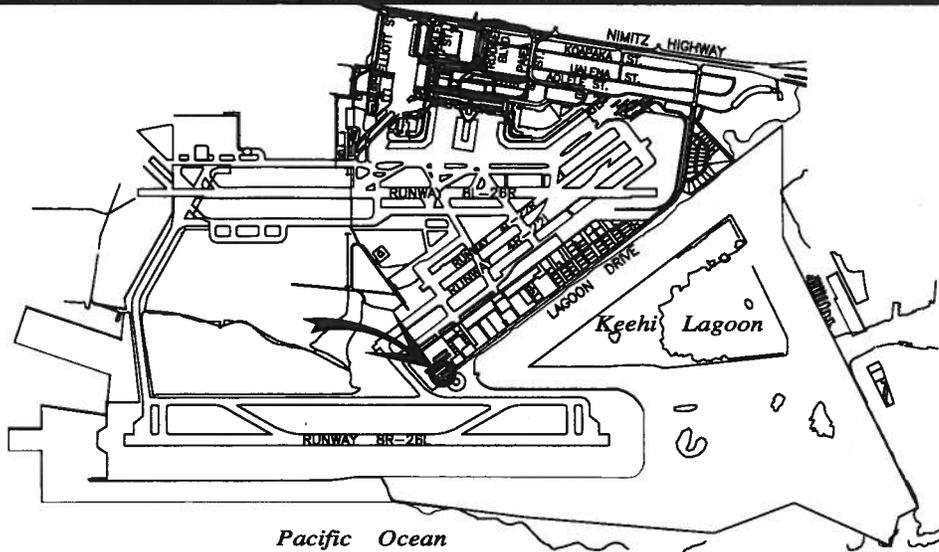
That the Board authorize the Department of Transportation to issue a direct lease to Douglas Aircraft, Inc, subject to: (1) terms and conditions herein outlined, which are by reference incorporated herein; (2) such other terms and conditions as may be prescribed by the Director of Transportation to best serve the interests of the State; and (3) review and approval of the Department of the Attorney General as to the lease form and content.

Respectfully submitted,

  
FORD N. FUCHIGAMI  
FOR Director of Transportation

APPROVED FOR SUBMITTAL:

  
SUZANNE D. CASE  
Chairperson and Member

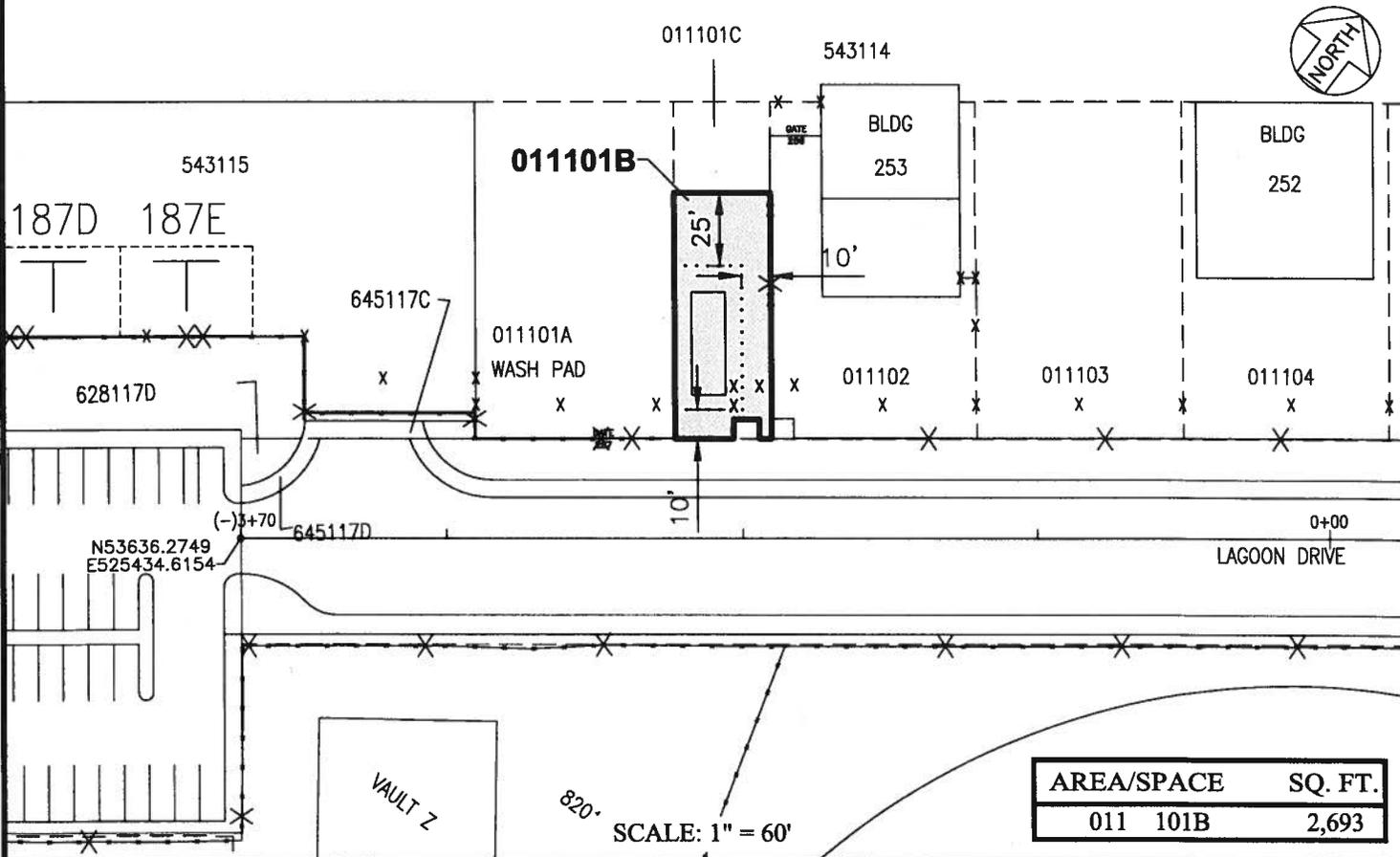


**LOCATION PLAN**

5000:1



BLDG 420



AREA/SPACE	SQ. FT.
011 101B	2,693

SCALE: 1" = 60'

DATE : JUNE 2015

EXHIBIT: **A**



Airports Division

DOUGLAS AIRCRAFT, INC.

LOTS  
SOUTH RAMP

011101B

PLAT 55

**HONOLULU INTERNATIONAL AIRPORT**