



**STATE OF HAWAII**  
**DEPARTMENT OF TRANSPORTATION**  
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January 8, 2009

**2008 ANNUAL REPORT OF THE DEPARTMENT OF TRANSPORTATION TO THE  
HAWAII STATE LEGISLATURE PURSUANT TO  
ACT 226, SESSION LAWS OF HAWAII 2008**

**I. PURPOSE OF REPORT**

This report is prepared and submitted pursuant to the provisions of Act 226, Session Laws of Hawaii 2008. Act 226 permits the imposition and collection of a customer facility charge (hereinafter "CFC") by the Department of Transportation on rental car transactions at state airports. Section 11 of the Act requires the Department of Transportation to submit an annual report to the Legislature relating to its activities under the Act:

"The department of transportation shall submit at least annual reports to the legislature relating to its activities for the purposes of this Act. The reports shall provide information and documents including, but not limited to:

- (1) A timeline for any expenditures and a description of any projects relating to the expenditures;
- (2) A timeline for the commencement date and completion date for any project;
- (3) A description with an appropriate plan or drawing identifying the location of any project;
- (4) Cost estimates for each project, including but not limited to planning, design, purchase, and construction costs and a timeline for the expenditures; and
- (5) The priority ranking for each project with commencement and completion dates.

The annual report shall be submitted to the legislature no later than twenty days prior to the convening of the regular session of the legislature, beginning with the regular session of 2009, and continuing through the regular session of 2018."

**II. AIRPORTS DIVISION ACTIONS TO DATE, PURSUANT TO THE ACT**  
**(Notations in parenthesis reference relevant Section numbers of the Act)**

- a. **August 2008:** Rental car facility planning consultant team, led by Mitsunga & Associates, Inc., notified of selection.
- b. **September 1, 2008:** CFC collection commenced. Total collections \$2.24 million (Sept, Oct, Nov 2008). *(Section 9)*
- c. **September 2008:** Request for Bids for Neighbor Island Rental Car Concessions issued. *(Section 2)*
- d. **October 28, 2008:** Pre-bid Meeting with Rental Car Industry for Neighbor Island Rental Car Concessions. *(Section 2)*
- e. **October 29, 2008:** Meeting with Rental Car Industry mainland representatives and Hawaii operations management. *(Section 2)*  
Purpose
  - i) Planning team's scope and project schedule
  - ii) Consensus with the Rental Car Industry on its inclusion in the process
- f. **December 5, 2008:** Meeting with Rental Car Industry local Hawaii management representatives. *(Section 2)*  
Purpose
  - i) Rental car industry priorities
  - ii) Rental car industry operations and future preferences
  - ii) Discussion of potential sites
- g. **December 2008:** Commenced planning for Kahului overflow storage lot and Honolulu consolidated facility. *(Section 10)*

**III. ACTIVITIES AND TASKS TO BE COMPLETED IN 2009**

- a. Plan and design Kahului overflow storage lot. *(Section 10)*
- b. February 24, 2009: Neighbor Island rental car concession bids due. *(Section 2)*
- c. Identification, analysis and selection of potential sites for new rental car facilities and/or improvements to existing rental car facilities at Honolulu, Kahului, Kona, and Lihue. *(Section 11)*
- d. Develop preliminary facility concepts and descriptions, and preliminary project cost estimates (including but limited to planning, design, purchase and construction costs) for each project. *(Section 11)*
- e. Prioritize order of development of facilities for each airport with projected commencement and completion dates. *(Section 11)*
- f. Develop schedule of CFC sources and uses and cash flows based upon current CFC collection data, and projected need for expenditures. *(Section 11)*

- g. Develop comprehensive and integrated timeline and tasks for 1) commencement and completion for all rental car facility projects; 2) projected expenditures for all projects. (*Section 11*)
- h. Quarterly update meetings with Hawaii rental car industry representatives—Next meeting is February 24, 2009. (*Section 2*)