

General

The Instructions to Bidders indicate how we are supposed to submit our "Bid Proposal Package". However, it does not specify how we are to submit our "Bid Intent Package".

1. Please provide the special instructions, if any, for how bidders are to submit the "Bid Intent Package".

Answer:

Bid intent packages may be sent or delivered to:

*Ross Smith,
Property and Business Development Office
State of Hawaii Department of Transportation Airports Division,
Honolulu International Airport, Inter-Island Terminal Building
400 Rodgers Blvd., Suite 700
Honolulu, HI 96819-1880.*

Please indicate on the outside of the envelope "Notice of Intention to Bid Confidential"

2. In the event that there is not enough room on the provided forms to include all requested information, is it acceptable to attach additional pages if necessary?

Answer:

Yes

3. Please confirm how bidders are to provide additional information if there is not enough room on the forms provided.

Answer:

Since it is possible for a qualified bidder to submit multiple bids, so long as there is no repetition of brands in the bids, the bid forms may be copied.

4. How many copies of Bid Intent Package and Bid Proposal Package are required? In the interest of good green policy and conserving paper, we request only one (1) original of each. If copies are required, we request one (1) paper or one (1) electronic copy.

Answer:

Only one original of each need to be submitted.

5. Please confirm that only one (1) original of both the Bid Intent Package and Bid Proposal is required.

Answer:

See answer to Question #4 above.

6. Will the State please accept our own bid bond form which our surety already approves (attached for your review)? If not, our surety has reviewed the State's forms and has asked for cancellation clauses in the Concession and Performance bonds in order to issue these bond forms, as well as to issue the State's Bid Bond form.

Answer:

Section 102-6 Hawaii Revised Statutes allows the following:

102-6 Deposits of legal tender, etc., to accompany bid. (a) All bids shall be accompanied by a deposit of legal tender or by a certificate of deposit, share certificate, cashier's check, treasurer's check, teller's

check, or official check drawn by, or a certified check accepted by, a bank, savings institution, or credit union insured by the Federal Deposit Insurance Corporation or the National Credit Union Administration, in a sum not less than five per cent of the amount bid, payable at sight or unconditionally assigned to the officer advertising for tenders; provided that when the amount bid exceeds \$50,000, the deposit shall be in a sum not less than \$2,500 plus two per cent of the amount in excess of \$50,000.

If the bid deposit is in the form of a surety bond, it shall be issued in accordance with subsection (b).

(b) A bid may be accompanied by a surety bond executed to the officer calling for bids by the bidder as principal and by any bonding company listed in the United States Treasury List; provided that the bond furnished by any surety listed shall not exceed the bonding capacity rating of that surety on the Treasury List; in a sum of equal amount, conditioned upon the bidder entering into the contract and furnishing satisfactory security within ten days after the award or within any further time as the officer may allow, if the bidder is awarded the contract.

The State will also accept "a good and sufficient bond" for Concession Bonds and Performance Bonds.

7. Please permit bidders to use our own envelopes to submit our bid intent and proposal packages in the event the envelopes the State provided are not large enough.

Answer:

You may use your own envelopes when submitting the Notice of Intention to Bid and the Bid Proposal Package. Please make sure that the envelope containing the Bid Proposal does not show any signs of tampering, or opening and resealing.

8. **Instructions to Bidders (ITB)**

Section 4, pg. IB-3 - "EAN Holdings, LLC" has the license and authority to operate the Alamo Rent A Car, Enterprise Rent-A-Car and National Car Rental brands. To maintain the integrity and competitive nature of this bid, the State cannot place restrictions on how potential bidders can submit bids for their brands. Each bidder should be expressly permitted to submit bids in any combination for the brands they are authorized to operate (so long as any one brand is not represented in more than one bid proposal).

Please confirm that an entity that has license to operate multiple brands is permitted to submit separate bid proposals for each of their authorized brands, either as single-brands, dual-brands, or one (1) multi-branded bid proposal; or any combination thereof, so long as any one brand is not represented in more than one bid proposal.

Answer:

In the case of a bidder that has multiple brands, the State will accept bids that cover single brands, dual brands or multi-brands, provided that 1) any specific brand is not represented in more than one bid proposal, 2) the Bidder is the bidding entity identified in the Notice of Intention to Bid, and 3) the Bidder in the Notice of Intention to Bid provided the specific brands for which bids would be submitted and in what potential combinations those brands would appear.

9. Specifically, please confirm that EAN Holdings, LLC is expressly permitted to submit bids for separate concessions for its different brands (provided no single brand is included in multiple bid proposals) as shown in the following scenarios:

Scenario One if bidder elects to single-brand for 3 separate bids

EAN Holdings, LLC dba Alamo Rent A Car

EAN Holdings, LLC dba Enterprise Rent-A-Car

EAN Holdings, LLC dba National Car Rental

Scenario Two if bidder elects a combination of single-branding and dual-branding

EAN Holdings, LLC dba Alamo Rent A Car and Enterprise Rent-A-Car

EAN Holdings, LLC dba National Car Rental

OR

EAN Holdings, LLC dba Alamo Rent A Car

EAN Holdings, LLC dba Enterprise Rent-A-Car and National Car Rental

OR

EAN Holdings, LLC dba Alamo Rent A Car and National Car Rental

EAN Holdings, LLC dba Enterprise Rent-A-Car

Scenario Three if bidder elects to multiple-brand

EAN Holdings, LLC dba Alamo Rent A Car, Enterprise Rent-A-Car and National Car Rental

Answer:

Provided that each of the scenarios is included in the Notice of Intention to Bid, the State would accept bids as outlined above, provided that no specific brand was included in more than one bid.

10. Section 6d, pg. IB-6. Again, please confirm that an entity that has license to operate multiple brands is permitted to submit separate bid proposals for each of their authorized brands, either as single-brands, dual-brands, or one (1) multi-branded bid proposal; or any combination thereof, so long as any one brand is not represented in more than one bid proposal.

Answer:

See answer to Question #9 above.

11. Section 6e, pg. IB-6. Please confirm that EAN Holdings, LLC is not currently in “default” or “arrears” with the State.

Answer:

The fiscal office has reviewed the status of each of the on-airport RACs and found no outstanding issues.

12. Section 8, pg. IB-7 – It is very difficult for a surety to process a bond very quickly when a bidder does not settle on a bid proposal number until just before submission. If bid security could be a flat/fixed amount, the bond could be processed well in advance of the submission deadline.

Please change the bid deposit amount to a flat/fixed amount.

Answer:

The minimum bid deposit is established in Section 102-6, HRS as shown above in the answer to Question 6. Consequently, the State is unable to change the minimum bid bond amount. Please note that the amount established in Section 102-6, HRS, is a minimum bid bond amount. There is no prohibition on a bidder submitting a bid bond that exceeds the minimum.

13. Notice of Intention to Bid (NIB)

Section 6H, pg A-1-4 - Parent companies that have a majority interest in any bidding entities in Hawaii cannot be asked to provide the detailed information in Section 6A through 6G on EVERY subsidiary. This would be an overboard and extremely burdensome requirement. This issue was satisfactorily resolved in the 2009 Neighbor Islands' bid process, as the DOT amended this section and deleted the burdensome clause (“for all other majority-owned subsidiaries of the parent and indicate the percentage of ownership for each”):

H. Is the majority (i.e., more than fifty percent (50%)) ownership of the corporation or limited liability company held by a parent company?

Yes _____ No _____

If yes, please provide the information required by the preceding Items 6.A. through 6.G. for the parent company.

Question: Please delete the last clause in Section 6H, pg A-1-4 of the NIB (“for all other majority-owned subsidiaries of the parent and indicate the percentage of ownership for each”).

Answer:

The State is willing in this case to follow the 2009 example and delete this request.

14. Section 8.A. (3) on pg A-1-5 - These requirements are extraordinarily burdensome and were not a requirement of the Neighbor Islands bids of 2009. We have been in operation for 20 years so we exceed the required minimum operations experience of five (5) years of the last ten (10) years. Further, we do not retain records for ten years.

Question: We respectfully request that the Section 8.A “experience” requirements be modified so as to limit this information to our top 5 locations --- with each bidder providing type, number of years/dates of operation, nature of business, and total combined gross receipts realized from those top 5 locations for the last five (5) years (if applicable).

Answer:

The required minimum is five years of the past 10 years. It is written that way so that an entity that was in the business, but left it for a period of time, could still qualify, provided the entity could show the required experience within the timetable. The requirement is not 10 years of gross receipts.

The State will not make the requested change to allow potential bidders to submit total combined gross receipts from its top five locations. As Section 8.A.(3) limits the information to operations and locations in the State of Hawaii, the State believes the number of annual car rental transactions and the gross receipts at each location has more of a direct impact on the current concession offering than did the prior Neighbor Island concession offering. The State is willing to limit the information required to the top five locations.

15. Section 8.B. on pg A-1-5,6 - Giving the information for our top 5 locations and our financials for the last 3 years will clearly demonstrate our financial ability and qualification.

Question: Please waive these separate Section 8B gross receipts’ requirements.

Answer:

As noted above the requirement is five years in the past the 10 years. The State is not willing to reduce the five year requirement to three years.

16. Section 8.C.(2) on pg A-1-6 - EAN Holdings, LLC does not have audited financial statements.

Question: We respectfully request that the State modify this Section 8.C(2) requirement, as it did with the Neighbor Islands bids of 2009, and permit us to submit our annual unaudited balance sheets and income statements, along with a certification letter from our Chief Financial Officer.

Answer:

The State's fiscal office is willing to accept unaudited balance sheets and income statements, along with a certification letter from the Chief Financial Officer, provided those documents are accompanied by U.S. tax returns.

In the event there is an objection to submission of tax returns, the potential bidder will be required to submit a detailed explanation of why tax returns can't be provided and a complete explanation of the corporate structure. The fiscal office shall determine whether the information provided is sufficient to satisfy the requirement to provide financial information.

17. Section 11, pg A-1-8.

Please confirm that these Section 11 "preliminary drawings" will not be a required submittal in this bid process.

Answer:

As bidders will be awarded spaces based on their individual bid, it does not seem necessary to require preliminary drawings, as the bidder does not know the specific space it will be awarded.

18. Page A-1-9 - We typically have only one (1) individual sign our bid documents; that person being an authorized officer of bidder. You will be provided a Resolution showing signing authority of this officer.

Question: Please confirm that one signatory on this page (A-1-9) is sufficient.

Answer:

A single signature from an authorized officer is acceptable, providing it is accompanied by appropriate document(s) showing signing authority.

19. **Question:** Is Attachment 2, pg A-2-1 required to be submitted with our Bid Intent Package or just the tax clearance certificates?

Answer:

Only the Tax Clearances are required to be submitted.

20. **Appendix A and Attachments**

Attachment 2, pg A-2-1 – Similar to the issue raised in Section 6H, pg A-1-4, it would be overbroad and extremely burdensome to require a parent company that has a majority interest in a Hawaii bidding entity to provide tax clearance certificates for every single one of its majority-owned subsidiaries. The definition of "affiliated entities" in this Attachment needs to be limited to the Hawaii bidding entities, their parent company (if majority owner), and majority-owned subsidiaries of the Hawaii bidding entities.

Question: Please limit the scope of "affiliated entities" in Attachment 2 to Hawaii bidding entities, parent companies with a majority interest in said Hawaii bidding entities, and majority-owned subsidiaries of the Hawaii bidding entities.

Answer:

The State is willing to limit the tax clearance requirement to the bidding entities, parent companies with majority interest in said Hawaii bidding entities and majority-owned subsidiaries of the Hawaii bidding entities.

21. **Appendix B**

Page B-4 - Same question as posed for page A-1-9.

Question: Please confirm that one signatory on this page (B-4) is sufficient.

Answer:

See answer to Question #18 above.

22. **Business Terms Sheet**

Section III.8 indicates that security deposit is an LOC. The ITB indicates that it would be a performance bond.

Question: Please confirm that security deposit can be either an LOC or bond.

Answer:

The State is willing to accept an LOC, Surety Bond, or cash.

PROCEDURAL QUESTIONS:

23. How many copies, including the original Intent to Bid and Bid Proposal documents are required to be submitted to the DOT?

Answer:

See answer to Question #7 above.

23a. What date will we have answers to, or changes made, to the Bid Intent Package part of this? Obviously, 9/17 is too late. We suggest August 15 at the latest for all Procedural Changes due to time it takes to compile Bid Intent Packages due Sept 6th.

Answer:

As noted above in Questions the State is willing to accept the changes as indicated. While the State does not know what further questions will be received, it assumes that most of them will deal the Concession Agreement and Facility Lease rather than procedural issues for filing the Notice of Intention to bid. At this point, the State sees no need to change the schedule as provided.

24. Must the bidder use the envelope supplied in the bid documents to submit its bid, or, is any sealed envelope acceptable?

Answer:

No, the Bidder may submit the bid in its own sealed envelope. However, please see the cautionary note in Question 7 above.

25. IB-3 states that, "related entities will be **required** to submit a single bid and select only one CSB & operational location tiers." This seems to contradict the Business Terms Sheet #2 that states, multi-branded bids by a single bidder are permitted, but not required." Which is it? And is there any limit on the number of brands in one, multi-branded bid?

Answer:

IB-3 is incorrect and will be corrected. See the answers to Questions 8 and 9 above.

26. Aside from a general narrative of our history and current business practice of utilizing DBE vendors and suppliers, is there any other information required to be submitted with this bid from a bidder, if the bidder is not itself a DBE? We are happy to provide our DBE Plan and general information concerning our history of working with DBEs. But, including specifics insofar dates of when certain vendors were used, etc, is a burdensome task. Please confirm that a general narrative of our practice of outreach and utilization of DBE vendors is sufficient to meet this submittal requirement.

Answer:

The State is willing to accept a company's DBE plan and history of working with DBEs.

27. Is there a DBE goal established for this bid?

Answer:

Yes. The State is establishing a 15% DBE goal for goods and services for this bid, Pages have been changes to reflect the DBE goal.

28. Please confirm that the only criteria used to award this bid are the highest dollar amount for MAG offered by a responsive and responsible bidder?

Answer:

The amount bid is the determining factor, provided that the accompanying bid bond or bid deposit meets or exceeds the minimum requirement as stated in Chapter 102-6, Hawaii Revised Statutes.

29. If a cashier's check is used for the bid bond, please confirm it shall be made payable to "State of Hawaii, Director of Transportation." When will bid deposits be returned?

Answer:

Bid Deposits will be returned upon full execution of the Concession Agreement and Facility Lease.

31. Regarding the entities for which a **Tax Clearance** must be obtained. The current language is overly broad and burdensome. We request this be changed in two ways. First, allow submittal of a Tax Clearance that has been issued *within 60 days* (not 30) of the Bid Intent Package submittal.

Answer:

The State will accept a Tax Clearance issued within 60 days of the Bid Intent Package due date.

32. Secondly, is it acceptable for the entities for which a Tax Clearance must be submitted be limited to *the bidding entity and all majority-owned affiliated entities that do, or have ever done, business in the State of Hawaii?* This change was made during the outer island bids in 2008.

Answer:

See answer to #20 above

33. Questionnaire A-1-3 (E & F) – Is it acceptable to indicate "<10%" as the answer to "amount of stock ownership" and "% of Total" if stock interest of any officer is less than 10%? This information is not only private, but subject to change on a daily basis.

Answer:

The State is willing to accept an indication of less than 10%, rather than an actual number of shares.

34. Questionnaire A-1-4 (H) This item is overly broad and burdensome. We request it be modified, as it was in 2008 outer island bid as follows:

"H.If yes, please provide the information required by the preceding Items 6.A through 6.G. for the parent company."

Answer:

The State will follow the procedure used in the 2008 offering.

35. Questionnaire A-1-4 (I) This item is overly broad and burdensome. We request it be modified, as it was in 2008 outer island bids as follows:

"I.If yes, provide the information required by the preceding items 6.A. through 6.G for all subsidiary companies that do, or have ever done business in the State and indicate the percentage ownership of each subsidiary entity."

Answer:

See answer to Question No. 34 above.

36. Questionnaire on A-1-5 and A-1-7, is it acceptable to submit gross receipts history for the top five airport operations only? 8.(A)(1). We are located at hundreds of airports in the U.S.

Answer:

The State is willing to limit the gross receipts history to the top five airport operations.

37. (A)(3) -It is overly broad and burdensome to be expected to produce ten years of data regarding annual transactions and gross receipts for each brand we operated in Hawaii for **10 years**. The State of Hawaii already has gross receipt data for at least 10 years, or more from all incumbent bidders. Moreover, the State has recently collected transaction data from all incumbents for the past 5 years. It is therefore, duplicative and overly burdensome to require this data to be collected and produced yet again.

Accordingly, please waive 8 (A)(3) for On-Airport incumbents that have previously submitted each of the last 10yrs of gross receipt data, pursuant to existing Concession agreements, and has submitted 5yrs of transaction data from any bidder operated its brands ON-Airport in Hawaii. This waiver for incumbents is not unfair to "new bidders" as incumbents have already produced the data to the State and new bidders have not.

Answer:

The State will not make the requested change. If the requirement is as described in the question, "overly broad and burdensome for an incumbent" wouldn't that also apply to a non-incumbent? The State believes that in qualifying a potential bidder to enable them to bid, it must rely on the information provided in the Notice of Intention to Bid. To do otherwise would potentially open the State to charges that it favored an incumbent in the bid process, as the incumbent had a lower cost to prepare its Notice of Intention to bid as it did not have to provide the same level of information as a non-incumbent.

38. B. on page A-1-5 is also exceedingly burdensome when it is broken down to "each car rental location or facility for each of the qualifying years". This amounts to hundreds of individual locations, and reams of paper.

For purposes of financial data and "landlord" references, will the state accept information/references from 5 major airports only in order to fulfill these requirements?

Answer:

Given the number of locations the industry operates from across the U. S., the State is willing to limit the requirement to five major airports.

39. Moreover, insofar as our total Gross Receipts generated by our rental car locations, again, it is overly burdensome to produce this for EACH location. Please accept three years of our revenue information contained in our Annual Reports filed with the SEC to meet the requirement of 8. B. "Gross Receipts".

Answer:

The State is willing to limit the locations to the top 5 airport landlords, but would still like to five years of gross receipts.

40. Regarding the Questionnaire on A-1-7 (F) Landlords. Is it acceptable to submit names and other information of just the *top 5 airport Landlords*?

Answer:

The State is willing the limit the amount of information required the top 5 airport landlords.

41. Also, please waive requirement for letters from "previous landlords." We seldom stop operating at an airport, thereby establishing a "prior landlord" who is different from a current landlord. The top 5 airport landlords should be sufficient to fulfill this requirement, especially for incumbents who have done business with the DOT for many years.

Answer:

The State willing to accept letters from current landlords.

42. Please waive, the requirement, on page A-1-8, to provide "Concession Plans" Since we currently operate in Hawaii, the DOT has actual knowledge of all facets of our daily operations and the manner we conduct business. As an on-going business, we do not have "Concession Plans." Please don't make us perform extra work in this submittal that adds nothing to the process.

Answer:

See answer to Question #17 above.

43. On pages A-1-9 and B-4 there are multiple signature lines. Our company has authorized single individual officers to execute concession contracts and bid documents. Do the signature lines imply that more than one signature is required by DOT regardless of the bidder's policy? This is very inconvenient as it is difficult to have more than one signing officer available for that function at one time.

Answer:

The multiple signature lines are provided to accommodate circumstances in which the structure of the entity is such that multiple signatures are required. A single signature is acceptable as long as the signer has the appropriate authority.

Honolulu Bid Documents

44. Page IB-1, #1 states the term of the concession is 10 years from DBO, but page 3, Section III, #6 of the Business Terms Sheet states term is co-terminus with the term of the financing. Would you please confirm the term of the concession agreement is 10 years and the term of the facility agreement is the greater of 30 years or the term of the financing?

Answer:

The term of the Concession Agreement is 10 years. The original intention of the Facility Lease term was that it be 30 years. Discussions are still being held with the bond team regarding the final language on the term of the Facility Lease.

45. Page IB-3 states that related entities are required to submit a single bid, but page 2, Section III, #2 of the Business Terms Sheet states multi-branding is permitted but not required. Would you please confirm that multi-branding is permitted but not required?

Answer:

See Answer to Question No. 8 above.

46. Pages IB-9 – IB-10 require us to maintain a Concession Bond and Performance Bond from the commencement date of the ConRac Agreement. Please confirm this means from DBO of the facility. To have bonds in place for several years will tie up is an inefficient use of our cash.

Answer:

The State will require the Concession Bond and Performance Bond be in place prior to the space in the ConRac being turned over to the bidder or brand for installation of its tenant improvements.

47. Page A-1-5, #8 A (1) Please limit this request to airport locations only and the number of locations to no more than 5 locations. We have hundreds of locations and the volume of paperwork that we would have to compile and you would have to review would be massive.

Answer:

See Answer to Question No. 14 above.

48. Page A-1-5, #8 A (3) wants information on our Hawaii operations going back 10 years. Please limit this information to 5 years and to airport locations only. We do not have information such as transaction history going back 10 years. Please also limit this request to the brands that we are currently operating at airport location, or at minimum, limit the information to the time for which the brands are owned. We cannot supply information on a brand that we no longer own or information on a brand prior to our ownership of that brand.

Answer:

See Answer to Question No. 14 above.

49. Page A-1-5, #8 B requires us to provide audited statements for each of the locations listed in #8 A(3). We do not have separately audited financial statements for our off-airport locations and we are not able to go back in time to develop statements for these locations. For the on-airport locations, we have this information but not necessarily in the year format that you are requesting. For example, for the Hawaii outer island airport locations, audited gross revenue statements are compiled based on a contract year, not a calendar year. Again, we are not able to go back in time to change these documents. Please limit this audit requirement to the on-airport locations only, and allow us to submit audited statements of gross revenue in the format under which they were originally compiled. We urge you to limit this to no more than 5 locations, as the volume of information is going to be massive. In lieu of audited statements, what will you accept? Will you accept a 10-K?

Answer:

The State is willing to accept a 10-K.

50. Page A-1-6, #8 C (2) requires us to submit audited statements for the bidder named in this Qualification Statement. We are able to supply only condensed financials. If condensed audited statements are not acceptable, will you allow us to supplement our condensed statement with a break out statement that is certified by our in-house accounting personnel? We prefer that you delete this requirement. We are not required to do this for any of our other business needs and this would take several months, if it is even possible to compile, which would take us beyond the deadline for submittals. This has never been a requirement to do business with the Hawaii Airport System and needs to be deleted. In lieu of deleting this requirement altogether, will you accept a 10-K?

Answer:

See Answer to Question No. 49 above.

51. Page A-1-7, D requires us to state any names under which we have ever operated. In previous bids, this requirement was 20 years, which is cumbersome. Please limit this to 5 years. How we operated 30 years ago has nothing to do with this current bid.

Answer:

The State is willing change the requirement as follows: Prior name. State if the bidder has ever operated in the State of Hawaii under another name and/or ownership structure and if so, identify all such names and describe the ownership structure.

52. Page A-1-8, #11 requires us to submit drawings. Please delete this requirement. We will not know the space layout options until the bids have been submitted and approved by the State.

Answer:

See Answer to Question No.17 above.

53. Page B-1-1 is the Affidavit of Non-Collusion. Please add the sentence: "For purposes of this bid, collusion means the unlawful communication between unaffiliated companies."

Answer:

The State is willing to make the change. A new page will be posted on the website.

54. Pages 1, Section 1, #3, c and d of the Business Terms Sheet have a couple of typos. The overflow is on Level 5, not 4, and the QTA structure is 4 levels, not 3.

Answer:

The term sheet is intended for information only and is subject to change. The description in the final version of the Concession Agreement and Facility Lease will contain the appropriate description of the facility.

55. Page 2, Section III, #8 of the Business Terms Sheet states the successful off-airport bidders will be required to commence collection of the CFC from its Airport customers upon execution of its ConRac Agreement. We need to all start at the same time. Please change this from "upon execution" to "on the first day of the third full month following notification to the successful bidders". So if the successful bidders are notified on 10/15/13, they would begin to collect the CFC on any contracts opened on 1/1/14 or later.

Answer:

The State is willing to adjust the language regarding collection to ensure all off-airport operators begin collection simultaneously.

56. Because we are bidding a MAG so far in advance of DBO, we need a provision for a MAG adjustment, in the event of a decline in passenger traffic prior to the opening of the facility. We suggest the language: In the event that the total number of deplaning passengers decreases by an amount greater than 10% from the calendar year 2013 to the calendar year in which the agreement takes effect, the MAG will be reduced by the decrease in excess of 10%.

Answer:

Due to the length of time from bidding to occupancy of the ConRac, the State is willing to make an adjustment to the MAG as described above.

57. Please furnish us with a recent accounts receivable statement.

Answer:

See Answer to Question #11.

58. We asked that the addendum that addressed our questions regarding the bid process be sent out in advance of the deadline to submit questions. As discussed at the pre-bid, please allow a deadline of 7/19/13 for procedural questions to which a response will be provided by not later than the pre-bid meeting scheduled for 7/30/13. We reserve the right to ask additional questions regarding the process and the documents.

Answer:

An adjustment to the bidding schedule is being considered. Once that adjustment is approved a new schedule will be published.

59. As we discussed at the pre-bid, there needs to be a plan of finance and a checklist of tenant improvement responsibilities as part of the ConRac Agreement.

Answer:

As this is still evolving, it can't be attach at this time.

Kahului Bid Documents

60. Page IB-1, #1 states the term of the concession is 10 years from DBO, but page 2, Section III, #6 of the Business Terms Sheet states term is co-terminus with the term of the financing. Would you please confirm the term of the concession agreement is 10 years and the term of the facility agreement is the greater of 30 years or the term of the financing?

Answer:

See answer to Question # 44 above.

61. Page IB-3 states that related entities are required to submit a single bid, but page 1, Section III, #2 of the Business Terms Sheet states multi-branding is permitted but not required. Would you please confirm that multi-branding is permitted but not required?

Answer:

See answer to Question #8 above.

62. Pages IB-9 – IB-10 require us to maintain a Concession Bond and Performance Bond from the commencement date of the ConRac Agreement. Please confirm this means from DBO of the facility. We already have bonds for the current agreements with you and to have additional bonds in place for several years would tie up a significant amount of cash.

Answer:

See answer to Question # 47 above.

63. Attachment 2 to IB, Schedule 2, lists Avis revenue for 2004 at \$418,823,394. We believe this number is incorrect. Would you please confirm?

Answer:

The gross receipts shown in the table reflect the total of the monthly gross receipts for the stated calendar year. Since the contract year and calendar year are not the same any adjustments taken at the end of the contract year are not reflected in Schedule 2.

In this particular example, the entry has been changed to reflect \$18,823,394 and an addendum page will be issued.

64. Page A-1-5, #8 A (1) Please limit this request to airport locations only and the number of locations to no more than 5 locations. We have hundreds of locations and the volume of paperwork that we would have to compile and you would have to review would be massive.

Answer:

See answer to Question # 36 above.

65. Page A-1-5, #8 A (3) wants information on our Hawaii operations going back 10 years. Please limit this information to 5 years and to airport locations only. We do not have information such as transaction history going back 10 years. Please also limit this request to the brands that we are currently operating at airport location, or at minimum, limit the information to the time for which the brands are owned. We cannot supply information on a brand that we no longer own or information on a brand prior to our ownership of that brand.

Answer:

See answer to Question #14 above.

67. Page A-1-5, #8 B requires us to provide audited statements for each of the locations listed in #8 A (3). We do not have separately audited financial statements for our off-airport locations and we are not able to go back in time to develop statements for these locations. For the on-airport locations, we have this information but not necessarily in the year format that you are requesting. For example, for the Hawaii outer island airport locations, audited gross revenue statements are compiled based on a contract year, not a calendar year. Again, we are not able to go back in time to change these documents. Please limit this audit requirement to the on-airport locations only, and allow us to submit audited statements of gross revenue in the format under which they were originally compiled. We urge you to limit this to no more than 5 locations, as the volume of information is going to be massive. In lieu of audited statements, what will you accept? Will you accept a 10-K?

Answer:

See answer to Question #49 above. The intent of the requirement is not to make a potential bidder to get new audits, but to provide audits for each of five qualifying years.

68. Page A-1-6, #8 C (2) requires us to submit audited statements for the bidder named in this Qualification Statement. We are able to supply only condensed financials. If condensed audited statements are not acceptable, will you allow us to supplement our condensed statement with a break out statement that is certified by our in-house accounting personnel? We prefer that you delete this requirement. We are not required to do this for any of our other business needs and this would take several months, if it is even possible to compile, which would take us beyond the deadline for submittals. This has never been a requirement to do business with the Hawaii Airport System and needs to be deleted. In lieu of deleting this requirement altogether, will you accept a 10-K?

Answer:

See answer to Question #49 above.

69. Page A-1-7, D requires us to state any names under which we have ever operated. In previous bids, this requirement was 20 years, which is cumbersome. Please limit this to 5 or 10 years. How we operated 30 years ago has nothing to do with this current bid.

Answer:

See answer to Question #51 above.

70. Page A-1-8, #11 requires us to submit drawings. Please delete this requirement. We will not know the space layout options until the bids have been submitted and approved by the State.

Answer:

See answer to Question #17 above.

71. Page B-1-1 is the Affidavit of Non-Collusion. Please add the sentence: "For purposes of this bid, collusion means the unlawful communication between unaffiliated companies."

Answer:

See answer to Question #53 above.

72. Page 2, Section III, #8 of the Business Terms Sheet states the successful off-airport bidders will be required to commence collection of the CFC from its Airport customers upon execution of its ConRac Agreement. We need to all start at the same time. Please change this from "upon execution" to "on the first day of the third full month following notification to the successful bidders". So if the successful bidders are notified on 10/15/13, they would begin to collect the CFC on any contracts opened on 1/1/14 or later.

Answer:

See answer to Question #55 above.

73. Because we are bidding a MAG so far in advance of DBO, we need a provision for a MAG adjustment, in the event of a decline in passenger traffic prior to the opening of the facility. We suggest the language: In the event that the total number of deplaning passengers decreases by an amount greater than 10% from the calendar year 2013 to the calendar year in which the agreement takes effect, the MAG will be reduced by the decrease in excess of 10%.

Answer:

See answer to Question #56 above.

74. Please furnish us with a recent accounts receivable statement.

Answer:

See answer to Question #11 above.

75. As a start kindly reduce historical business requirements to 5 years from 10. Eliminate landlord letters, DOT is our landlord for rental car service which is the object of our bids. Eliminate bank letters and business letters especially as those are still on file for successful incumbents of the Neighbor Island Bids.

Answer:

See answer to Question #14 above.

The State is unable to eliminate the requirement for bank letters and business letters for incumbents as that would seem to favor incumbents over new entrants to the airport market since the new entrants would be required to spend extra time and, possibly money, to provide information not required of incumbent operators.

76. As stated at the pre bid we prefer to provide performance bonds then letters of credit.

Answer:

See answer to Question #22 above.

77. As to the 5 percent bid bonds, make them 5 percent of the 2.0 Million required as a minimum. Makes it much easier to get a known amount then to wait until we figure out our bid number

Answer:

See answer to Question #12 above.

78. Allocate space by bid MAG as to location and percentage of space with the following parameters: contiguous space within the floors. If an operator's requirements exceed a floor plate, the excess will be accommodated in the immediate next floor up or down. Allocation of excess space must begin at one side or the other of the excess space floor so as to avoid someone taking their excess space in the middle. This will preserve excellent allocable space on the balance of the floor. Block spaces would be a fall back in the case of operational necessity. But at least start by giving everyone the value of their bid. Our bid represents our business sense of where we want to be located and how much space we need.

Answer:

The State has said it will use transaction data to determine the size and location of the areas to be bid on. The primary concern in the determination is 1) the functionality of the facility and 2) the operational efficiency of the brands. Within those limitations, the bid MAG will determine order of selection.

79. Would you kindly confirm with DOT Accounting that incumbents are current on their accounts and ready for bid - like a tax clearance from DOT.

Answer:

See answer to Question # 57 above.

80. Section 4 last paragraph, second sentence states that related entities will be required to submit a single bid ... STRIKE.

Answer:

See answer to Questions #8 and #9 above.

81. MAG after the first year should be 85% of prior year concession fees paid -strike the first year floor. Strike Sections E, F and G stock ownership requirements. Strike H, I and J. Strike #10 Concession plans, #11 Preliminary drawings and #12.

Answer:

*The State is willing to adjust the MAG on an annual basis. .
The State will not strike the requirements in Section E, F, G, H, I and J, as it believes the information serves the interest of the State.
#11 Preliminary drawings, see answer Question No. 17 above.
The State sees no reason to strike #12 as it is up to the bidder to determine if any other information is pertinent.*

82. Confirm we have 60 days for tax clearances.

Answer:

See answer to Question #31 above.

83. a) As to the business terms - confirm that we have a 30 year ground lease (at a minimum based on initial 30 year bonds) regardless of defeasance of bonds.

Answer:

See answer to Question #44 above.

- b) Modify the right to combine HNL and OGG agreement contingent upon no change in the independent terms and conditions of the individual agreements.

Answer:

The suggestion to potentially combine the HNL and OGG agreements was raised by the bond group in its early meetings. At this point, it does not appear to be a course that is being pursued.

- c) Modify rent definition so that we clearly delineate ground rent, debt service bussing costs (capital and O and M) plus building O and M- this is critical for our tax purposes.

Answer:

It is anticipated that the document will undergo several changes as the bond group provides input and potential language. Additional pre-bid meetings have been scheduled to review the impact of any changes and to suggest needed language.

84. Insert a paragraph for incumbents who will be occupying space, as selected by market share, in the interim facility to accommodate the CONRAC construction and which interim facility costs are part of project scope for the HNL CONRAC.

Answer:

The details of the occupancy and use of the interim facility are not part of this concession offering.

85. Lower garage rent to \$5 per space per month in consideration for the Corporate capital that will be spent in outfitting our CONRAC facilities and the CFC contribution to the enabling projects.

Answer:

While again, not a part of the concession offering, the State is willing to reduce the garage rent to \$5 per space per month.

PROCEDURAL QUESTIONS:

- 86. BUSINESS TERM SHEET III -2** “ A multi-branded bid by a single bidder is permitted but not required.” If a company chooses NOT to submit a single bid under which ALL of its subsidiary brands operate, and rather submits separate bids for each brand, or a combination of a single brand bid and a multi-branded bid, may the Parent entity be the bidder for both concessions?

For example, Parent company A owns brand/entity X, Y and Z. May Parent company A submit one bid to operate brands X and Y under one bid/concession, and a second bid to operate brand Z under a second concession? That scenario, while seems reasonable and proper, is contrary to what is stated in TERM SHEET III -#3.

In addition, as corollary to the above question, it would still make sense to establish that, under no circumstance, could a particular Parent company bidder submit more than one bid to operate the **same brands** as listed in any other bid it submits.

Answer: See answer to Question #8 above.

87. We support the concept of Pre Determined Blocks of RR to bid upon. A ConRac is a type of facility that is designed to operate most efficiently when the puzzle pieces, derived from existing market share, are determined by the objective architect designing the new facility. That said, how will the DOT determine transaction history for companies who have not reported income and prevent overstatements of activity in order to inflate space blocks?

Answer: DOTA reserves the right to request additional information from all respondents. This information may include, but not be limited to, submission of additional data and statements to verify transaction information submitted with a respondent's Notice of Intent.

88. a) Also, when will the Bidders receive a drawing and dimensions of the Blocks of Space? It must be well before the October Bid due date.

Answer:

DOTA will provide the Blocks of Space to qualified respondents with the notice that a respondent has been deemed qualified to submit a MAG Bid.

- b) How will the Blocks be further divided into Tiers?

Answer:

The Blocks may, or may not, be arranged into Tiers, depending on how the number and relative sizes of the qualified Bidders.

- c) What does the presence of Tiers mean?

Answer:

The Blocks may be arranged into Tiers to ensure that qualified Bidders do not end up in Space Blocks that are disproportionate to their historic transaction shares and market shares.

- d) Does that preclude bidding for particular Blocks? Please clarify all of the Block/Tier concept in greater detail.

Answer:

The Block/Tier concept will be clarified in greater detail with DOTA's notification.

89. How is a "Small Operator" defined?

Answer:

That determination will be made by the State based on the information supplied by the brands in the Notices of Intention to Bid. Since those have not yet been submitted, the State is unable to be more specific as to the level of activity that will result in the designation of "Small Operator".

90. What is the minimum amount of space/stalls that a "Small Operator" shall receive?

Answer:

That is dependent on the number bidders, the number of small bidders and the size the small bidders.

91. At what point does a Bidder cross from Small Operator status to "Regular" Operator?

Answer:

As there are different MAGs that apply to Small Operators and Regular Operators, a Small Operator will not be able to graduate to a Regular Operator during the term of the Concession Agreement.

92. How much space will be in the smallest tier?

Answer:

That will depend on the number of bidders, number of small operators submitting bids and the size of the small bidders.

93. 10 is the minimum, but what is the Max number of stalls in the Small Operator block? 10 stalls are not sufficient for some small operators.

Answer:

See answer to Question No. 92 above.

94. KAHULUI NB-2 erroneously states the CRCF will open in 2017. It should be 2015.

Answer:

That will be corrected in the final bid document.

95. **NB -3** states “separate minimum upset concession fees will be established for each tier.” What does that mean?

Answer:

Earlier in the paragraph an example was given of the way the tiers might work out (i.e. 1 tier of two large sized space packages, a second tier with three medium sized space packages and a third tier for small operators). Each tier would have its own minimum upset fee, so that say for the medium sized space packages each bidder would have to submit a bid that was at least equal to the upset for the medium tier.

96. **NB-2** – is there any limit to the number of brands under a multi-branded bid?

Answer:

Provided that each of the brands submits the necessary financial and experience evidence to qualify, and the bidder appropriately identifies the brands they intend to submit bids for, there is no limit to the number of brands that can be included in a multi-branded bid.

97. Is a concessionaire obligated to operate all brands included under its Concession for the term of the Agreement, so long as the full MAG and rent continues to be paid by the Bidder/Concessionaire?

Answer:

A concessionaire is not required to operate all brands included in the bid for the entire duration of the concession agreement. However, should a brand cease to operate during the term of the Concession Agreement, the State could exercise its rights to reallocate the space no longer used by the vacating brand.

98. **NB-2**- Why must a particular mall space be tied to a particular block of ready-return stalls?

Answer:

In order that the flow of customers to and from the Customer Service Area and the ready/return areas, is consistent with the overall facility design and operation.

99. **IB-7**- MAG after the first contract year should be 85% of prior year's actual fees, with NO FLOOR. Unlike the typical bids, in a ConRac situation, not only are we bidding for space a very long time before DBO (minimum 4yrs in HNL), but we are assuming enough risk on “contingent rent” factor in the event that the assumptions in the Plan of Finance do not materialize and a CFC shortfall arises. Therefore, it is completely unfair and over reaching to also put in a “Floor” on the MAG in the event the economy takes an unforeseen downturn, and our 10% does not “cover” the MAG. The DOT must have some balance in this business deal. Under these circumstances, will the DOT delete the MAG floor, (or in the alternative, delete the “contingent rent” risk)?

Answer:

See answer to Question No. 81 above.

100. Ancillary to the question above, the DBO for HNL is 4+yrs in the future, in addition, OGG could be delayed from a 2015 DBO. Yet, we are required to bid now and project the market now, proposing MAGs effective DBO when market conditions could change significantly. Accordingly, will the DOT modify the proposed terms and agree to adjust the MAGs submitted in the bids in the event deplanements decrease between the bid date and DBO by more than 5%? We suggest the percentage of decline in deplanements be applied to decrease the MAGs in a like amount.

Answer:

See answer to Question No. 56 above.

101. **IB-9-10** states Concession bonds must be in force from “Commencement” date of ConRac Agreement. What is the Commencement Date? If it’s DBO, please define DBO.

Answer:

See answer to Question No. 46 above.

102. **IB-12-13** refers to requirement to submit plans for “overall construction program” of the bidder. Since this is a CRCF, we understand we will have to submit plans per the Tenant Improvement Manual at a later date. However, completed plans for Tenant Improvements will not be ready by the date a Bid Intent Package is submitted. Please confirm that the submittals for the Bid Intent Package are only pursuant to the Qualifications Questionnaire A-1-8, which may simply be conceptual depictions of our general mall/counters and parking fit outs and signage. It’s premature to have any specific plans and specs for our space, as we do not even know what our space is yet.

Answer:

See answer to Question No. 17 above.

103. Also, the Concession Agreement must contain, as an exhibit, clear and specific language regarding Substantial Completion and availability of work space for companies to begin TI work Will the DOT please adopt the language used in Burbank Airport Concession Section 6.2?

Answer:

In the previous meeting, the State indicated it was willing to review and incorporate such language.

104. **BUSINESS TERMS I Project Scope:** Please provide more information defining Project Scope. It is not adequately defined for us to evaluate how much construction is in Base Building vs. TI cost. We suggest a table showing Schedule of Improvements used in the Burbank Concession Agreement Exhibit E.

Answer:

In the previous meeting, the State indicated it was willing to include such a table.

105. **BUSINESS TERMS III-12:** Please include a reasonable Tenant Improvement Allowance for this Project. We have suggested this repeatedly over the last several years. TI work will run into several million dollars per company. It is possible that construction bids/costs will be less than the estimate in the Plan of Finance. If that is the case, we request that differential be put into a TI Allowance fund and distributed per the MAG bid share, amongst the companies. TI work is not just proprietary signage. We will no doubt have to install electrical conduit and cabling, booths, etc, that will become part of the structure and most likely remain, even if a bidder moves within the facility at some point. We should not have to come out of pocket for all this TI work, especially given the huge sums that are going toward overall airport improvements that the rental car customers are paying for 100%. Let’s have a bit of parity here.

Answer:

Tenant space is proprietary and consequently, the sole responsibility of the tenant.

106. Please attach the Plan of Finance as a bid/concession agreement as an exhibit to the Concession and Lease. We are relying on this material document in our determining any bid.

Answer:

See Answer to Question #59 above.

107. **BUSINESS TERMS III-10;** We must have some assurances that the \$4.50/day CFC will be increased if any combination of costs and/or CFC revenue does not meet the Plan of Finance projections. Understanding this requires legislative action, or a delegation of authority to Director of Aviation to study, and recommend increasing, as needed to meet all CFC eligible expenses before the rental car companies are required to contribute any “contingent” rent. This is the concept upon which all companies have been planning and negotiating, in good faith, completion of the Project.

Answer:

Ford Fuchigami has committed to seek an increase in the CFC in such a circumstance.

108. **BUSINESS TERMS:** Please delete the terms "Facility or Contingent Rent" because there is no Rent, except ground rent. Rather, there is a potential for **Supplemental Consideration** that may, or may not, ever arise. Please amend to replace with the term "Supplemental Consideration"

Answer:

Consultation with the Bond group is necessary on this issue, as they are the ones saying continent rent is necessary to sell the bonds.

109. **BUSINESS TERMS:** Ground **Rent** is still an unclear issue. First, we must know, or have some order of magnitude estimate for ground rent rates for the ConRacs *before* we bid. Second, we strongly take the position that there should be **no rent** for any company occupying the HNL Overseas Terminal Garage during Phase 2 due to the fact that:
1. We pay no rent in the RR now.
 2. We are moving there as part of this Project in order to *create the Project Site*.
 3. We have been denied the use of the old gas station for added parking, although had been promised the use of it.
 4. We will incur significant costs while in the OTG to move cars in and out to the QTA until DBO of the ConRac.
 5. **PROJECT IS PAYING FOR \$100 MILLION (100%) IN PUBLIC IMPROVEMENTS TO THE ROADS AND AIRPORT CIRCULATION IN BOTH HNL AND OGG, MOST OF WHICH ARE "ANCILLARY" TO OUR PROJECT, AT BEST.**

Answer:

The issue of ground rent should be cleared up as the Concession Agreement and Premises Lease evolves.

110. **BUSINESS TERMS III-15** – Will the DOT please mandate common busing as a condition to occupy the OTG during Phase 2A? We all must agree to an amendment of our current permits which will change the Premises we occupy until Ph 2B is complete. We suggest the mandate to participate in common busing to and from the OTG be included. Three reasons this is in the best interest of DOT: **First**, there is inadequate bus cueing space for common AND individual buses at the OTG. **Second**, the customers will be confused if they see one individually branded bus and expect All company buses to arrive to pick them up. **Last**, it will cut down on overall terminal loop traffic and decrease the air emissions by reducing the number of buses to the extent possible.

Answer:

The State will require all RACs that occupy the interim facility to participate in common busing.

111. **BUSINESS TERMS I- 5** – Why is the Ground Transportation Center in HNL included in Project Scope? We have objected to the presence of it because it takes valuable space from Rental Car Parking. The Project should not be paying for a GTC its competition uses. Certainly no CFC revenue should be paying for this facility or a class action suit by rental car customers would be at risk. Delete this from "Project Scope." Please identify all "enabling Projects" being included in the ConRac Project and financed with CFC funds.

Answer:

The State has determined that the Ground Transportation Center in the ConRAC will improve traffic moving through the airport and eliminate multiple choke points that currently exist due to ground transportation pick up and drop offs throughout the terminal complex. Among those sharing in the benefit will be the ConRac users.

112. **BUSINESS TERMS III – 9** – Please strike in its entirety. There is no reason to expressly state this in the bid document.

Answer:

The State needs to see what impact the bond team language has on the document before it commits to either including or excluding language that appears in the term sheet.

113. **BUSINESS TERMS III-11** – Please explain what is meant by, "...In the event of an early discharge of debt service, *there are provisions* for alternate determinations for Facility Rent."?

Answer:

Possible example could be the use of CFC's to pay facility rent in order to protect the existence of the CFC.

114. **BUSINESS TERMS III-18-** Do Prevailing Wage requirements apply to Tenant Improvements paid for by the concessionaire, and not with CFC funds? If yes, please explain why. This may add substantial cost to our work.

Answer:

There is no requirement for prevailing wages.

115. **1) IB-3/4 & APPX A. p.A-1** – We request this language be changed to allow for the addition of a brand, post bid and contract commencement, upon request to the Director. If a bidder is allowed to multi brand at the outset, and its space and MAG cannot be modified, there is really no logical reason this election to operate certain brands must occur at one particular moment in time, i.e., when the bid is submitted. Often a company will either acquire a new brand, or decide to change the business plan for another, at a date that is subsequent to the initial bid.

So, long as the compensation to the State does not change, and no additional space to operate is required or requested, this is a reasonable modification. Moreover, this change does not prejudice the rights of the other bidders because prior to the actual bid openings, the other bidders all have to consider, but do not have knowledge of, what brands any other bidder will actually opt to bring into the facility under the umbrella of its concession agreement. The needs of the traveling public may change before the next concession, ten years hence, and no concessionaire will be able to respond with an addition of a brand at a later date, if this arbitrary restriction is included in our agreement. Accordingly, please strike the last sentence on Page A-1, Appx A, Notice of Intention to Bid.

Answer:

Since the State has determined it will allow the minimum annual guarantee to adjust in each year of the concession agreement, it is difficult to see how substitution of one brand for another will not adversely impact the compensation to the State. If that addition of another brand is not a substitution but an addition, it is difficult to see how the other brands would not be impacted during reallocation. Consequently, the State will not make the requested change and will limit participation in the ConRac to those brands that were identified in the bids.

116. **2) IB-5 (d)** – This section should be deleted pending the outcome of a prior question regarding the submittal of multiple bids by the same bidder, so long as those bids propose the operation of **different brands**.

Answer:

This paragraph has been revised to read as follows:

d. If more than one (1) bid proposal is received on behalf of a specific brand from an individual, corporation, limited liability company, partnership, joint venture, or any other legal entity under the

same or different names and more than one (1) bid proposal on behalf of a specific brand remains in the State's possession at bid opening;

- 117. 3) Business Terms II-4:** Why, and under what circumstances, would DOT opt to combine the HNL agreements with the OGG agreements resulting in one document for both islands? That would seem to open up issues of applicability and compliance in one location that may be unrelated to the other. We do not recommend that change. Separate documents for separate locations is preferred.

Answer:

The State considered it at the request of the group that is involved in the packaging and issuance of the bonds for the facilities. From their point of view, combining the two projects into a single document would make the bonds more attractive. At this point the State has not come to a final decision, but is leaning toward keeping the documents separate.

- 118. 4) Business Terms III – Lease Term** is characterized as “co-terminus with the bonds”. We request that this be modified to add, “...but no less than 30yrs for the Lease term. Concession term of 10yrs is acceptable.

Answer:

See answer to Question No. 44 above.

- 119. 5) Business Terms III – 8:** Performance bond is consistent with the rest of the DOT documents and historically has been accepted. Please delete requirement for an LOC.

Answer:

See answer to Question No. 22 above.

- 120. 6) Business Terms III -9:** Project Financing language is far too broad to be acceptable to a bidder who relies upon the specific Plan of Finance that has been published and is assuming, at least in part, risk for debt service to the extent the CFC funds cannot cover it all. Please amend and add the Plan of Finance as an Exhibit to Bid.

Answer:

See answer to Question No. 59 above.

- 121. 7) Business Terms III – 10:** Any language pertaining to potential liability for “Supplemental Consideration” also known as “contingent rent”, must include a formula by which the concessionaire is not directly, or indirectly, paying any debt service arising from the Capital Projects described as Phase I in HNL and the OGG New Public Roadway connector the Airport. Will taxable or non-taxable bonds be sold to pay for Phase I HNL improvements and OGG Public Roadway? If not, why not?

Answer:

The State has determined that the Phase I Projects at HNL and the OGG Airport Access Road Project are eligible to be paid for from CFC collections.

- 122. 8) Business Terms III-13-** How large are the site footprints in HNL and OGG for the ConRac facilities?

Answer: For HNL the project site footprint is 602,510 square feet.

For OGG the project site footprint is 1,061,976 square feet.