



STATE OF HAWAII | KA MOKU'ĀINA 'O HAWAII'
DEPARTMENT OF TRANSPORTATION | KA 'OIHANA ALAKAU
AIRPORTS
400 RODGERS BOULEVARD, SUITE 700
HONOLULU, HAWAII 96819-1880

AIR-PM 24.0961

January 23, 2025

DOT Land Matters
State of Hawaii
Honolulu, Hawaii

AMENDMENT NO. 2 TO REVOCABLE PERMIT NO. RP-9456
FOR TWO PREFERENTIAL HOLDROOMS LOCATED AT
GATES 9 AND 11 IN THE MAIN TERMINAL
SOUTHWEST AIRLINES CO.
KAHULUI AIRPORT
TAX MAP KEY: (2) 3-8-1: PORTION OF 224

MAUI

REQUEST:

Southwest Airlines Co. (SWA) was issued Revocable Permit No. RP-9456 for three Preferential Holdrooms at the Kahului Airport (OGG). SWA requests reducing their Preferential Holdrooms from three at Gates 5, 7 and 9, to two at Gates 9 and 11. The State of Hawaii Department of Transportation (HDOT) approved this request.

APPLICANT:

SWA, whose business address is 2702 Love Field Drive, Dallas, Texas 75235.

LEGAL REFERENCE:

Hawaii Revised Statutes (HRS), Sections 26-19 and 171, as amended.

LOCATION AND TAX MAP KEY:

Portion of OGG, Kahului, Island of Maui, identified by
Tax Map Key: 2nd Division, 3-8-1: Portion of 224.

AREA:

Current Area:

Three Preferential Holdrooms located at Gates 5, 7 and 9 in the Main Terminal, each containing an average area of approximately 3,591 square feet.

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Page 2

Area as Amended:

Two Preferential Holdrooms located at Gates 9 and 11 in the Main Terminal, each containing an average area of approximately 3,591 square feet, as described on the attached HDOT letter dated December 4, 2024 (AIR 24.0058), labeled Exhibit A.

ZONING:

State Land Use District: Urban
County of Maui: Airport

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 for public purposes.

CHARACTER OF USE:

Two Preferential Holdrooms located at Gates 9 and 11.

COMMENCEMENT DATE:

January 1, 2025.

MONTHLY RENTAL:

Current Monthly Rental:
\$96,597.90 per month.

Amended Monthly Rental:
\$64,398.60 (based on a rate of \$107.60 per square foot, per annum, as determined from the Airports Signatory Rates and Charges, Hawaii Airports System, effective July 1, 2024).

SECURITY DEPOSIT:

\$0.00.

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Page 3

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 ___

CHAPTER 343, HRS - ENVIRONMENTAL ASSESSMENT:

The HDOT 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.

REMARKS:

SWA currently has three Preferential Holdrooms at OGG demised under RP-9456. The HDOT approved to reduce the number of Preferential Holdrooms demised to SWA from three at Gates 5, 7 and 9, to two at Gates 9 and 11.

RECOMMENDATION:

Based on this submittal, and testimony and facts presented, the HDOT recommends the Director of Transportation finds that approving Amendment No. 2 to RP-9456 for two Preferential Holdrooms at Gates 9 and 11, including its conditions and rent, will serve the best interests of the State.

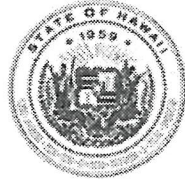
Respectfully submitted,



CURT T. OTAGURO
Deputy Director of Transportation for Airports

Attachment

JOSH GREEN, M.D.
GOVERNOR
KE KIA'ĀINA



STATE OF HAWAII | KA MOKU'ĀINA 'O HAWAII
DEPARTMENT OF TRANSPORTATION | KA 'OIHANA ALAKAU
869 PUNCHBOWL STREET
HONOLULU, HAWAII 96813-5097

December 4, 2024

EDWIN H. SNIFFEN
DIRECTOR
KA LUNA HO'OKELE

Deputy Directors
Nā Hope Luna Ho'okele
DREANALEE K. KALILI
TAMMY L. LEE
CURT T. OTAGURO
ROBIN K. SHISHIDO

IN REPLY REFER TO:

AIR 24.0058

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

Dear Mr. Sellers:

Subject: Preferential Holdrooms/Gates for January to June 2025

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 Daniel K. Inouye International Airport (HNL), Kahului Airport (OGG), Ellison Onizuka Kona International Airport at Keahole (KOA), Lihue Airport (LIH) and Hilo International Airport (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 January 2025, the average number of seats per turn for all scheduled commercial flights at HNL equals 385. Accordingly, to qualify under this criterion, an airline must be able to accommodate five or five and one-half daily turns with greater than 2,310 seats on a single gate.

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 (HDOT) and the Airlines Committee of Hawaii, three airlines requested preferential holdrooms/gates for January to June 2025 as follows:

Daniel K. Inouye International Airport

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

EXHIBIT A

Kahului Airport

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

Ellison Onizuka Kona International Airport at Keahole

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

Lihue Airport

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

Hilo International Airport

- Hawaiian Airlines – Two preferential holdrooms/gates

Based upon a review of airlines' individual and aggregate flight schedules at the respective airports, and the most efficient utilization of gates, the following preferential holdroom/gate requests are approved effective January 1, 2025 to June 30, 2025 in accordance with 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 eleven holdrooms/gates (A13, A14, A15, A16, A17, A18, A19, A20, B2, 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 two holdrooms/gates (9 and 11)

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 one holdroom/gate (7)

Hilo International Airport

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

Airlines that are granted preferential holdrooms/gates understand that the HDOT 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 HDOT will result in the immediate loss of one or more preferential holdrooms/gates. Further, the HDOT has the authority to reduce the number of, or eliminate, preferential leasing of holdrooms/gates at any time.

All flights by airlines that are directed by the HDOT to utilize an airlines' preferential gate will be assessed the applicable joint use holdroom charge by the HDOT, similar to their other flights that operate on a common use gate.

Lastly, as recently discussed, the following changes regarding preferential holdrooms/gates that are approved will take effect on January 1, 2025:

- The Final Advance Planning Gate Utilization Charts (Final Charts) that are prepared each month for HNL, OGG, KOA and LIH will be utilized to determine if preferential gate utilization requirements are satisfied each month.
 - If the Final Charts reflect that an airline does not meet the preferential gate utilization requirements on one or more of its designated gates, the following will occur:
 - An assessment will be completed to determine if noncompliance is resulting from the need to accommodate other airlines' flights at the

respective preferential gate. If yes, the airline with the preferential gate will not be considered noncompliant for that month.

- If an airline is deemed noncompliant for a month, written notification will be provided by the HDOT.
 - If the airline is compliant in the subsequent month, no action will be taken by the HDOT.
 - If the airline is noncompliant in the subsequent month, written notification will be provided by the HDOT to advise the airline that the preferential gate in question will be rescinded effective at the end of the last day of the initial noncompliant month.

The HDOT appreciates your continued support and cooperation. If you have any questions, please contact Mr. Ford Fuchigami, Airports Administrator, at (808) 838-8883.

Sincerely,



EDWIN H. SNIFFEN
Director of Transportation

c: Malcom Smith, Oahu Airports District Manager
Marvin Moniz, Maui Airports District Manager
Chauncey Wong-Yuen, Hawaii Airports District Manager
Craig Davis, Kauai Airports District Manager
Tiffinie Smith, Hilo Assistant Airports District Manager
Karen Honda, Acting Fiscal Management Officer
L. Abby Lareau, Property and Business Development Supervisor
Hawaii Airline Liaison Office