

September 8, 2020

Dear :

SUBJECT: NOTICE OF PLAN FOR TERMINATION AND CLOSURE

As you undoubtedly are aware, the State of Hawaii Department of Transportation, Airports Division (DOTA) will be terminating its lease of Kawaihapai Airfield fka Dillingham Airfield (HDH or Airfield) effective June 30, 2021.

**The purpose of this letter is to provide you with official notice and instructions for how this closure will affect you. You are receiving this letter because you have been issued Revocable Permit No. \_\_\_\_\_ (RP-) for Building/Room No. \_\_\_\_\_ at HDH.** We urge you to review the Permit Terms and Conditions carefully and let us know if you have any questions as soon as possible – to avoid a last-minute rush that could adversely affect your ability to relocate.

DOTA previously sent a formal Termination and Notice to Vacate letter dated February 10, 2020 (Termination Letter) notifying you of its intent to terminate RP-\_\_\_\_\_ as of June 30, 2020. DOTA later informed you that DOTA's plan to terminate its lease with the U.S. Army and close the Airfield would be delayed until June 30, 2021. DOTA intends to terminate its lease on that date.

As indicated in the Termination Letter, Revocable Permit No. \_\_\_\_\_ imposes a series of obligations on you that are triggered by the termination of the underlying DOTA lease and the termination of your permit, many of which will take time to complete. The intent of this letter is to further explain DOTA's plan to close the Airfield and to provide clear notice of your contractual obligations.

The Airfield is a joint-use airfield with the U.S. Army having first priority for air-land operations and helicopter night-vision training. DOTA currently operates the public use of the Airfield under a five-year lease with the U.S. Army. Despite over a decade of effort, DOTA has been unable to secure a longer-term lease with the U.S. Army, which has limited DOTA's ability to manage the Airfield. As a result, DOTA has notified both the U.S. Army and the U.S. Federal Aviation Administration that DOTA will exercise its option to terminate the lease with the U.S. Army on June 30, 2021. DOTA's anticipated timeline for key elements related to termination of your permit and closure of the Airfield are provided below for your information:

- DOTA coordination with U.S. Army re: termination of lease Sep. 2020 – June 2021

- DOTA coordination with HDH Permittees re: preparation for termination of permits Sep. 2020 – June 2021
- DOTA initial property inspections for permits Jan. 2021 – Feb. 2021
- DOTA oversight of property restoration, as necessary Feb. 2021 – June 2021
- Permittee restoration of individual premises Jan. 2021 – April 2021
- DOTA final inspection of permit premises May 2021 – June 2021
- Permit termination June 2021
- DOTA issuance of NOTAMs re: airport closure to public uses June 30, 2021

### **Permittee Obligations Upon Termination**

This letter serves as an additional reminder of your obligations under RP-\_\_\_\_\_ that must be met on or before termination. DOTA strongly encourages you to begin planning now to meet these obligations and to facilitate a smooth transition.

#### **1. Obligation to Restore Premises**

Paragraphs 18 (Surrender and Restoration), 21 (Removal of Fixtures and Equipment), and 22 (Option to Require Removal of Improvements, Additions, Alterations, Fixtures and Equipment) of the Terms and Conditions for RP-\_\_\_\_\_ impose important obligations on you, as a Permittee. Specifically:

- You are obligated to surrender and restore the Premises to a condition similar to that which existed before you were issued RP-\_\_\_\_\_.
- Any trade fixtures, equipment and/or personal property remaining shall be considered abandoned property and may be sold or disposed by DOTA.
- If necessary, DOTA will exercise its right under Paragraph 22 to require you to remove your property and equipment after termination, at your sole cost and expense.

A copy of the Permit Terms and Conditions is attached as **Exhibit A** for your convenience.

In January 2021, DOTA will contact you to schedule an appointment for a preliminary inspection of the premises. Following that inspection, DOTA will send you a letter indicating the items that need to be removed and the activities that need to occur to fully restore the property consistent with your obligations under RP-\_\_\_\_\_. DOTA may need to schedule a second inspection to identify the progress made toward full restoration. In May or early June 2021, DOTA will contact you for a final inspection.

#### **2. Locating Alternate Accommodations**

Hawaii’s Statewide Airports System consists of fourteen other airports. DOTA encourages you to apply for a revocable permit at one of these other airports. While DOTA is legally prohibited from prioritizing prior permit holders at its other facilities, DOTA is committed to working with all permit holders to find suitable relocation sites within the DOTA system.

Since space is provided on a first come, first-served basis, DOTA strongly encourages you to plan early for relocating to another airport. The table below includes contact information for a designated contact who will assist you and other HDH permittees in completing applications for alternate accommodations.

<b>DOTA Facility</b>	<b>DOTA Relocation Assistance Contact</b>
<b>Island of Oahu</b>	
Daniel K. Inouye International Airport (HNL)	MR. ROY SAKATA Tel: 808-836-6533 roy.sakata@hawaii.gov
Kalaeloa Airport (JRF)	
<b>Island of Hawaii</b>	
Ellison Onizuka Kona International Airport (KOA)	MR. CHAUNCEY WONG YUEN Tel: 808-327-9522 chauncey.wongyuen@hawaii.gov
Waimea-Kohala Airport (MUE)	MR. CHAUNCEY WONG YUEN
Upolu Airport (UPP)	MR. CHAUNCEY WONG YUEN
Hilo International Airport (ITO)	MR. STEVEN SANTIAGO Tel: 808-961-9302 steven.j.santiago@hawaii.gov
<b>Island of Maui</b>	
Kahului Airport (OGG)	MR. MARVIN MONIZ Tel: 808-872-3808 marvin.a.moniz@hawaii.gov
Hana Airport (HNM)	
Kapalua Airport (JHM)	
<b>Island of Lanai</b>	
Lanai Airport (LNY)	MR. MARVIN MONIZ
<b>Island of Molokai</b>	
Kalaupapa Airport (LUP)	MR. MARVIN MONIZ
Molokai Airport (MKK)	
<b>Island of Kauai</b>	
Lihue Airport (LIH)	MR. CRAIG DAVIS Tel: 808-274-3805 craig.h.davis@hawaii.gov
Port Allen Airport (PAK)	

### 3. Consequences of Noncompliance

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We must stress the importance of your obligation to restore your permitted premises to its original condition. While DOTA does not want to be overly formal, we remind you that in the event that a Permittee is unwilling or unable to comply with its obligation to restore the Premises, DOTA has the right to use its own employees or independent contractor to restore the premises and assess you, as the Permittee, the total costs of that clean up. DOTA also has the right to retain your security deposit to pay for site restoration costs for which you are liable and the right to file suit to recover costs that are not compensated through retention of the security deposit.

**To be clear: if you, as Permittee have not complied with your obligations to restore the Premises, you will be considered in breach of your Permit and will not be eligible to apply for alternate accommodations at any other DOTA airport until the breach is cured.**

We are providing you many months' notice so that you have plenty of time to make alternative accommodations. We are happy to work with you to find the most suitable alternative airport. If you have any questions, please contact Mr. Roy Sakata, Airport District Manager at 836-6533 or Ms. Abby Lareau of our Property and Business Development office at 838-8674. DOTA looks forward to assisting you through this process.

Sincerely,

JADE T. BUTAY  
Director of Transportation

Attachment

REGULAR MAIL AND  
CERTIFIED MAIL, RETURN RECEIPT REQUESTED