

Prepared by Office of Procurement and Real Property Management.  
This replaces the procedure which formerly appeared as  
Administrative Procedure No. A8.280 dated  
July 2007

A8.350

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A8.350 Concessions

July 2010

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A8.350     Concessions

1.     Definition

A concession is defined as the granting to a person the privilege to:

- a.     Conduct operations involving the sale of goods, wares, merchandise, or services to the general public including but not limited to food and beverage establishments, retail stores, motor vehicle rental operations, advertising, and communications and telecommunication services, in or on buildings or land under the jurisdiction of the University;
- b.     Operate a parking lot on property owned or controlled by the University; or
- c.     Use space in or on buildings or land under the jurisdiction of the University to display advertising, or to conduct operations for communications or telecommunications purposes.

2.     Purpose

To establish procedures for processing all requests relating to concessions on University premises which are related and incidental to the primary purposes of the University. Pursuant to Section 304A-105(c), HRS, as amended, the University may enter into concession agreements without regard to Chapter 102, HRS.

3. Procedures

- a. Requests relating to proposed concessions on University premises shall be referred by the appropriate University program or department to the Office of Procurement and Real Property Management (OPRPM) for review and disposition.
- b. The OPRPM shall review the request to determine the following:
  - 1) The appropriateness of the proposed concession as it relates to the primary purposes of the University;
  - 2) Whether the proposed concession conflicts with any existing University contracts; and
  - 3) The most advantageous method of awarding or otherwise entering into a contract for the proposed concession.
- c. The OPRPM will prepare the draft documentation and coordinate with the appropriate University administrators for written comments or recommendations.
- d. The OPRPM will prepare all necessary contractual documents for execution by the parties involved.
- e. The OPRPM will distribute copies of the fully-executed documents, as appropriate, and maintain official files for such documents.

4. General Guidelines For Proposals Relating to Concessions

- a. Concessions shall be allowed only where such operations shall not interfere with University programs and activities.
- b. Conveyance of rights and interests to operate concessions on University premises shall require payment of consideration based on fair market value.

Governmental agencies and non-profit organizations may be exempted from this requirement when it is determined to be in the best interests of the University.

- c. All agreements involving concessions shall be in writing.
- d. Transferees of rights to operate concessions on University premises shall indemnify the University and secure liability insurance to protect the University.
- e. In order to comply with State regulations in the vending of foodstuffs, the approval of each vending location, machine installation, and general operating procedures must be obtained from the Director of Auxiliary Enterprises (for Manoa) and Vice Chancellor for Administrative Affairs (for Hilo and Community Colleges). Requests for the installation of coin-operated vending machines elsewhere shall be directed to the OPRPM with all pertinent information. That office will either compete the requirement and award the contract or advise the applicable fiscal officer on accomplishing these tasks. It shall be the practice of the University to compete such requirements as widely as possible.