

HAWAII AERONAUTICS COMMISSION
 Minutes of Regular Meeting
 Monday - March 20, 1950

The regular monthly meeting of the Hawaii Aeronautics Commission was held in the Board Room of the Commission in the Overseas Terminal Building at Honolulu Airport on Monday, March 20, 1950 at 1:40 p.m.

Present were: Mr. R. R. Bright, Chairman
 Dr. F. K. Sylva, Vice Chairman
 Mr. R. C. Honda, Secretary
 Mr. R. A. Anderson, Member
 Mr. O. J. Burnett, Member
 Mr. H. W. Rice, Member (Maui)
 Mr. D. W. Edwards, Member (Kauai)
 Dr. G. J. Silva, Member (Hawaii)

Absent was: Mr. C. J. Pietsch, Jr., Member

Attending were:

Mr. P. Harrison, Director, HAC
 Mr. J. R. Canright, Deputy Atty. Gen.
 Mr. G. T. Belcher, Airport Engr., HAC
 Mr. G. R. Sims, Admin. Asst., HAC
 Mr. C. E. Perin, Supt., Honolulu Airport
 Mr. Wm. Neilson, Supt. Maui Cty. Airpts.
 Mr. Clark M. Kee, Consulting Engineer, HAC
 Mr. W. F. Goldsmith, rep. Flintkote Co.
 Mr. G. Cox, Attorney for Flintkote Co.
 Mr. O'Dowda, Chairman, PUC
 Mr. Watanabe, Attorney, PUC
 Mr. Roy Estes, Standard Oil Co.
 Mr. W. Turner, Dist. Mgr., Std. Oil Co.
 Mr. & Mrs. Howard Gee, Valley Isle Aviation
 Mr. Arthur Carter, Royal Camera & Gift Shop
 Capt. Elliott, HAL
 Mr. Richard Kennedy, Trans-Air Hawaii
 Mr. T. R. James

MINUTES: The Minutes of the regular Hawaii Aeronautics Commission meeting held February 19, 1950, and the special meeting held February 28, 1950 were approved as circulated.

HANA AIRPORT, GRANT AGREEMENT: The following resolution was introduced by Secretary Honda, seconded by Commissioner Rice, read in full, considered and adopted:

Resolution Adopting and Approving the Execution of a Grant Agreement between the Territory of Hawaii acting by and through the Hawaii Aeronautics Commission, and the United States of America, Civil Aeronautics Administration, Providing for Federal Aid in the Development of, and the Operation and Maintenance of, the Hana Airport.

Be it resolved by the members of the Hawaii Aeronautics Commission, Territory of Hawaii:

Section 1. That the Hawaii Aeronautics Commission acting on behalf of the Territory of Hawaii shall enter into a Grant Agreement for the purpose of obtaining Federal-aid in the development of the Hana Airport and that such agreement shall be as set forth hereinbelow.

Section 2. That the Director is hereby authorized and directed to execute said Grant Agreement in quintuplet on behalf of the Hawaii Aeronautics Commission, and the Secretary is hereby authorized and directed to impress the official seal of this Commission, and to attest said execution.

Section 3. That the Grant Agreement referred to hereinabove shall be as follows: (Copy of Grant Agreement in HAC files.)

MOLOKAI AIRPORT, MAINTENANCE MAN: The employment of Mr. Richard K. Kalama, as a CC-6 General Laborer, was approved on motion by Mr. Rice, seconded by Dr. G. J. Silva and carried. Employment to be effective March 15, 1950.

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DESIGNATION OF POLICE POWERS: Police powers were conferred upon Mr. Richard K. Kalama, Maintenance Man at Molokai, upon motion by Mr. Rice, seconded by Dr. G. J. Silva and carried.

HONOLULU AIRPORT, PROPOSED ACQUISITION OF LAND: The Director read a letter from the City Planning Commission, dated March 7, 1950, requesting a report from the HAC relative to its interest in acquiring thirty acres of land on the Diamond Head side of the main access road to Honolulu Airport for park purposes, and in acquiring additional areas on the Ewa side of the airport road to B Road for public purposes.

Mr. Harrison stressed the importance of acquiring the land areas on the Ewa side of the airport road in order to insure a safety area within the line of the main take-off runway of the airport. He recommended that the City Planning Commission be requested to hold these areas on their master plan for a park area; also, that an appraisal of the property be made in order that the Territory may purchase it at some future date.

The Director's recommendations were unanimously approved on motion by Mr. Rice, seconded by Dr. F. K. Sylva, and carried.

IMMIGRATION INSPECTION, HONOLULU AIRPORT: The Director requested the Commission's approval to initiate action for removal of Immigration Inspection of passengers leaving Honolulu for the West Coast. He pointed out that the inspections were mandatory by law and an Act of Congress would be necessary for their discontinuance. Mr. Harrison reported also that Mr. Brewster, Chief of the Immigration Department in Honolulu, is heartily in favor of such action.

After a brief discussion, Mr. Bright recommended that the Commission go on record in favor of amending the present Act and to ask Delegate Farrington to initiate such movement in Washington.

The Director was authorized to proceed as recommended, on motion by Dr. F. K. Sylva, seconded by Mr. Rice and carried unanimously.

DILLINGHAM AIR FORCE BASE: Dr. F. K. Sylva moved that a Land Committee be appointed to conduct an inspection of Dillingham Air Force Base, Oahu, in order to determine the desirability of acquiring the airport. Motion seconded by Mr. Rice and carried.

Members appointed to the committee by the Chairman are as follows: Dr. Sylva, Chairman, and Messrs. Rice and Honda, Members. Other Commissioners interested in making the tour of inspection were invited to join the Committee.

LIHUE AIRPORT, GRANT AGREEMENT: The following resolution was introduced by Commissioner Edwards, seconded by Commissioner Rice, read in full, considered and adopted:

Resolution Adopting and Approving the Execution of a Grant Agreement between the Territory of Hawaii acting by and through the Hawaii Aeronautics Commission, and the United States of America, Civil Aeronautics Administration, Providing for Federal Aid in the Development of, and the Operation and Maintenance of the Lihue Airport.

Be it resolved by the members of the Hawaii Aeronautics Commission, Territory of Hawaii:

Section 1. That the Hawaii Aeronautics Commission acting on behalf of the Territory of Hawaii shall enter into a Grant Agreement for the purpose of obtaining Federal-aid in the development of the Lihue Airport and that such agreement shall be as set forth hereinbelow.

Section 2. That the Director is hereby authorized and directed to execute said Grant Agreement in quintuplet on behalf of the Hawaii Aeronautics Commission, and the Secretary is hereby authorized and directed to impress the official seal of this Commission, and to attest said execution.

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Section 3. That the Grant Agreement referred to hereinabove shall be as follows: (Copy of Grant Agreement in HAC files.)

MIDWAY ISLAND: The Director reported that the Navy will close out Midway Island on June 1st, and said there would be a possibility of private individuals taking it over and maintaining it. The Chairman referred to the Land Committee the matter of looking into the possibility of the Commission's acquiring the airstrip.

DELEGATION OF POWERS TO THE DIRECTOR: Mr. Edwards moved that the Director be empowered to sign payrolls and other papers necessary to conduct routine business. Motion seconded by Dr. F. K. Sylva, and carried unanimously.

ACTIVITY REPORT OF CLARK M. KEE; PRELIMINARY SKETCH, HILO AIRPORT: Mr. Kee's activity report dated March 17, 1950 was commented upon briefly.

Mr. Kee presented to the Commission preliminary sketches of Hilo terminal and discussed them briefly with the Commission.

TAXI CONCESSION, HONOLULU AIRPORT: The problem of the taxi concession at Honolulu Airport was referred back to the Taxi Committee for their study and recommendations as soon as possible.

REPORT OF DIRECTOR - MISCELLANEOUS: The Director reported briefly as follows:

- (1) The transfer of title of Honolulu Airport to the Territory has not yet been consummated, due to the fact that Mutual Telephone Company has not yet agreed to the Navy's conditions of transfer.
- (2) The transfer of Kahului Airport is in the hands of the General Service Administration. On February 15th a letter was written to their San Francisco representative, Mr. George Wilson, requesting action. No reply has yet been received, so a follow-up letter was written by the Director on March 16th. Meanwhile, Mr. French of the Navy Real Estate office is writing the Washington Office of G.S.A.
- (3) Reference the February 19 meeting of the HAC, the Commission authorized hiring 5 additional laborers at Hilo. The Director reported that this is now being done, and recommended that action on additional personnel be held up until the new Superintendent of Airports and Operations has a chance to study the matter.

(The Director's request in this regard was granted by the Commission on motion by Mr. Rice, seconded by Dr. F. K. Sylva and carried.)

- Non-Scheduled
Carriers - Re Monthly
Flight Restrictions*
- (4) Reference the Director's letter to Civil Aeronautics Board in Washington, approved by the Chairman, re the service by non-scheduled operators to such places as Kalaupapa, Kamuela, Port Allen and Hana, which cannot be serviced by scheduled lines. The HAC requested an exemption from the CAB on Part 291 of 40(a) of CAA Act of 1938.

HILO AIRPORT, fuel oil tank: It was reported that Standard Oil Company of California had requested an opportunity to be heard before the Commission in regard to the 45,000-BBL fuel oil tank at Hilo Airport, which was offered to Flintkote Company, Canec Division, Hilo, Hawaii. It was pointed out that representatives of Standard Oil, Flintkote Company, and the Public Utilities Commission, were present to be heard on the matter.

The matter was discussed at length.

Mr. O'Dowda, Chairman of the Public Utilities Commission, reported that there is a possibility of a power pool being put into effect between the PUC and utilities companies in Hilo; also, that the PUC had endorsed Flintkote's request for renting the storage tank

because Flintkote was cooperating in this power pool. He pointed out, however, that it was not their intention to act against any of the oil companies. In the course of discussion, Mr. O'Dowda pointed out that the cost of power would be lowered in the event the power pool went through because the Flintkote Company would be able to purchase fuel at landed cost and had agreed to sell their power at a lower rate.

When Mr. Goldsmith, representative for Flintkote Company, was questioned as to whether or not it was Flintkote's intention to turn the tank over to Shell Oil Company, he replied that it was not; that Shell Oil is only one of several companies from whom they are getting bids.

Mr. C. W. Turner, District Manager of Standard Oil Company, said his company had been interested in acquiring the tank for some time and had written the Aeronautics Commission in September of 1949 and again in January of 1950 on the matter; also, that they were very surprised to learn that an agreement had been reached with Flintkote. He said, further, that it was his understanding that this arrangement may result in just a slight reduction in fuel oil prices but that he didn't know of any company which undersold Standard Oil Company. Mr. Turner emphasized the fact that Standard Oil felt they should have an equal chance at the tank, and said it was his understanding that when a government facility was surplus, all interested parties were given the chance to bid.

Mr. O'Dowda stated that it was his opinion personally -- not as Chairman for PUC -- that if the power pool did not materialize, the PUC would withdraw its letter of endorsement.

Members of the Commission expressed their concern for having voted on the matter in January, not knowing anyone else was interested in it.

Mr. Cox, Attorney for Flintkote, pointed out that an agreement had been presented by the HAC and accepted by Flintkote. He re-emphasized the fact that the question of Shell Oil Company did not enter into the matter; that it was strictly between Flintkote and the HAC.

Mr. Goldsmith said that they had already contracted for material to get the tank into shape; and that it was his understanding that the contract would be for a longer period of time (to be extended when the Territory received title to the land).

Mr. Honda moved that the matter be taken under advisement and that parties involved be notified of the Commission's decision in due time. Motion seconded by Mr. Anderson and carried unanimously.

PUUNENE AIRPORT, CRITICISM OF AIRPORT MANAGER: Secretary Honda read a letter from Mr. Howard Gee, dated March 5, 1950, criticising the manner in which Mr. Patrick J. O'Shea has been managing Puunene Airport and charging him with the sole management of Maui Flying Academy. He emphasized the fact that in his capacity as Airport Manager, Mr. O'Shea has taken unfair advantage of Valley Isle Aviation. Mr. Gee strongly recommended that Mr. O'Shea be relieved of his position to prevent him "from doing further harm".

Mr. Richard M. Kennedy (pilot with Trans-Air Hawaii) stated that a certain co-pilot at Trans-Air, who had been employed by the Maui Flying Academy, could substantiate Mr. Gee's accusations.

Mr. Rice reported that the whole matter needs to be thoroughly studied, and moved that the matter be referred to the Director for study and that he report back at the next meeting. Motion seconded by Mr. Anderson and carried unanimously.

UPOLO POINT, ROTATING BEACON: Capt. Elliott of Hawaiian Airlines said they had been informed that after March 31, 1950 Upolu Point could not be used until a rotating beacon had been installed. However, Hawaiian Airlines would be able to have the date extended to accommodate the Easter rush.

Mr. Rice moved that the Director be authorized to install a rotating beacon at Upolu Point. Seconded by Dr. Silva and carried.

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KONA AIRPORT, NIGHT OPERATIONS: Capt. Elliott requested that consideration be given to night operations at Kona Airport at such time as the runway is extended.

Mr. Belcher, Airport Engineer, estimated that a B-2 lighting system could be installed at an approximate cost of \$5,000.

Mr. Rice moved that the Director be authorized to go ahead with night lighting at Kona. Motion seconded by Dr. Silva and carried unanimously.

RENTAL OF PROPERTY, HONOLULU AIRPORT: Mr. T. R. James, representing the firm of F. L. James & Son, said that a letter had been written to the Commission some time ago outlining a proposal whereby the rental of buildings in the former Naval Air Facility could be handled by an agency, and requested that the Commission give F. L. James and Son consideration in the matter. Mr. James pointed out that most of his prospective clients were aware of the fact that any action would have to await the transfer of title of the airport from the Navy to the Territory.

At the Chairman's suggestion, it was moved by Dr. Sylva, seconded by Mr. Honda and passed, to take the matter under advisement.

LIHUE AIRPORT, ADDITIONAL RUNWAY LENGTH: New devices and future types of planes were discussed in relation to future needs in runway lengths.

Mr. Edwards moved that an immediate study be made for additional runway length at Lihue Airport and, thereafter, other airports in the Territorial Airport System; and that steps be taken to increase the length to meet the needs of future aircraft. Motion seconded by Mr. Honda and carried.

OVERSEAS TERMINAL, FIRE REPORT: At the request of Mr. Honda, the Director was instructed to make a study of fire hazards at the Overseas Terminal, Honolulu Airport, and report to the Commission at its next meeting.

ANNUAL REPORT, FISCAL YEAR 1948-49: The Director reported that the annual report for the fiscal year July 1, 1948-June 30, 1949, now eight months overdue, is in the last stages of typing.

NEW ORGANIZATION PLAN - Cyrenus Gillette: The Director recommended that Mr. Cyrenus Gillette be hired as Superintendent of Airports and Operations, on Civil Service status, effective April 1, 1950, pending an examination at a later date. Director's recommendation was approved on motion by Mr. Honda, seconded by Mr. Edwards and carried.

NEW ORGANIZATION PLAN - Glenn T. Belcher: The Director recommended that Mr. Glenn T. Belcher fill the position of Assistant Director in Charge of Engineering and Maintenance, effective March 1, 1950, without Civil Service status. Director's recommendation was approved on motion by Mr. Edwards, seconded by Mr. Rice and carried.

HILO AIRPORT, FUEL OIL TANK: After a further detailed discussion of the matter, the Director was instructed, on motion by Mr. Rice, seconded by Mr. Anderson and carried, to negotiate with representatives of the Flintkote Company and point out to them the following facts:

- (1) As far as the Hawaii Aeronautics Commission is concerned, its letter agreement of February 16 is a binding contract, unless the Flintkote Company wishes to withdraw from it;
- (2) The agreement is on a month-to-month basis, terminable on thirty days' notice, with no assurance of a long-term lease;
- (3) The Commission acted on the presumption that the power pool was a reality but, from certain indications, the pool may not be consummated;
- (4) Any improvements made must first have the approval of the Commission.

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GIFT SHOP CONCESSION, OVERSEAS TERMINAL - HONOLULU AIRPORT: On motion by Mr. Anderson, seconded by Mr. Honda and unanimously passed, it was decided to permit Mrs. Marjorie Owen to assign the gift shop concession in the terminal lobby, Honolulu Airport, to Mr. Arthur Carter as of April 1, 1950, with the stipulation that he pay all delinquent rental and that he will pay a rental of \$100 per month or 7% of gross income, whichever is the greater.

ADJOURNMENT: The meeting was adjourned at 4:45 p.m.

Respectfully submitted,



Ralph C. Honda, Secretary