

HAWAII AERONAUTICS COMMISSION
 Minutes of Regular Meeting
 Monday, August 27, 1951

The regular meeting of the Hawaii Aeronautics Commission was held in the Board Room of the Commission on Monday, August 27, 1951 at 12 Noon.

Present were: Dr. F. K. Sylva, Chairman
 Mr. Ralph C. Honda, Secretary
 Mr. R. A. Anderson, Member
 Mr. Roy R. Bright, Member
 Mr. O. J. Burnett, Member
 Mr. H. W. Rice, Member (Maui)
 Mr. D. W. Edwards, Member (Kauai)
 Mr. David Furtado, Member

Absent was: Mr. C. J. Pietsch, Jr., Vice Chairman

Attending: Mr. Peyton Harrison, Director, HAC
 Mr. R. M. Lee, Adm. Asst., HAC
 Mr. Cy Gillette, Supt. A & O, HAC
 Mr. Frank Taylor, NWA
 Mr. Ford Studebaker, HAC
 Mr. Theodore Vierra, Architect
 Mr. Guy Murray, CAA
 Mr. J. E. Batchelder, Jr.
 Mr. H. K. Graves
 Rep. of United Airlines
 Reporters, Advertiser & Star-Bulletin
 Mr. J. J. Harding

ILLNESS OF MR. KEE: The Chairman pointed out that Mr. Clark Kee, Assistant Director and Engineer had been hospitalized for the past few weeks because of a cardiac condition and that medical advice had been received to the effect that it would be some time before he could assume his duties.

After a brief discussion it was decided that the Chairman should have a talk with Mr. Kee to ascertain the possibility of his return to work, and report back at the next meeting.

LEI SELLERS, HONOLULU AIRPORT: The Director read a letter from the Secretary of a lei sellers' organization, which was recently organized at Honolulu Airport, requesting that it be informed of any action taken by the Hawaii Aeronautics Commission with regard to the lei sellers and also asking that a certain member of their organization be given the 15th stall.

The Director recommended that, in order to avoid complications, 15 stalls be erected and that they be awarded to the 15 highest bidders. In the course of discussion Mr. Honda suggested that the total value of all stalls be determined and payment of same be collected from one person.

No action taken.

MEETING TIME: It was decided that the time of monthly HAC meetings be kept at the present hour but that the meetings be shorter. ✓

REPORTS TO COMMISSION: The Chairman requested that a Financial Statement, Report from Director and Progress Report be presented to Commission at Executive Sessions prior to regular meetings in order to eliminate lengthy discussions of same at open meetings. ✓

LIHUE TERMINAL BUILDING: It was pointed out that the HAC is committed to an expansion program of the Lihue Terminal Building entailing the expenditure of \$65,000, but that this expansion - on the basis of plans drawn - was estimated to cost over \$100,000.

Mr. Edwards explained that there were a number of reasons which required changes in the terminal building, to wit: (1) Expansion

to accommodate anticipated increases in travel once the Convair 340 is in service; (2) Accompanying necessity for the revision of baggage handling method; (3) Additional space requirements by CAA and Weather Bureau; and, (4) HAC storage space in the Terminal. He also pointed out that there have been requests for other concessions in the building. Mr. Edwards explained further that rather than attempt to do only the most urgently needed revisions it seemed advisable to look at the overall needs and develop the plans on the basis.

Mr. Edwards said the reason for the delay was that he had wanted to discuss the changes with both Mr. Kee and Mr. Batchelder, neither of whom had been available. He also pointed out that Lihue handles almost as much travel as Hilo, and on the basis of travel volume and needs of the public, Lihue is entitled to a fairly substantial terminal building.

At the Chairman's inquiry, Mr. Edwards expressed the opinion that necessary improvements could be made for the amount of money already allocated by the Commission.

Mr. Edwards presented revised plans which he said were hurriedly drawn in order to give the Commission an idea of the floor plan. He then pointed out the proposed changes. Mr. Edwards asked that no further action be taken on the plans until he has gone into the matter in detail with Hawaiian Airlines and TPA.

APPROVAL OF MINUTES: The Minutes of the regular meeting held July 23d were approved as circulated.

HILO AIRPORT, EMERGENCY REPAIR OF RUNWAYS: The Director requested approval of an expenditure of \$7,500 for emergency repairs of runways caused by rotting of demolition containers under the runways. He reported that the Governor's approval of the expenditure, without necessity of advertising for bids, had been requested.

Mr. Furtado informed the Commission that \$7,500 would not be sufficient to cover the entire job, but that he had no idea what the total cost would be.

Mr. Anderson moved to appropriate money as needed to finish the job; seconded by Mr. Furtado and carried,

T-HANGARS, HILO: Mr. Furtado asked what policy had been established by the commission in the past with regard to construction or rental of T-Hangars.

Mr. Edwards said that T-Hangars had been authorized at Lihue and it was contemplated that they would be built from new material, in conformity with other new hangars at the airport, and upon completion would be rented to owners of private aircraft.

Mr. Rice presented plans of double-decked quonsets on Maui which it is proposed to convert into covered hangars for rental purposes.

Mr. Furtado expressed the opinion that if it is the policy to build new hangars at other islands it should be done on Hawaii also.

In discussion, it was suggested that only a limited number of hangars be built.

Mr. Honda moved to refer the matter to the Public Works Committee, with the authority to proceed with drawing of plans for T-Hangars; that a report be made by the committee at the next meeting of the Commission and completed plans presented at that time. Motion seconded by Mr. Edwards and carried.

LIHUE AIRPORT 3D PHASE PROJECT - GRANT AGREEMENT: The Director explained that all of CAA's expenditures must be approved by Congress and that in June of every year CAA submits a budget to Congress for the next fiscal year, including all projects in which they plan to participate. He pointed out, however, that the Lihue extension project had been inadvertently left out and that for this reason CAA would be able to participate only to the extent of \$50,000 instead of \$98,000 as planned but that they would make this up to the HAC in other projects. (A law

exists by which CAA can participate up to \$50,000 without Congressional approval.) It was pointed out that as a result of this the Grant Agreement adopted by the Commission at its July 23d meeting was null and void and another Agreement must be adopted by the Commission at this time inasmuch as the contractor is ready to proceed with the project.

The following resolution was introduced by the Secretary, 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.

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

ADDITIONAL APPROPRIATION, LIHUE THIRD PHASE: Mr. Honda recommended that \$33,980.43 be appropriated out of the Loan Fund, Act 18, S.S.L. 1949, by the H.A.C. to effect the approval of the Revised Grant Agreement for the Lihue Airport runway extension, third phase, to cover the reduction of CAA Grant Agreement \$99,000 to \$50,000. Motion seconded by Mr. Edwards and carried.

REQUEST FOR USE OF FORMER CLUB, NASKA: The Director read a letter from the Maui AJA Veterans to Mr. Rice, requesting use of the former NASKA Officers Club for a Club House, and expressing their willingness to give up use of the swimming pool and gymnasium at Puunene if this request is granted. Mr. Rice suggested that they pay \$25.00 a month plus 5% of their gross income, as rental.

In the course of discussion, Mr. Rice expressed the desire to sell back to HC&S Company the Puunene Airport land in the future for the same figure paid to them by the Navy for this land, provided the money from this sale would go for airport purposes. He pointed out that, in order to do this, it would be necessary to have a bill introduced in Congress.

Mr. Rice moved to refer the matter to the Finance Committee; seconded by Mr. Edwards and carried.

KALAUAPAPA: A letter from Mr. Elmer Wilson, Maintenance Superintendent at Kalaupapa, requesting an additional appropriation of \$1,000 to extend the take off apron to 240 feet and to close out the job there, was read.

Mr. Lee said that there were sufficient funds available.

Mr. Rice moved to grant up to \$2,000 for the purposes stated. Motion seconded by Mr. Edwards and carried.

SALE OF STRUCTURAL STEEL TO HC&S: A letter to Mr. Rice from the HC&S Company, inquiring into the possibility of purchasing structural steel for several projects on the plantation, was read. Mr. Rice said that a total of \$2,935.30 could be realized from this sale and moved to approve the purchase. Motion seconded by Mr. Burnett.

The Chairman pointed out that the Commission has taken a cautious position in selling steel, in view of its own needs. Mr. Rice said, however, that this would not cut into the needs of Hilo.

Motion carried.

LEGAL NOTICE, BIDS FOR KAHULUI RESTAURANT: Mr. Rice distributed copies of a draft of a legal notice inviting sealed bids for a lease and concession for dining room, coffee shop, bar, cocktail lounge and soda fountain at Kahului Airport Passenger Terminal Building, Kahului, Maui.

The provisions of this notice were reviewed. It was decided to change the cash deposit to \$500 and to include a provision providing that the detailed plan of the successful bidder must be approved by the HAC.

Mr. Rice moved that bids be called for at the earliest possible date; seconded by Mr. Anderson and carried.

AVAILABILITY OF CAA FUNDS: Mr. Guy Murray of CAA reported that, as a result of having to limit the maximum amount available at Lihue, some money that was put in unobligated funds became available. He said also that there might be funds available at Hilo -- depending on how much is used there.

RECOMMENDATIONS OF FINANCE COMMITTEE: Dr. Sylva reported that the Finance Committee of the Commission had met and taken under consideration several matters referred to it. He asked the Chairman of the Committee to report with recommendations.

Mr. Honda reported as follows:

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m.s. ✓*
- 1) Structures and land areas, NAF area: Recommend adoption of policy by HAC, effective immediately, that all structures and land areas within the Naval Air Facilities Property along the Northern boundary of Honolulu International Airport which are under permit status to the Commission from the Navy, said property including improvements thereon, shall not be leased but rented on a month-to-month basis only.

Motion for approval by Mr. Honda; seconded by Mr. Bright and carried.

- 2) Renting or Leasing of Land Areas: Recommend adoption of policy by HAC, effective October 1, 1951, that rental or leasing of structures shall also include the rental or leasing of adjacent land areas plotted by HAC for exclusive usage for each tenant.

Motion for approval by Mr. Furtado; seconded by Mr. Bright and carried.

- 3) Appropriation for plotting of land areas: Recommend an expenditure of a sum not to exceed \$1000 for engineering and other expenses for the purpose of plotting out land for allocation of certain areas to tenants.

Motion for approval by Mr. Furtado; seconded by Mr. Burnett and carried.

- 4) Spencecliff Corporation, I.I. Coffee Shop: Recommend rescinding action taken by HAC on February 19, 1951, granting Spencecliff Corporation, Ltd. permission to make certain improvements to its restaurant situated on the north side of Honolulu International Airport, known as Inter-Island Coffee Shop, at an estimated cost of \$3,000 and that the firm be so notified by the Director; this, in view of the fact that improvements have not as yet been made.

Motion for approval by Mr. Honda; seconded by Mr. Edwards and carried.

- 5) Lease - Hawaiian School of Aeronautics: Recommend approval by HAC and authorize Director to execute a five-year lease, with a five-year option, to Mrs. Marguerite Wood, owner of the Hawaiian School of Aeronautics, or the corporation to be formed by her, covering all improvements and land areas in Lots E-1 and E-2 at the established rates during the term of said lease -- provided all obligations to HAC have been fully met.

Motion for approval by Mr. Rice; seconded by Mr. Anderson and carried.

- 6) Agreement with Carlstan & Company: Recommend rescinding action taken by HAC on May 7, 1951 in the granting of a lease to Stanley Davis and Carl F. Vogelsand, dba Carlstan and Company, for the operation of a Launderette self-service laundry in Building 65 at Honolulu International Airport.

Mr. Honda explained that the money they had promised to use for improvements would be used for their own equipment and not for general improvement of the property. He said, however, that it is not the intent of recommended action to remove or evict the tenant. The lease in question has not been executed by either party as of this date.

Motion for approval by Mr. Edwards, seconded by Mr. Bright and carried.

- 7) Discounts for CAA approved schools of aeronautics: Recommend adoption of policy by HAC with reference to the rates established for approved CAA schools of aeronautics, that the same be effective on a warranted discount basis with the proviso that all facilities shall be used exclusively for aeronautical school purposes and the Commission, at its discretion, may exercise discontinuation of such discounts at any time.

Motion by Mr. Edwards; seconded by Mr. Rice and carried.

- 8) Study of Organizational Structure: Recommend the appointment of a committee to make an immediate review and study of the present organizational structure of the Commission and reporting by such committee its findings, determinations and recommendations for action by the Commission.

Motion by Mr. Furtado; seconded by Mr. Rice and carried.

The chairman appointed the Finance Committee to study the matter, requesting that they report back at the earliest possible moment.

- 9) Mary Lee's Lease Proposal: Mr. Honda reported that through her attorney, it is proposed that Mrs. Lee will pay up her delinquency provided the HAC will grant her a new lease so that it may be possible for her to raise the money necessary to pay the Commission. Mr. Honda recommended that the lease be granted, with the understanding that if she becomes delinquent for 90 days under the new lease, the lease be canceled; conditional delivery to be made subject to payment.

Mr. Bright moved to authorize the Director to negotiate a lease with Mrs. Lee, subject to payment of the delinquent account prior to execution of lease; seconded by Mr. Honda and carried.

MEETINGS OF FINANCE COMMITTEE: Mr. Honda announced that the Finance Committee will meet monthly on the Thursday preceding the regular HAC meeting, at 1:00 p.m.

GENERAL LABORER POSITIONS: Mr. Gillette requested the establishment of 2 additional General Laborer positions at Honolulu Airport, in order to carry out the work program. He said that the program requires 4 additional laborers, but there are presently two vacancies which it was also requested be filled.

The matter was deferred, pending the report of committee appointed to study the organizational structure.

LETTERS OF THANKS FOR PICTURES: The Director was asked to write letters of thanks to American Factors and Kodak Hawaii for pictures contributed by them for the Immigration and Medical Inspection rooms.

GRADING OF EMPLOYEES: The Director recommended that the Commission adopt a policy to have Airport Managers grade employees under their jurisdiction inasmuch as the employees on outer-island airports work directly under the manager.

Mr. Honda moved that the HAC adopt a policy, whereby airport managers alone shall rate the employees hereafter; but that ratings may be reviewed by the Commissioner concerned. Motion seconded by Mr. Bright and carried.

HONOLULU AIRPORT, HIGH INTENSITY LIGHTING - PROJECT APPLICATION: The Director reported that a new Project Application for Honolulu Airport Lighting Project had to be adopted inasmuch as certain rights-of-way had not been included in the application previously adopted.

The following resolution was introduced by the Secretary, read in full, considered and adopted:

Resolution Adopting and Approving the Execution of the Sponsor's Assurance Agreement To Be Submitted to the Administrator of Civil Aeronautics, U. S. Department of Commerce, to Obtain Federal Aid in the Development of the Honolulu International Airport.

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

Section 1. That the Hawaii Aeronautics Commission acting on behalf of the Territory of Hawaii shall enter into a Sponsor's Assurance Agreement for the purpose of obtaining Federal aid in the Development of the Honolulu International Airport and that such agreement shall be as set forth hereinbelow.

Section 2. That the Director is hereby authorized and directed to execute said Sponsor's Assurance Agreement in quadruplicate 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 Sponsor's Assurance Agreement referred to hereinabove shall be as follows: (See copy in HAC files.)

EXTENSION OF RUNWAYS - Convair 340 Aircraft: A letter from Mr. Ford Studebaker regarding various airport requirements for Convair 340 operations, was read, Mr. Studebaker explained that this letter is a "refinement" of their first report on the subject.

It was requested that copies of the letter and attached schedule be circulated among the Commission.

REQUEST FROM PARKS BOARD FOR PORTION OF AIRPORT LAND: A request from the Parks Board to have certain airport land turned over to the Board of Public Parks and Recreation for park purposes, was referred to the Finance Committee in view of the fact that the matter is rather complicated and should be studied further. It was reported that the Governor be advised of this action.

HONOLULU TERMINAL, TEMPORARY RECONSTRUCTION: Dr. Sylva presented a rough sketch of a plan drawn by the DPW for improvements to the terminal building.

On motion by Mr. Anderson, seconded by Mr. Bright and carried, the matter was referred to the Public Works Committee with authority to proceed with planning and set a limit on expansion to be made.

HILO AIRPORT PLAN: It was reported that the Credit Restraint Committee of the Territory had disapproved the Commission's application for funds out of the Loan Fund Act for our share in the construction of the Hilo Terminal Project at a total cost of \$600,000. However, after consulting each member of the Governor's Committee, the Director was advised that they would reconsider their previous action favorably, if the cost of this project was kept within the neighborhood of \$250,000.

Mr. Rice moved that the Architect, Mr. Vierra, and Department of Public Works be called upon to redesign the Hilo Terminal project to be within the limits of \$250,000. Motion seconded by Mr. Furtado and carried.

UPOLU AIRPORT, WATER TANK: Mr. Furtado reported that the Hilo Board of Water Supply had requested permission to purchase a 10,000 gallon water tank at Upolu, which was declared surplus.

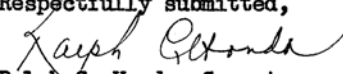
After discussion, Mr. Furtado recommended that the tank be given to the Board of Water Supply; motion seconded by Mr. Edwards and carried.

TAXICAB POLICY: Mr. Bright recommended that the policy of the Commission relative to taxicabs be the same at all airports as that established for Hilo (\$15.00 per month and 5% on tour cars).

After discussion, the Chairman referred the matter to the Finance Committee.

ADJOURNMENT: The meeting was adjourned at 3:25 p.m.

Respectfully submitted,


Ralph C. Honda, Secretary