

HAWAII AERONAUTICS COMMISSION
Regular Monthly Meeting
Saturday, June 22, 1957

The regular monthly meeting of the Hawaii Aeronautics Commission was called to order by Dr. Francis K. Sylva, Chairman, on Saturday, June 22, 1957, at 10:03 a.m., in the Board Room of the Commission, Overseas Terminal Building, Honolulu International Airport.

A quorum of the Commission was in attendance. (See record of attendance).

GENERAL

MINUTES OF MAY 18, 1957: It was moved by Mr. Furtado, seconded by Mr. Kobayashi, and unanimously

VOTED: to approve the minutes of May 18, 1957, as circulated.

OPERATING BUDGET FOR 1958: It was moved by Mr. Duponte, seconded by Mr. Pietsch, and unanimously

VOTED: to approve the Operating Budget for 1958 as submitted with the following amendments:

1. Delete provisions for four additional janitorial positions at Honolulu Airport and in lieu thereof to terminate all janitorial services now being performed to others under contract.
2. Transfer \$150,000 from the Reserve for Runway Maintenance Program to the following projects:
 - a. Kahului Control Tower and Runway Lights - \$125,000
 - b. Lihue - Alterations to Terminal Building and Additional Auto Park - \$25,000
3. Transfer \$12,500 C.A.A. funds from the Kona Airport tentative allocation to Kahului Airport.

LOCKHEED CONTRACT: It was moved by Mr. Hodgson, seconded by Mr. Pietsch, and unanimously

VOTED: to authorize the Acting Director to sign the Lockheed Contract as submitted according to the proposal accepted by the Commission to furnish consultation and guidance service for planning, operation and maintenance of the Territorial Airport Complex.

CIVIL AIR PATROL'S REQUEST FOR AN ADDITIONAL \$5,000: It was moved by Mr. Duponte, seconded by Mr. Kobayashi, and unanimously

VOTED: to defer the matter of appropriating an additional \$5,000 from the Airport Revenue Fund to the Hawaii Wing, Civil Air Patrol to the staff for further study.

SENATE CONCURRENT RESOLUTION #56 RE HONOLULU TECHNICAL SCHOOL: In view of the fact that under the Federal Airport Act the HAC is required to provide space as available to aeronautical purposes, Mr. Hodgson felt that we should have additional information as to whether this space occupied by the Technical School is needed or will be needed within the foreseeable future for aeronautical purposes. According to the policy adopted by the Commission at its meeting on August 22, 1955, no free space would be granted unless made mandatory by law. It was moved by Mr. Hodgson, seconded by Mr. Pietsch, and unanimously

VOTED: to acknowledge receipt of Senate Concurrent Resolution #56 Urging the Hawaii Aeronautics Commission to Refrain From Charging Rentals To The Department of Public Instruction for the Honolulu Technical School and to defer action until the next meeting of the Commission,
(1) to consider the cancellation of these charges and
(2) to consider the continued use of this space by the school.

Minutes, June 22, 1957

SENATE CONCURRENT RESOLUTION #38 RE COSTS OF REPORTS & PUBLICATIONS: It was moved by Mr. Pietsch, seconded by Mr. Duponte, and unanimously

VOTED: to acknowledge receipt of Senate Concurrent Resolution #38 Relating to the Costs of Reports and Other Publications of Territorial Departments and Agencies and to assure the Legislators that the Hawaii Aeronautics Commission will comply with the request.

HOUSE JOINT RESOLUTION #57: In view of the fact that this resolution authorizes the issuance of \$14,000,000 in Aviation Revenue Bonds, and requests the Congress of the United States to enact Legislation to approve and to ratify such authorization, it was moved by Mr. Hodgson, seconded by Mr. Kobayashi, and unanimously

VOTED: to authorize the Acting Director to negotiate a contract with R. H. Moulton and Company of San Francisco regarding the sale of the bonds authorized by House Joint Resolution #57 and that the contract as negotiated be submitted to the Commission for final approval before it is executed.

VENDING MACHINE POLICY: It was moved by Mr. Hodgson, seconded by Mr. Kobayashi, and unanimously

VOTED: to act in accordance with the Attorney Generals' opinions dated February 27, 1951, and January 9, 1957, which state that vending machines in no way duplicate services offered by the Sky Room, and authorized the Acting Director to install additional vending machines at the Honolulu International Airport for the purpose of dispensing beverages in order to supplement the income of the Hawaii Aeronautics Commission and to better serve the traveling public and airport employees.

MAUI

KAHULUI GRANT AGREEMENT: Since the final step which must be done before June 30, 1957, in securing Federal aid for the Kahului project is for the HAC to formally accept the Grant Agreement when it is transmitted from Washington, it was moved by Mr. Duponte, seconded by Mr. Pietsch, and unanimously

VOTED: to authorize the Acting Director to accept the Kahului Grant Agreement in the name of the Hawaii Aeronautics Commission and to adopt the following resolution:

Resolution Authorizing the Acceptance and 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 Kahului 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 accept a Grant Offer and enter into a Grant Agreement for the purpose of obtaining Federal-aid in the development of the Kahului Airport, Island of Maui.

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

Minutes, June 22, 1957

HAWAII

HILO

HAWAII VISITORS BUREAU'S SPACE IN HILO TERMINAL: It was moved by Mr. Furtado, seconded by Mr. Hodgson, and unanimously

VOTED: to appropriate \$3950 (in accordance with the cost estimate as submitted) to provide the Hawaii Visitors Bureau with space in the Hilo Terminal Building and to rent said space to the Hawaii Visitors Bureau at the rate of \$50.00 per month.

BIG ISLAND U-DRIVE'S REQUEST FOR LEASE: The chairman stated that at a previous meeting it was voted to defer the matter of leases until the Commission establishes a uniform policy for leasing of all space. The Acting Director stated that through the action of the last Legislature the Congress of the United States is requested to act upon legislation to grant leases up to 65 years. After much discussion, there being no objection, the Chairman stated that the matter be deferred until a report can be made and asked the Acting Director not to place the matter on the agenda until the policy is clarified.

RUNWAY HAZARDS: Mr. Furtado stated that our attempts to negotiate with the tenants (Hawaiian Homes Lessees) to purchase and remove approximately 350 trees located in the approach end of Runway 21 which are creating a hazard have been unsuccessful due to the fact that they have demanded an exorbitant price of \$200 per tree. In view of this stalemate and the seriousness of the matter, he suggested that HAC appoint an appraiser to appraise these trees and to proceed with condemnation proceedings. It was moved by Mr. Furtado, seconded by Mr. Kobayashi, and unanimously

VOTED: to authorize the Acting Director to proceed with the necessary legal steps for the removal of trees creating a hazard in the approach end of Runway 21, at General Lyman Field.

KONA

KONA RUNWAY EXTENSION, TERMINAL BUILDING AND AUTO PARKING LOT:

Mr. Furtado stated that this item has been placed on the agenda several times and that Kona Airport needs attention and needs it immediately. He further stated that some of the airlines have been penalized by not being able to carry capacity loads, due to the condition of the runway; the traffic at Kona warrants the expenditure of funds, and there is \$79,500 available from Civil Aeronautics Administration for Kona Airport. However, he stated that Act 150 recently passed by the last Legislature appropriated \$265,000 for the relocation and sale of the Kona Airport. Mr. Dolan stated that CAA will agree to the sale of Kona Airport only after the new airport is built at the HAC's own expense and ready for use.

Mr. Furtado inquired of the Deputy Attorney General that in view of the Act which was recently passed, can the HAC proceed with improvements at Kona now to which he replied that because of Act 150 it depends upon the Governor and the Director of Territorial Planning which states that the Governor upon the recommendation of the Director of Territorial Planning shall decide when to initiate the relocation of Kona Airport. He further stated that the Governor is also given the power to defer this project for reconsideration by the next Legislature when the money appropriated is not sufficient to carry out the project and if the bonds authorized and unissued are in excess of the debt limit of the Territory of Hawaii.

Minutes, June 22, 1957

Mr. Jack Tobin, speaking for Hawaiian Airlines, stated the situation at the Kona Airport is a very serious problem. He further stated that he was not speaking of a more attractive facility for residents and visitors but one of flight safety which is a very critical thing. He added that CAA has made a decision where they will not put in electronic facilities which are badly needed for flight safety. He reiterated that HAL needs more runway for flight safety and is suffering a serious financial penalty. From the standpoint of terminal facilities, Mr. Tobin stated that the present Kona Terminal is "virtually in a pig sty condition--a real disgrace."

Mr. Tobin urged the Commission that this item be given extremely high priority for the protection of the public, due to the restricted condition of the runway, and so that CAA may participate in putting in the much needed airways facilities at the earliest possible date.

The Chairman pointed out the fact that certain of the overseas carriers object very strenuously to money being spent for outside airports. He also pointed out that the present officers of HAL attended these meetings in Kona but the Commission did not get the support from the local airlines for the project at that time. He stated that three or four hearings in Kona were held and found the people to be divided right down the middle but nevertheless called for bids for the extension of the runway. However, we were restrained from extending the runway by an injunction, which is still pending in court, from putting in the 500 feet going toward Kailua Town and in addition the money to be used for the extension was transferred to Hilo and the Hilo Runway job was completed.

After much discussion, it was moved by Mr. Furtado, seconded by Mr. Pietsch, and unanimously

VOTED: to (1) try and settle the injunction against the Commission by Mr. Lorrin Thurston which prohibits the HAC to extend the runway and (2) to consult with the Governor with regard to Act 150 which calls for the Relocating and Sale of the Kona Airport.

MOLOKAI

AUTOMATIC SPRINKLER SYSTEM FOR MOLOKAI AIRPORT: It was moved by Mr. Duponte, seconded by Mr. Furtado, and unanimously

VOTED: to authorize the Acting Director, with the approval of the Maui Commissioner to install a sprinkler system at Molokai Airport, such cost to be within the balance of the Molokai Terminal Project Funds.

HAWAII

GENERAL LYMAN FIELD: The Chairman stated that he was in receipt of a letter from the Navy requesting permission from HAC for the construction of jet-staging facilities at General Lyman Field, the firm coverage to be negotiated at a later date. He stated that the Navy is planning to transfer certain facilities which are now located on the Island of Molokai.

Mr. Dolan of CAA stated that this move has the strong backing of CAA and stated that presently the Navy bombing area off Molokai is in the center of the airway system, and that VOR facilities will not be anywhere 100% useful unless this move to the Island of Hawaii for this type of practice is consummated. He stated that the Navy wants the Hilo area for their initial facilities of three or four jets in the beginning as the vanguard of this move which will put the bombing targets completely outside of the airway system. The Chairman stated that HAC favors any move that will make the airways safer.

Minutes, June 22, 1957

It was moved by Mr. Furtado, seconded by Mr. Bronte, and unanimously

VOTED: to approve for planning purposes the construction of jet-staging facilities at General Lyman Field, the firm coverage to be negotiated before construction begins.

GENERAL

ELECTION OF HAC OFFICERS FOR THE COMING FISCAL YEAR: It was moved by Mr. Pietsch, seconded by Mr. Kobayashi, and unanimously

VOTED: to retain all incumbent officers in office for the fiscal year 1958.

NEW HAC COMMISSIONER: Mr. Hodgson welcomed the new commissioner, Mr. Emory Bronte, to the HAC and stated that Mr. Bronte is an outstanding figure in American aviation and a pioneer in that field. He further stated that it was quite fitting that his appointment should take place at this time because it coincides with the 30th anniversary of the history-making flight from California to Molokai, on June 14, 1927, made by Mr. Bronte and Mr. Ernie Smith. In view of the coming dedication of the Molokai Terminal facilities on Molokai scheduled for July 13, 1957, it was moved by Mr. Hodgson, seconded by Mr. Kobayashi, and unanimously

VOTED: to invite Mr. Ernie Smith to the dedication ceremonies of the Molokai Airport terminal facilities.

PROPOSAL FROM MERCURY INTERNATIONAL SALES AND SERVICE COMPANY: The Chairman stated that we are in receipt of a proposal from the Mercury International Company who offers trip insurance on the over-the-counter basis and called on Mr. Dick May to explain his proposal.

Mr. May stated that his company is in the business of operating various services at airports and one of their principal business activities is operating counters in the airport lobbies for traffic insurance, U-drive services and various other public services. He stated that his company is desirous of further studying the possibilities and that would bring revenue that would be of interest to HAC. Realizing the limited potential on any one service, his company would provide as many public services as possible to justify the type of service they propose to maintain--travel insurance, U-drive services, hotel information services--and at the same time to provide such services that receive no income, such as general information service, change-making service and the like. He further stated that his company would like to work with the staff and come forth with the final proposal for this type of operation, settle final arrangement on the proposed form of lease agreement, subject to the Commission's approval.

The Chairman stated that in the Financial Study made by Lockheed it was recommended that the Commission develop certain income-producing activities, without waiting for the new terminal, such as trip insurance, over-the-counter services, etc., to increase the Commission's revenue.

Mr. Arthur Carter, Carter's Gift Shops, stated that each local insurance firm should be given a chance to bid on the proposal.

The Chairman clarified the Commission's position and stated that Mercury International is merely offering a proposal as anyone else may who wants to submit a proposal. The Chairman pointed out that Mercury is not going to get any "open sesame" but is merely submitting a proposal to be considered by the Commission. The Chairman also stated that this company would not be given an "exclusive" and reassured Mr. May that the Commission would not discriminate between local and mainland operators but would accept the best proposal to benefit the public and the Commission, from the standpoint of producing revenue. The Chairman stated that it was the policy of

Minutes, June 22, 1957

the Commission to consider all propositions and to see if the company offering the proposal can qualify and eliminate those who do not qualify taking into consideration their financial statement, etc. There is no special consideration given to anyone.

Mr. May stated that they are proposing to be operators of counter facilities at the airport at which these services can be offered and are not proposing to be the supplier of the product or services we would sell or offer to the public.

The Chairman reiterated that the HAC policy is to receive all proposals and screen those that qualify from those who do not in accordance with experience, etc., from the standpoint of interest and of benefit to the public and to all concerned.

FLIGHT TO HONOLULU BY MR. PETER GLUCKMANN: It was moved by Mr. Hodgson, seconded by Mr. Bronte, and unanimously

VOTED: to take formal and official recognition in the form of a formal resolution (to be prepared by the staff) of the significant and notable undertaking of this event and to commend Mr. Peter Gluckmann for his flight in the Beechcraft Bonanza from San Carlos Airport in California to Honolulu and return and to furnish Mr. Gluckmann with the resolution in an appropriate form.

ADJOURNMENT: The meeting was adjourned at 11:24 a.m.

Minutes, June 22, 1957

ATTENDANCE:

Hawaii Aeronautics Commission

Present: Dr. Francis K. Sylva, Chairman
 Mr. David Furtado, Vice-Secretary (Hawaii)
 Mr. George Kobayashi, Member
 Mr. Joseph V. Hodgson, Member
 Mr. Lionel V. Duponte, Member (Maui)
 Mr. Charles J. Pietsch, Jr., Member
 Mr. Emory B. Bronte, Member

Absent : Mr. Dorsey W. Edwards, Vice Chairman (Kauai) (On the Mainland)
 Mr. Ralph C. Honda, Secretary (On the Mainland)

In attendance: Mr. R. M. Walton, Acting Director of Aeronautics
 Mr. Wallace T. Waterhouse, Murrayair, Ltd.
 Mr. Don Horio, Honolulu Star-Bulletin
 Mr. Charles Turner, Honolulu Advertiser
 Mr. Arthur Carter, Gift Shop
 Mr. Jack Tobin, Hawaiian Airlines, Ltd.
 Mr. Roy J. Leffingwell, Honolulu Chamber of Commerce,
 Aeronautical Affairs Committee
 Mr. Stephen M. Cooke, Jamor-Cooke, Ltd.
 Mr. D. L. Grubb, Hawaiian Airlines, Ltd.
 Mr. John V. Dolan, Civil Aeronautics Administration
 Mr. E. C. Cluff, Trans-Pacific Airlines, Ltd.
 Mr. W. R. May, Mercury International, L. A.
 Mr. Dick Faris, Hawaiian Airlines, Ltd.
 Mr. Mark E. Martin, Hawaii Aeronautics Commission
 Mr. Gilbert Livingston, Hawaii Aeronautics Commission
 Mr. W. G. Carson, United Airlines, Ltd.
 Mr. Ken Wetherell, Qantas Empire Airways
 Mr. A. M. Klum, Mercury International, L. A.
 Mr. Jack Bentley, Spencecliff Corp., Ltd.
 Mr. K. Akita, Deputy Attorney General
 Mr. Bo Tong Wat, Hawaii Aeronautics Commission

Respectfully submitted,



David Furtado, Vice Secretary