

HAWAII AERONAUTICS COMMISSION
 Regular Monthly Meeting
 Saturday, November 19, 1955

The regular monthly meeting of the Hawaii Aeronautics Commission was called to order by Dr. Francis K. Sylva, Chairman, on Saturday, November 19, 1955 at 10:05 a.m., in the Board Room of the Commission, Honolulu International Airport.

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

GENERAL

MINUTES OF OCTOBER 22, 1955 MEETING: The minutes were approved as circulated on motion by Mr. Pietsch, seconded by Mr. Edwards and carried unanimously.

DECEMBER MEETING OF H.A.C.: In view of the Christmas Holidays, the Chairman suggested that the December meeting of the Commission be held at an earlier date. Mr. Edwards therefore made a motion, seconded by Mr. Furtado, and it was unanimously

VOTED: to hold the December meeting of the Commission on Friday, December 16th, at 1:30 p.m.

APPOINTMENT OF VICE-SECRETARY: The Chairman pointed out the advisability of appointing a Vice-Secretary to act in the Secretary's absence. Commission members favored the idea. Mr. Honda advised that Commissioner Furtado, who was appointed acting Secretary in his absence, had done an excellent job. He therefore made a motion, seconded by Mr. Wheeler, and it was unanimously

VOTED: that Commissioner Furtado be appointed Vice-Secretary until the end of this fiscal period.

FEDERAL AID CONSTRUCTION PROGRAM: Mr. Pietsch moved, and it was seconded by Mr. Furtado and unanimously

VOTED: to confirm approval of the Federal Aid Airport (four years) Construction Program, commencing July 1, 1956, as prepared by the staff.

T-HANGAR RENTAL RATES: It was pointed out that a request had been received from the Aircraft Owners and Pilots Association of Hawaii for consideration of T-hangar rental rates as an item separate from the over-all Schedule of Rates and Charges.

Mr. Wheeler MOVED that the request be granted, and that the Commission establish the rates of \$10.00 for the unprotected type of community hangar (such as those at Maui); \$15.00 for all other Class I T-Hangars; and other rates in proper proportion, as set by the staff, for all other T-Hangars, effective January 1, 1956.

Mr. Furtado called to attention the fact that this would be an increase of about \$2.00 over the rates presently in effect. Mr. Wheeler pointed out, however, that the rates would be less than those proposed in the Schedule of Rates and Charges.

Mr. Kobayashi seconded Mr. Wheeler's motion.

Motion Carried

Affirmative votes: Messrs. Wheeler, Kobayashi, Wirtz,
 Edwards, Honda

Negative vote: Mr. Furtado

EXTENSION OF GROUND TRANSPORTATION LICENSES FOR NEIGHBOR ISLANDS: Mr. Wirtz made a motion, seconded by Mr. Edwards and unanimously

VOTED: to extend ground transportation licenses for the neighbor islands (which expire December 31, 1955) for one year from expiration date, subject to payment of the required fees, and that no changes be made in the licenses.

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HONOLULU AIRPORT

DEPARTMENT OF PUBLIC INSTRUCTION - REQUEST FOR EXEMPTION FROM ORDER

REQUIRING PAYMENT OF RENTAL: Mr. Pietsch suggested that action on the request be deferred to permit further study of the matter by the staff. There being no objection, the Chairman instructed that this be done.

HAWAIIAN WHOLESALE FOOD PLAN, LTD. - LEASE MODIFICATION: The Director stated it was the staff's recommendation that Hawaiian Wholesale and Food Plan's lease be modified in accordance with Mr. Mortimer J. Glueck's request--contained in his letter of November 3, 1955--subject to the required cancellation clauses and the furnishing of the deposit requirement in line with general policy.

Mr. Wheeler made a motion, seconded by Mr. Pietsch, and it was unanimously

VOTED: to approve the staff's recommendation.

HONOLULU AIRPORT JOINT MASTER PLAN: The Chairman reported that the joint master plan is still under discussion and advised that the matter would be carried over to the next meeting, at which time the Commission may have something to report.

REQUEST FROM ANDREW FLYING SERVICE FOR CONTINUATION OF PREFERENTIAL

RENTAL RATE: Mr. Wirtz moved, and it was seconded by Mr. Honda and unanimously

VOTED: to refer AFS's request of November 8, 1955 to the staff for an examination of their financial stability.

Mr. Pietsch stated that the determination on payment should be based on service and accomplishment.

Mr. Edwards added that financial stability would not be a determining part of the staff's recommendation because the Commission assumes that the operator is stable.

Mr. Wirtz also added that it should be borne in mind that AFS is the only operator serving Kalaupapa.

PROPOSED CHANGE IN ZONING: The Director stated that it was the staff's recommendation that the proposed hotel and apartment zoning change to the Damon Tract-Keehi Lagoon Access Road areas be opposed by the Commission, particularly in the approach zones along Keehi Access Road.

Mr. Wheeler made a motion, seconded by Mr. Kobayashi, and it was unanimously

VOTED: to accept the staff's recommendation.

It was pointed out, however, that in the event - at some future date - there is no runway system using that area as an approach or departure zone, the Commission would then have no objection to such a zoning change.

HAWAII

HILO AIRPORT

DISPOSAL OF BUILDING NO. A-205 (FORMER NAVAL THEATRE): Mr. Furtado reported that Building No. A-205, Hilo Airport, is surplus to the Commission's needs and made a motion, seconded by Mr. Wirtz and it was unanimously

VOTED: that the staff and Commissioner Furtado be authorized to sell Building No. A-205, and all buildings in the NAS area, as they become surplus to the HAC's needs in the future.

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HAWAII HOUSING AUTHORITY - EXTENSION OF LEASE: Mr. Furtado moved, and it was seconded by Mr. Edwards and unanimously

VOTED: to approve the Hawaii Housing Authority's request for a year's extension to their November 1, 1952 lease (as outlined in the Fourth Amendment) covering facilities at Hilo Airport.

✓ KONA AIRPORT

PAINT COATING RUNWAY: Mr. Furtado stated that paint coating of the runway at Kona Airport is necessary, and is part of the regular maintenance program; also, for which funds have already been set up. He made a motion, seconded by Mr. Edwards and unanimously

VOTED: that the staff be authorized to call for bids, and proceed with the project.

MAUI

PUUNENE AIRPORT

REQUEST FROM LAND DEVELOPMENT COMMITTEE: The Maui Commissioner advised that the Land Development Committee of the Economic Planning and Coordination Authority has requested that the HAC declare seven parcels of land and improvements at Puunene Airport surplus to its needs, upon receipt of title at Kahului Airport. It was pointed out that their letter of November 3, 1955 outlines the request in detail.

Mr. Wirtz made a motion, seconded by Mr. Edwards, and it was unanimously

VOTED: to grant the request, subject to clearances of appropriate interested governmental authorities.

KAHULUI AIRPORT

HAWAII NATIONAL GUARD REQUEST FOR PARCEL OF LAND: A request was presented from the National Guard (their letter of October 21, 1955) for a parcel of land at Kahului Airport to be made available for use as an armory site.

Mr. Wirtz moved, and it was seconded by Mr. Furtado and unanimously

VOTED: to approve the request, subject to the approval of appropriate governmental authorities, after receipt of title to this airport, and also provided it does not conflict with the Master Plan.

MOLOKAI AIRPORT

BIDS ON SURPLUS PROPERTY: Mr. Wirtz advised that bids had been received for certain surplus property at Molokai Airport, as outlined in the Maui County Airport Manager's letter M-6180 of November 2, 1955. He said that they appear to be reasonable and made a motion, which was seconded by Mr. Pietsch and unanimously

VOTED: to accept the bids.

LANAI AIRPORT

ADDITIONS TO WORK SHOP: The Maui Commissioner reported that additions to the work shop at Lanai are necessary in order that equipment be placed under cover. He therefore moved, and it was seconded by Mr. Furtado and unanimously

VOTED: to authorize the staff to proceed with negotiations for making the necessary additions, and that a sum of \$1500 be appropriated for this purpose.

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APPROVAL WAS GRANTED TO DISCUSS THE FOLLOWING TWO ITEMS.

MOLOKAI AIRPORT - MEDIUM INTENSITY RUNWAY LIGHTING PROJECT, AWARD OF CONTRACT: Mr. Wirtz made a motion, seconded by Mr. Furtado, and it was unanimously

VOTED: to authorize the award of contract for the medium intensity runway light project at Molokai to Okano's Electrical Service, low bidder in the amount of \$40,801.85 plus \$3,698.16 for extras and \$3,500 for engineering and inspection.

KAHULUI AIRPORT - ERECTION OF BUILDING TO HOUSE FIRE FIGHTING EQUIPMENT:

Mr. Wirtz reported that the high winds on Maui during the early part of the month knocked down the building at Kahului Airport which had been used to house fire fighting equipment. He moved, and it was seconded by Mr. Furtado and unanimously

VOTED: to appropriate a sum of \$1500 and authorize the staff to proceed with erecting a portable building to house this equipment, subject to approval of the project by the Attorney General's office.

HONOLULU AIRPORT

SELECTION OF GROUND TRANSPORTATION OPERATOR: The Chairman commented that the matter of ground transportation has been considered by the Hawaii Aeronautics Commission periodically for some years, and that the Commission has looked into the matter of open bidding vs. negotiation of some sort. He added that at most of the major mainland airports there is either a principal or an exclusive operator. At the last meeting the Commission invited everyone interested to fill out a qualification questionnaire, with a view to selecting a principal operator. He continued, that the contract would recognize the selected operator as the principal operator, and not necessarily an exclusive operator insofar as pre-paid or pre-arranged tours and arrivals are concerned. The Chairman concluded that the Ground Transportation Committee (HAC) and all members of the Commission had examined each questionnaire in detail and discussed the matter very seriously. He then called upon the Chairman of the HAC's Ground Transportation Committee for comments.

Mr. Honda, Committee Chairman, advised that invitations were sent to all of the large operators in the Territory (including Kauai, Maui and Hawaii) and only four completed questionnaires were received by the Commission (all from Honolulu operators). He continued, that the ground transportation committee, after much study and consideration, recommended to the Commission that the principal operator be Gray Line Hawaii and that the Director be authorized to proceed with negotiations immediately. He made a MOTION, seconded by Mr. Wirtz, to adopt the recommendation.

Mr. Robert Allen asked whether or not, in view of the length of the contract and the fact that there was rather keen bidding between at least two of the operators, it would be possible for any of the other operators to find out and look into the method of determination at arriving at this contract.

The Chairman suggested that the matter be discussed with the Director following the meeting.

Mr. Wheeler said, however, that he saw no objection to answering the question. He advised that each application was thoroughly scrutinized by each commissioner, and each commissioner had the opportunity of putting them side by side to weigh and compare each item, after which each commissioner made up his own mind.

Mr. Allen said that he had been led to believe that some sort of point system was used. Dr. Sylva advised him that only one commissioner used a point system; that each commissioner evaluated each category in each questionnaire and made up his mind accordingly.

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Mr. Wheeler commented that at one time he had been in favor of putting the concession out to bid, and had subsequently tried to determine in his own mind whether or not his contention was correct. He said that he now feels he was incorrect and pointed out that all evidence which has been brought before him since that time indicates that a bid system in this case is not to the best interest of the public to be served. He called to attention a Bulletin from the Airline Ground Transportation Association, dated November 2, 1955, on the subject: "Air Traffic Conference of America - Trade Practice Manual - Negotiations and Arrangements for Ground Transportation Services", forwarding to all AGTA members an amendment to the language of the "Negotiation of arrangements for Ground Transportation Services" resolution of the ATC Trade Practice Manual. Quoting from the Bulletin, Mr. Wheeler read: "Enclosure 'A' becomes the Trade Practice Manual for negotiations with airlines, regarding ground transportation arrangements, and may also be considered a great help in any negotiations with airport management." He also quoted paragraph "D" of the amendment, as follows: "That the ground transportation carrier be determined by negotiation rather than by bid." Mr. Wheeler stated that he brought out this information merely to point out that the Ground Transportation Operators themselves, through their associations, recommended the procedure that the Commission adopted.

Mr. Honda's MOTION (to adopt the HAC's Ground Transp. Committee's recommendation that the principal operator be Gray Line Hawaii, and that the Director be authorized to proceed with negotiations immediately) was approved by a unanimous vote.

REQUEST FOR MODIFICATION OF THE EXISTING OVERSEAS TERMINAL: Mr. C. E. Young of Pan American Airways stated that, as the Commission was undoubtedly aware, facilities at the Overseas Terminal have become inadequate to handle the volume of traffic through Honolulu International Airport. He pointed out that additional increases in traffic volume are anticipated and unless something is done soon to increase facilities to provide for better handling of traffic, there will be a serious breakdown by next summer. He added that PAA has been receiving an increasing number of complaints recently with regard to the matter and PAA feels that they must have more counter space and additional facilities behind the counter so that they can re-engineer their handling process to handle more passengers in the time available. Mr. Young advised that he had discussed the matter with the Director and had suggested a method of doing this, which involves re-arrangement of space between PAA and another carrier (Northwest Airlines). He said that although the matter was not finally resolved, he hoped the Commission would view the matter as an emergency measure and would agree to this proposal, in principle, subject to the working out of the exchange with the other carrier and subject to resolution of the expenses involved. Mr. Young said that the problem had become so acute that he is visiting Hawaii in an attempt to find some way of re-engineering their handling process to accommodate the expected "rush".

The Chairman pointed out that the problem is not unique with PAA and that if the Commission were to take care of PAA's requirements (which the HAC wants to do), the Commission would also have to consider the requirements of UAL and the other air carriers.

In the following discussion the Chairman advised that the matter would have to be taken up by the staff with all carriers, and thereafter make a recommendation to the Commission as to possibilities and cost, and other pertinent information.

In view of the urgency of the matter, Mr. Young requested that the matter be handled as expeditiously as possible.

Comment was made briefly on the plan previously under consideration by the Commission for moving of the baggage counters out of the terminal into a new area adjacent to the foreign arrivals section.

The Director stated that action on the plans had been deferred, but that the plans were still on hand. He advised that a total cost

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of \$16,000 had been estimated for the layout as proposed by PAA, which requires the installation of additional sprinklers, and additional cost for alteration of the outer walls.

Asked if PAA expects to pay for modifications, Mr. Young said that PAA does not propose to do so but that is something which has to be worked out with the Commission.

The Director said that the problem could be approached on an over-all carrier point of view, in determining the needs of other carriers. He said that he thought this could be ascertained by Tuesday, November 22nd.

Mr. Wheeler suggested also the possibility of arranging for temporary check-in services for the common use of the airlines in the Waikiki area where so much of the traffic originates.

Mr. Honda made a motion, seconded by Mr. Kobayashi, and it was unanimously

VOTED: that the matter be referred to the Commission for study and that it be reported back to the Commission at its special meeting to be held Tuesday, November 22nd, if it is possible to do so.

ADJOURNMENT: Meeting adjourned at 10:45 a.m.

ATTENDANCE:

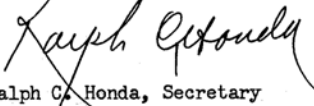
Hawaii Aeronautics Commission

Present: Dr. F. K. Sylva, Chairman
 Mr. D. W. Edwards, Vice-Chairman (Kauai)
 Mr. R. C. Honda, Secretary
 Mr. David Furtado, Vice-Secretary (Hawaii)
 Mr. Cable Wirtz, Member (Maui)
 Mr. C. J. Pietsch, Jr., Member
 Mr. George Kobayashi, Member
 Mr. Richard Wheeler, Member

Absent: Mr. J. V. Hodgson, Member (on mainland)

In Attendance: Mr. R. M. Lee, Director, HAC
 Mr. J. E. Batchelder, Asst. Dir., HAC
 Mr. D. L. Grubb, HAL
 Mr. J. V. Dolan, CAA
 Mr. W. Klopp, AOPAH
 Mr. R. C. Allen, Allen Trade Wind
 Mr. Hank Bauske, AOPAH
 Mr. Geo. Ah Leong, Taxi Driver
 Mr. O. V. Andrew, TPA & AFS
 Mr. Lee Maice, AOPAH
 Mr. A. E. Romaine, CAA
 Mr. S. Pelekai, Gray Line
 Mr. A. D. Woolaway, Gray Line
 Mr. J. P. Beeson, Airport Shoe Repairs
 Mr. R. E. Peterson, UAL
 Mr. V. Thomas Rice, Chamber of Commerce
 Mr. Mortimer J. Glueck, Hawm. Wholesale Food Plan, Ltd.
 Mr. W. Woollett, Canadian Pacific Airlines
 Mr. Jack Elsey, MacKenzie Travel Organization
 Mr. George Kaahanui
 Mr. J. A. Barroga, Airline Cab
 Mr. C. E. Young, PAA
 Mr. W. Waterhouse, Murrayair, Ltd.

Respectfully submitted,


 Ralph C. Honda, Secretary