HONORABLE JOHN A. BURNS
Governor, State of Hawaii
Honolulu, Hawaii

Dear Governor Burns:

Fiscal Year 1969 brought the construction start of several major transportation projects of long-range significance to the development of the State.

On August 5, 1968, we celebrated the blast-off of excavations for the new Honokohau Small Boat Harbor just north of Kailua-Kona in Hawaii county. The U. S. Army Corps of Engineers is handling the initial contract for the joint Federal-State project.

On March 7, 1969, an official ground-breaking was held for a massive expansion program at Honolulu International Airport to meet the challenge of the jumbo jet and other air traffic innovations.

On May 27, 1969, the first charge of dynamite thundered skyward for the Kamehameha Coast's new Ke-ahole Airport.

Work also began during the year on two construction contracts to create a second container yard at Honolulu Harbor and provide for the entry of a second container service.

The 2.66-mile portion of Interstate Route H-1 between Kunia Road and Waiawa Interchange on Leeward Oahu and a portion of the Interchange itself were dedicated on March 19, 1969. Leeward Oahu could then enjoy 8.2 miles of continuous freeway travel.

Although the year may be best remembered for these highlights, there was stepped-up activity in every area of our operations, as the following pages of the Annual Report will testify.

Yours very truly,

FUJIO MATSUDA
Director
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AIRPORTS DIVISION

The expansion of Honolulu International Airport, subject of intensive planning since 1966, moved into the construction stage in Fiscal Year 1969.

The Department also broke ground for a new airport at Ke-ahole, on the Island of Hawaii, and completed master plans for General Lyman Field, Hawaii, and Kahului Airport, Maui.

As the year closed, preparations were underway for a dedication of a new "interim terminal" at Hilo's General Lyman, and a master plan for the Lihue, Kauai, airport was nearing completion.

The volume of overseas passengers arriving and departing Hawaii through its two principal overseas airports, Honolulu International and General Lyman Field, increased by 13.5 per cent from the preceding year to a total of 3,084,000 passenger movements.

Inter-island passenger traffic increased 16.5 per cent to a total of 2,221,000 passengers.

Air cargo, both inter-island and overseas, increased during Fiscal Year 1969 by 28.6 per cent to 117,200 tons.

Reflecting new and bigger jet planes and other aviation innovations, both passenger and cargo totals were expected to continue to rise on an even steeper plane. The Airports Division has been working at an accelerating tempo to meet the needs of heavier traffic and new developments in airline services.

The highlight of the year was the ceremony March 7, 1969, signifying the start of excavations for the foundations of the Diamond Head "gull wing" at Honolulu International.

By March 1, 1970, the first gate position of this extension of John Rodgers Terminal will be ready to welcome Honolulu's first Boeing 747.

The 747 is capable of carrying from 397 to 490 passengers, as compared with the 251 carried by the DC-8-63 stretchout, the largest plane now serving the islands, and about 155 carried by the 707, a standard trans-Pacific jet.

Pan American World Airways is planning to place its first Boeing 747 in Atlantic service in January, 1970, and to initiate 747 service in the Pacific shortly thereafter.
The ground-breaking ceremony for the gull wing symbolized the start of the first major permanent construction under a $38 million program authorized by the State Legislature.

However, men and machines have been busy at various other parts of the airport on interim measures and preliminary projects clearing paths for new permanent facilities.

By late 1970, the State's terminal facilities should be completely transformed, with the present buildings constituting only about 20 per cent of the remodeled and greatly expanded complex, served by five new plane gates and nine new "hard stands" that will be necessary as 747's become frequent callers.

The Diamond Head ticket lobby was extended during Fiscal Year 1969 to provide temporary facilities for airlines expected to inaugurate service into Honolulu as result of new Pacific air route awards.

Braniff International, Continental and Western Airlines were prepared to inaugurate Hawaii operations on July 1, 1969, but the Civil Aeronautics Board announced June 24, 1969, that their transpacific route awards had been postponed.

Other airlines affected by the CAB postponements in the transpacific air route case are United and Northwest Airlines, which already operate to Hawaii from West Coast gateways and which were ticketed for non-stop rights between Hawaii and major inland cities.

As the year ended, Northwest was planning to inaugurate California-Orient service August 1, 1969, under the only rights yet to be made firm in connection with the transpacific case.

To airport employees and the public, the most noticeable evidence of the expansion program at Honolulu International has been the changes in interference with parking.

The relocation of vehicle parking spaces has been necessary to clear the way for construction of the five-story parking structure designed to accommodate 2000 cars. The building is scheduled to be completed in December, 1969.

Three additional employee parking lots were created during the year and another overflow lot was opened prior to the summer peak traffic period.
An Air Commuter Terminal was opened near the Domestic Arrivals Area, and construction began on a temporary Foreign Arrival Terminal between the two. Permanent car rental offices were constructed in the Domestic Arrivals section.

Taxiway "K" underwent two modifications during the year. In July, 1968, the taxiway was extended southward to serve both Runways 4L and 4R as a high-speed turnoff. In June, 1969, "K" was extended further toward the main terminal to provide access to the Air Commuter Terminal and to Overseas Gates 1 through 5, which have been relocated and which are no longer accessible via taxiway "Y".

In November, 1968, work began on the $775,000 temporary overseas building at General Lyman Field. As the year closed, the Department was preparing to dedicate the new interim terminal building on July 4, 1969.

The interim terminal will be converted to air cargo use when the new permanent passenger terminal building is completed mauka of Runway 8-26. The first increment of the new permanent facility is expected to open by April, 1972, and be completed by December, 1972.

Ceremonial charges of dynamite signaled the start of work on the Island of Hawaii's new airport at Ke-ahole on May 27, 1969.

The new aerial gateway will be located about seven and one-half miles north along the coast from the Kailua-Kona Airport, which it is to replace. Ke-ahole Airport is slated to be in operation by July, 1970, for inter-island flights, and is master-planned for eventual expansion to handle transpacific flights.

The initial facilities at Ke-ahole will include a 6500-foot runway and parallel taxiway, high-intensity lights, a control tower and 10 aircraft parking positions, terminal buildings and motor vehicle parking areas.

Work on terminal expansion at Molokai Airport began in May, 1969, and was scheduled for completion in August, 1969. The project included a covered walkway for curbside automobile loading and a covered area for a snack bar concession.

Construction of a new air cargo building at Kahului Airport began in June, 1969. By late sometime in 1969, the new structure should replace the old World War II building now being used by the inter-island airlines. After relocation has been completed, the old facility will be demolished to make way for parking lot expansions.
Runway resurfacing at Molokai and Kahului, Maui, airports was completed during Fiscal Year 1969. Pavements originally designed for aircraft of the DC-3 type continue to be a major problem to the Airports Division. Reconstruction of several of these pavements has been proposed for the earliest possible scheduling in the capital improvements program.

The Federal Aviation Administration rated Honolulu International Airport the 27th busiest in the nation during Fiscal Year 1969. Aircraft operations of all categories totaled 332,236. Air carrier flights numbered 124,585 for the year. Military traffic made up an additional 76,019 movements. The total of general aviation operations was 131,632. General Aviation traffic varied in monthly volumes from a low of 5,463 during November, 1968, to a high of 13,156 in March of 1969.

In May, 1969, the State of Hawaii, Department of Transportation issued $40,000,000 of Airport Revenue Bonds. $8,445,000 of this issue were serial bonds with maturity dates of July 1, 1972 - 1979 and the remainder $31,555,000 were term bonds due July 1, 1994 and bearing 5.90% interest.

The bonds were issued for the purpose of paying the cost of improvements and additional facilities for the Honolulu International Airport and other airports within the Hawaii airports system. They were issued as special obligations of the State of Hawaii payable solely from and secured solely by a first lien on the receipts of the aviation fuel tax and the revenues of the airports system.

The problem of finding a site for the long-sought Central Oahu airport for general aviation was still unresolved at the end of the year. The State so far has been unable to obtain a rezoning approval from the City and County of Honolulu for a site at Mililani.

Negotiations for the use of Bellows Field continue with the Department of Defense and the FAA, and there is good prospect that they will reach a successful conclusion early in 1970.

The annual three-day Flight Instructor's Clinic sponsored by the State's General Aviation Officer and conducted by instructors from the FAA Aeronautical Center in Oklahoma City, attracted a larger enrollment than last year's clinic, and drew many compliments from those who attended.

On November 23 and 24, the United States Air Force Thunderbirds aerobatic team operated out of Honolulu International to display in-flight tactics to thousands of Waikiki and Windward Oahu residents.
The Visitors Information Program continued to provide assistance to the ever-increasing numbers of passengers at airport terminals throughout the State.

Counter contacts totaled 777,740 during Fiscal Year 1969. In addition, the VIP provided special assistance to military charter flights, to servicemen and other visitors in Hawaii for "R.&R." (the military's Rest and Recuperation Program), to students from foreign lands and to East-West Center grantees.

Assistance was also given to government agencies, to public organizations and to youth groups in arranging airport greetings and farewells reflecting the Aloha spirit. Bi-lingual VIP hostesses assigned to the major airports have been of great help both to foreign passengers and to Federal customs, immigration and plant quarantine officials.

The VIP also assisted with protocol events held by the Governor at Hickam Air Force Base and Pearl Harbor for arriving and departing dignitaries.

The Governor's Lounge has been the center of official hospitality at Honolulu International Airport since the handsome new room was inaugurated in April, 1968.

The Visitors Information staff training has improved in scope and tempo and now includes introductory training for newly hired employees, refresher courses, supervisory training, and orientation tours to points of interest on all major islands.

President Lyndon B. Johnson and South Vietnam's President Thieu, who met in Honolulu in July, 1968, for policy talks, were both honored at the airport with greeting and departure ceremonies.

Mindful of the human drama and excitement ever present in the daily operation of a major international airport, both Universal Films and the Hawaii Five-O television series used Honolulu International as background for filmings during the early part of Fiscal Year 1969.

The following lists show all construction contracts which were in force during Fiscal Year 1969 under supervision of the Airports Division.

Contracts awarded during the year totaled $29,580,646. Work was also underway during the year on $1,909,748.22 worth of contracts awarded prior to July 1, 1968.

Contracts on which work was completed during the year totaled $3,863,640.22.
CONSTRUCTION CONTRACTS AWARDED BETWEEN
JULY 1, 1968, AND JUNE 30, 1969

OAHU

Honolulu International Airport

Construction of foundations for Inter-Island Terminal. 0-90-1(2)
Healy Tibbitts Construction Co. Contract awarded January 15,

Construction of improvements and alterations for Inter-Island
Terminal. 0-90-1(3).
$1,761,684.00.

Construction of foundations for Diamond Head Gull Wing. 0-90-2(1)
Completed April 7, 1969. $79,968.00.

Furnishing, delivery and installation of ten escalators
in Gull Wing structures. 0-90-2(2)
$377,499.00.

Furnishing, and delivery of precast and/or prestress tees and joists
for Diamond Head structure. 0-90-2(3)
United Concrete Pipe Corp. Contract awarded February 20, 1969.
$94,100.00.

Furnishing, delivery and installation of water cooling towers
for Gull Wing structures. 0-90-2(4)
Oahu Plumbing and Sheet Metal, Ltd. Contract awarded April 15,
1969. $25,292.00.

Furnishing, delivery and installation of centrifugal water
chilling units for Gull Wing structures. 0-90-2(4)
Carrier Corp. Contract awarded April 15, 1969. $65,780.00.

Construction of pile caps, grade tie beams and first floor
columns for Diamond Head Gull Wing structure. 0-90-2(7)
$224,946.00.

Furnishing and delivery of loading bridges for Gull Wing gate
positions. 0-90-2(9)
Honolulu International Airport (cont'd.)

Construction of Diamond Head Gull Wing structure. 0-90-2(10)
$3,750,000.00.

Construction of Diamond Head extension to ticket lobby building.
0-90-3(1)
Completed April 15, 1969. $338,000.00.

Furnishing and delivery of precast beams, columns, and planks
for Diamond Head extension of ticket lobby building. 0-90-3(2)
Completed March 1, 1969. $40,641.00.

Construction of office additions and alterations to ticket lobby
building. 0-90-3(3)
$219,560.00.

Construction of foundations for Domestic Arrivals and Y-Concourse
improvements and alterations. 0-90-4(1)
February 17, 1969. $139,436.00.

Construction of improvements and alterations to Domestic Arrivals
and Y-Concourse. 0-90-4(2)
$1,363,000.00.

Construction of Satellite Auto Parking Lots and expansion to
existing parking lots. 0-90-5(1)
Completed February 20, 1969. $81,535.00.

Furnishing and delivery of prestress concrete beams for parking
structure. 0-90-5(3)
Honolulu Construction and Draying Co., Ltd. Contract awarded
February 3, 1969. $412,286.00.

Furnishing, delivery and installation of six elevators in
parking structure. 0-90-5(4)
$184,855.00.
Honolulu International Airport (cont'd.)

Construction of relocated power and communication cables in existing parking lot. 0-90-5(5)

Construction of foundations for parking structure. 0-90-5(6)

Construction of parking structure. 0-90-5(8)
Dillingham Corp. Contract awarded May 7, 1969. $5,264,000.00.

Construction of site preparation for parking structure. 0-90-5(9)

Construction for the dismantling and storing of hangar numbers 4 and 6. 0-90-6(1)

Construction of Taxiways "G" and "L". 0-90-6(2)

Construction of extension of Taxiway "K". 0-90-6(3)

Construction of Diamond Head Gull Wing Apron and Taxiways "A" and "Z". 0-90-6(4)
Highway Construction Co. and Matich Constructors. Contract awarded May 1, 1969. $3,446,063.00.

Construction for strengthening Manuwai Canal Culvert. 0-90-6(7)

Construction of realigning Lagoon Drive. 0-90-7(1)
Honolulu International Airport (cont'd.)

Furnishing and delivery steel pipe for Aircraft Fueling System. 0-90-8(1)  

Construction for relocating aircraft fuel hydrants at Gates 1 through 5. 0-90-8(3)  

Furnishing, delivery and installation of unit substation in Diamond Head Gull Wing building. 0-90-9(4)  

Furnishing and delivery of seven baggage claim carousels. 0-90-10(1)  

Resurfacing of Runway 4L-22R. 50-68-3  

HAWAII

General Lyman Field

Construction of terminal building expansion and alterations to parking lot. H-92  

Furnishing and delivery of lobby furniture. H-96  

Ke-ahole Airport

Construction for grading and draining of terminal building site, aircraft apron, vehicular parking lot, and airport access road. H-87A  
Ke-ahole Airport (cont'd.)

Construction for grading and draining of runway and taxiways and installation of concrete encased underground ducts (FAA Project No. 9-52-014-01). H-87B

Upolu Airport

Seal-coating of runway. SH-67-25
Completed November 14, 1968. $19,482.00.

MAUI

Kahului Airport

Construction of Drainage and other airfield improvements. M-82

Construction of air cargo building. M-87

Repairs to Airport Access road. SM-68-1

Resurfacing a portion of Runway 2-20. M-90

Molokai Airport

Construction of improvements to terminal building. M-86
Thomas Tanaka, Inc. Contract awarded March 17, 1969. $58,800.00.

Resurface Runway 5-23. M-74

Hana Airport

Repairs to Airport Access road. SM-68-2
CONSTRUCTION PROJECTS UNDERWAY DURING FISCAL YEAR 1969 UNDER CONTRACTS AWARDED PRIOR TO JULY 1, 1968

OAHU

Honolulu International Airport

Construction of Taxiway "K" and installation of Taxiway illumination signs (FAAP Project No. 9-52-007-C710).
SO-67-1, -2

Alterations to ramp building and baggage claim area and installation of escalators for ticket lobby.
SO-67-3, -4 & -6

Alterations to Post Office, VIP Lounge and Employee's Cafeteria. SO-67-7

Furnishing and delivery of furniture to VIP Lounge. SO-67-7A

Taxiway "D". SO-67-12

HAWAII

Kona Airport

Construction of alterations to terminal building and vehicular parking lot. H-89R

MAUI

Kahului Airport

Terminal area improvement. M-77
Kahului Airport (cont'd)

Acquisition and clearing clear zone. M-71

KAUAI

Lihue Airport

Improvements to maintenance area—grading, drainage, paving and ramp lighting. K-29

Improvements to maintenance area, expansion to air cargo building, new fire and rescue equipment shed. K-29
AIRPORTS DIVISION
FINANCIAL STATISTICS
COMBINED BALANCE SHEET - JUNE 30, 1968 and 1969

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<th>ASSETS</th>
<th>1968</th>
<th>1969</th>
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<tr>
<td>Cash</td>
<td>$ 9,083,682</td>
<td>$ 49,632,350</td>
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<tr>
<td>Receivables:</td>
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<td></td>
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<tr>
<td>Notes and Accounts, net</td>
<td>697,924</td>
<td>341,386</td>
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<tr>
<td>Aviation Fuel Taxes</td>
<td>340,712</td>
<td>341,701</td>
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<tr>
<td>Recoverable Costs from U. S. Government - Airport Aid</td>
<td>647,112</td>
<td>370,389</td>
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<tr>
<td>Due from Other Funds</td>
<td>2,174,369</td>
<td>3,338,333</td>
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<tr>
<td>Inventory, Materials and Supplies</td>
<td>52,998</td>
<td>55,415</td>
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<tr>
<td>Land</td>
<td>5,432,002</td>
<td>5,432,002</td>
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<tr>
<td>Improvements and Buildings</td>
<td>39,786,591</td>
<td>40,797,530</td>
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<tr>
<td>Equipment and Motor Vehicles</td>
<td>1,421,137</td>
<td>1,621,780</td>
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<tr>
<td>Construction in Progress</td>
<td>7,528,376</td>
<td>24,577,942</td>
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<tr>
<td>Amount Available and to be Provided for</td>
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<td></td>
</tr>
<tr>
<td>Retirement of Bonds and Payment of Interest</td>
<td>31,529,425</td>
<td>117,077,939</td>
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<tr>
<td>Bonds Authorized, Unissued</td>
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<td>18,038,700</td>
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<tr>
<td>Deposits</td>
<td>1,500</td>
<td>1,500</td>
</tr>
<tr>
<td><strong>TOTAL ASSETS</strong></td>
<td><strong>$114,264,528 1/</strong></td>
<td><strong>$261,626,967 2/</strong></td>
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<tr>
<th>LIABILITIES, RESERVES, FUND BALANCES AND SURPLUS</th>
<th>1968</th>
<th>1969</th>
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</thead>
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<tr>
<td>Contracts Payable</td>
<td>$ 50,847</td>
<td>$ 2,388,006</td>
</tr>
<tr>
<td>Contracts Payable - Retained Percentage</td>
<td>180,159</td>
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<tr>
<td>Interest Payable</td>
<td>290,577</td>
<td>654,286</td>
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<tr>
<td>Tenants' Deposits</td>
<td>45,707</td>
<td>59,375</td>
</tr>
<tr>
<td>Accrued Salaries and Wages</td>
<td>10,091</td>
<td>12,557</td>
</tr>
<tr>
<td>Accrued Vacation and Sick Leave</td>
<td>313,349</td>
<td>346,507</td>
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<tr>
<td>Due to Other Funds</td>
<td>1,300,605</td>
<td>3,169,196</td>
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<tr>
<td>Bonds Payable</td>
<td>66,175</td>
<td>43,862</td>
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<tr>
<td>Reserve for Encumbrances</td>
<td>872,743</td>
<td>17,194,783</td>
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<tr>
<td>Reserve for Bond Issue Requirements</td>
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<td>3,926,490</td>
</tr>
<tr>
<td>Long Term Debt:</td>
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<tr>
<td>Bonds Payable</td>
<td>20,822,172</td>
<td>71,280,773</td>
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<tr>
<td>Interest Payable - Future Years</td>
<td>10,707,253</td>
<td>49,797,166</td>
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<td>Investment in Land and Fixed Assets</td>
<td>54,168,106</td>
<td>72,429,254</td>
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<tr>
<td>Fund Balances</td>
<td>18,699,766</td>
<td>43,532,443 3/</td>
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<tr>
<td>Surplus</td>
<td>6,736,978</td>
<td></td>
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<tr>
<td><strong>TOTAL LIABILITIES, RESERVES, FUND BALANCES AND SURPLUS</strong></td>
<td><strong>$114,264,528 2/</strong></td>
<td><strong>$261,626,967 2/</strong></td>
</tr>
</tbody>
</table>

1/ Includes amount to be provided for payment of interest
2/ Includes interest payable in future years
3/ Includes surplus
AIRPORTS DIVISION
FINANCIAL STATISTICS
COMBINED ANALYSIS OF CHANGES IN FUND BALANCES
FOR FISCAL YEAR ENDED JUNE 30, 1968 and 1969

<table>
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<th>funds</th>
<th>1968</th>
<th>1969</th>
</tr>
</thead>
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<td>Fund Balances, July 1, 1968 and 1969</td>
<td>$23,103,126</td>
<td>$25,436,744</td>
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<tr>
<td>Add Reserve for Encumbrances</td>
<td>2,045,333</td>
<td>872,743</td>
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<tr>
<td>Add:</td>
<td></td>
<td></td>
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<tr>
<td>Revenues</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Legislative Appropriation and Authorization</td>
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</tr>
<tr>
<td>General Obligation</td>
<td>1,351,000</td>
<td>34,000</td>
</tr>
<tr>
<td>Airport Revenue Bonds</td>
<td>-</td>
<td>42,470,000</td>
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<tr>
<td>Special Fund</td>
<td>-</td>
<td>140,000</td>
</tr>
<tr>
<td>Transfer from Other Funds</td>
<td>1,327,189</td>
<td>4,813,794</td>
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<tr>
<td>Proceeds from Sale of General Obligation</td>
<td>-</td>
<td>11,500,000</td>
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<tr>
<td>Refunding Bonds</td>
<td></td>
<td></td>
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<tr>
<td>Deduct:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating Expenses</td>
<td>$ 650,143</td>
<td>$ 4,565,108</td>
</tr>
<tr>
<td>Equipment and Motor Vehicle - Operating Fund</td>
<td>371,806</td>
<td>191,365</td>
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<td>Capital Expenditures - Project Funds</td>
<td>1,544,831</td>
<td>18,070,977</td>
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<td>Debt Service Charges</td>
<td>1,974,050</td>
<td>2,004,480</td>
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<td>Transfer to Other Funds</td>
<td>6,129,111</td>
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<td>Reserves</td>
<td>-</td>
<td>3,926,490</td>
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<tr>
<td>Revenue Bonds Discounts &amp; Sales Expense</td>
<td>-</td>
<td>757,997</td>
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<tr>
<td>Reserve for Encumbrances</td>
<td>872,743</td>
<td>17,194,783</td>
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<tr>
<td>Fund Balances, June 30, 1968 and 1969</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenue Fund</td>
<td>$ 6,331,513</td>
<td>$ 8,584,290</td>
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<td>Aviation Bond Fund</td>
<td>362,475</td>
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<td>Aviation Bond Reserve Fund</td>
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<td>1,361,568</td>
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<tr>
<td>Aviation Operation and Maintenance Fund</td>
<td>14,805</td>
<td>283,795</td>
</tr>
<tr>
<td>Aviation Renewal and Replacement Fund</td>
<td>390,660</td>
<td>-</td>
</tr>
<tr>
<td>Airport Bond Fund - 1949 Authority</td>
<td>3,000,000</td>
<td>3,000,000</td>
</tr>
<tr>
<td>Airport Bond Fund - 1961 Authority</td>
<td>13,099</td>
<td>-</td>
</tr>
<tr>
<td>Airport Revenue Bond Fund - 1965 Authority</td>
<td>2,214,819</td>
<td>30,507</td>
</tr>
<tr>
<td>Airport Revenue Bond Fund - 1966 Authority</td>
<td>799,000</td>
<td>5,292</td>
</tr>
<tr>
<td>Airport Revenue Bond Fund - 1967 Authority</td>
<td>9,280,000</td>
<td>2,897,899</td>
</tr>
<tr>
<td>Airport Revenue Bond Fund - 1968 Authority</td>
<td>-</td>
<td>14,489,250</td>
</tr>
<tr>
<td>Capital Improvement Fund</td>
<td>1,710,301</td>
<td>954,129</td>
</tr>
<tr>
<td>Total</td>
<td>$25,436,744</td>
<td>$43,532,443</td>
</tr>
</tbody>
</table>
## AIRPORTS DIVISION
### FINANCIAL STATISTICS
#### CONSOLIDATED STATEMENT OF RECEIPTS, DISBURSEMENTS AND BALANCES
##### FOR FISCAL YEAR ENDED JUNE 30, 1968 and 1969

<table>
<thead>
<tr>
<th></th>
<th>1968</th>
<th>1969</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cash Balances, July 1, 1968 and 1969</strong></td>
<td>$10,896,103</td>
<td>$11,074,145</td>
</tr>
<tr>
<td><strong>Receipts:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Aviation Fuel Tax Collections</td>
<td>3,684,280</td>
<td>4,068,103</td>
</tr>
<tr>
<td>Airport Operating Revenue</td>
<td>4,087,307</td>
<td>5,277,008</td>
</tr>
<tr>
<td>Federal Grant</td>
<td>363,600</td>
<td>1,377,016</td>
</tr>
<tr>
<td>Trust Fund Deposits</td>
<td>22,910</td>
<td>29,251</td>
</tr>
<tr>
<td>Reimbursement of Expenses</td>
<td>55,432</td>
<td>71,358</td>
</tr>
<tr>
<td>Vacation and Sick Leave Transfers-In</td>
<td>8,829</td>
<td>12,651</td>
</tr>
<tr>
<td>Appropriations</td>
<td>1,207,078</td>
<td>807,099</td>
</tr>
<tr>
<td>Interest on Investments</td>
<td>75,548</td>
<td>87,331</td>
</tr>
<tr>
<td>Proceeds from Revenue Bond Sales</td>
<td>-</td>
<td>39,270,321</td>
</tr>
<tr>
<td>Advances from Revenue Fund</td>
<td>-</td>
<td>1,013,288</td>
</tr>
<tr>
<td>Advances from State Treasury</td>
<td>-</td>
<td>14,513,684</td>
</tr>
<tr>
<td>Proceeds from Sale of General Obligation Refunding Bonds</td>
<td>-</td>
<td>11,500,000</td>
</tr>
<tr>
<td>Loan Repayment from Revenue Bond Fund</td>
<td>-</td>
<td>4,643,035</td>
</tr>
<tr>
<td>Debt Service Reserve</td>
<td>-</td>
<td>3,245,835</td>
</tr>
<tr>
<td>Accrued Interest on Revenue Bonds Sold</td>
<td>-</td>
<td>171,095</td>
</tr>
<tr>
<td></td>
<td><strong>$ 9,504,984</strong></td>
<td><strong>$ 86,087,075</strong></td>
</tr>
<tr>
<td><strong>Expenditures:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating Expenses</td>
<td>$ 5,066,059</td>
<td>$ 4,041,174</td>
</tr>
<tr>
<td>Advances to Airport Revenue Bond Funds</td>
<td>125,000</td>
<td>-</td>
</tr>
<tr>
<td>Transfer to Other Funds</td>
<td>17,060</td>
<td>13,099</td>
</tr>
<tr>
<td>5% Surcharge on Gross Receipts</td>
<td>339,822</td>
<td>413,311</td>
</tr>
<tr>
<td>Contribution to General Administration</td>
<td>204,895</td>
<td>203,561</td>
</tr>
<tr>
<td>Contribution to Visitors Information Program</td>
<td>236,286</td>
<td>246,367</td>
</tr>
<tr>
<td>Debt Service Payments</td>
<td>1,785,250</td>
<td>3,339,931</td>
</tr>
<tr>
<td>Refunds</td>
<td>49,368</td>
<td>49,537</td>
</tr>
<tr>
<td>Construction in Progress</td>
<td>1,499,643</td>
<td>15,115,360</td>
</tr>
<tr>
<td>Land</td>
<td>1,404</td>
<td>-</td>
</tr>
<tr>
<td>Vacation and Sick Leave Transfers-Out</td>
<td>2,155</td>
<td>4,252</td>
</tr>
<tr>
<td>Loan Repayment to Revenue Fund</td>
<td>-</td>
<td>4,643,035</td>
</tr>
<tr>
<td>Loan Repayment to State Treasury</td>
<td>-</td>
<td>14,513,684</td>
</tr>
<tr>
<td>Debt Service Reserve</td>
<td>-</td>
<td>3,245,835</td>
</tr>
<tr>
<td>Temporary Loan to Other Funds</td>
<td></td>
<td>888,288</td>
</tr>
<tr>
<td></td>
<td><strong>$ 9,326,942</strong></td>
<td><strong>$46,717,434</strong></td>
</tr>
<tr>
<td><strong>Cash Balances, June 30, 1968 and 1969</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Encumbered Cash</td>
<td>1,176,853</td>
<td>20,294,557</td>
</tr>
<tr>
<td>Unencumbered Cash</td>
<td>9,897,292</td>
<td>30,149,229</td>
</tr>
<tr>
<td></td>
<td><strong>$11,074,145</strong></td>
<td><strong>$50,443,786</strong></td>
</tr>
</tbody>
</table>
Director of Transportation ........................................ Fujio Matsuda
Deputy Director for Operations ................................. E. Alvey Wright
Deputy Director for Planning and Engineering ............ Vacant
Deputy Director for Finance .................................... Lawrence F. O. Chun

Staff Officers

Departmental Personnel Officer ................................. Lenore L. Hammond
Programs and Contracts Officer ............................... Munny Y. M. Lee
Property Management Officer ................................. Paul H. Arizumi
Business Management Officer ................................. Noboru Hirai
State Transportation Planner ................................ Ah Leong Kam
Departmental Computer Engineer ............................. Carl O. Nagami
Assistant State Highway Safety Coordinator .............. H. K. Bruss Keppeler

Division Chiefs

Airports ............................................................. O. A. Byrne
Harbors ............................................................ Melvin E. Lepine
Highways ............................................................ Tetsuo Harano

District Officers

Oahu
Airport Manager ................................................. William H. Kraft
Harbor District Manager ....................................... J. M. McCormick
Highway District Engineer ................................... Tit Mun Chun

Hawaii
Airport Manager ................................................... Yoshiwo Kishimori (acting)
Harbor Master ..................................................... William R. Wickland
Highway District Engineer .................................... Charles L. Schuster

Maui
Airport Manager ..................................................... William Neilson
Harbor Master ..................................................... Finn Anonsen
Highway District Engineer .................................... Hideo Hayashi

Kauai
Airport Manager ..................................................... Sidney J. Lawrence
Harbor Master ..................................................... Kenneth H. Webb
Highway District Engineer .................................... Edwin Nakano
DEPARTMENT OFFICES

Departmental Administration Offices

Director
Department of Transportation
State of Hawaii
869 Punchbowl Street
Honolulu, Hawaii 96813

Airports Offices

Airport Manager, Hawaii
Department of Transportation
State of Hawaii
General Lyman Field
Hilo, Hawaii 96720

Airport Manager, Maui
Department of Transportation
State of Hawaii
Kahului Airport
Kahului, Hawaii 96732

Airport Manager, Oahu
Department of Transportation
State of Hawaii
Honolulu International Airport
Honolulu, Hawaii 96819

Airport Manager, Kauai
Department of Transportation
State of Hawaii
Lihue Airport
Lihue, Hawaii 96766

Harbors Offices

Harbor Master, Hawaii
Department of Transportation
State of Hawaii
Pier 1, Hilo
P. O. Box 1555
Hilo, Hawaii 96720

Harbor Master, Maui
Department of Transportation
State of Hawaii
Pier 2, Kahului
P. O. Box 201
Kahului, Hawaii 96732

Harbor Master, Oahu
Department of Transportation
State of Hawaii
700 Fort Street
P. O. Box 397
Honolulu, Hawaii 96809

Harbor Master, Kauai
Department of Transportation
State of Hawaii
 Nawiliwili, Kauai
P. O. Box 821
Lihue, Hawaii 96766
Highways Offices

District Engineer, Hawaii
Department of Transportation
State of Hawaii
50 Makaala Street
P. O. Box 276
Hilo, Hawaii 96720

District Engineer, Maui
Department of Transportation
State of Hawaii
962 Keaauu Street
Kahului Kai (NASKA)
P. O. Box 700
Kahului, Hawaii 96732

District Engineer, Oahu
Department of Transportation
State of Hawaii
721 Kelikoi Street
Honolulu, Hawaii 96813

District Engineer, Kauai
Department of Transportation
State of Hawaii
State Office Building
3060 Eiwa Street
P. O. Box 1711
Lihue, Kauai 96766
FOR FURTHER INFORMATION

The Annual Report of the State Department of Transportation is intended to provide an over-all view of the Department's activities.

The three major divisions of the department and their various branches also issue periodical or special reports of a more technical nature.

Persons interested in a special phase of the department's operations are invited to direct specific requests for information to the division concerned.

Copies of major reports are usually available for examination at the Public Archives, the University of Hawaii Library, the State of Hawaii Library, the Municipal Reference Library, and the County libraries of Hawaii, Maui and Kauai.

Persons interested in details of the Department's tentative long-range construction program are referred to the Governor's Capital Improvements Program.
PHOTO DESCRIPTIONS

Front Cover--An extension of Container Freight Station No. 2 at Fort Armstrong was completed May 8, 1969, and improvements to yard lighting and development of a parking area at Pier 2 were completed earlier in Fiscal Year 1969.

Page 1--Myron Thompson, Administrative Assistant to Governor Burns, flagged the signal which started the drilling for the foundations of the Diamond Head "gull wing" at Honolulu International Airport.

Page 19--The initial contract to create Honokohau Boat Harbor on the Big Island's Kamehameha Coast is expected to be completed early in 1970. It's a joint Federal-State project.

Page 37--Kawaihae-Mahukona Road on the Island of Hawaii, 11.4 miles long, is the longest new route that the State has ever ushered into service at one time. It was dedicated July 13, 1968.

Back Cover--(Top) The opening of the H-1 increment from Kunia Road to Waiawa, 2.6 miles, brought to a total of 8.2 miles of freeway driving now possible for Leeward Oahu commuters.

(Bottom) Scenic Haleakala Highway on Maui has been made safer to drive by a project, completed in Fiscal Year 1969, which widened some of the curves. Additional improvements along this highway were under construction as the year ended.
DESCRIPTION OF MAP

The map at right depicts the general location of the State Department of Transportation airports and harbors and the Federal-aid Highway System in Hawaii.

AIRPORTS

The nine commercial airports under the jurisdiction of the Airports Division include Lihue Airport on Kauai; Honolulu International Airport on Oahu; Molokai Airport on Molokai; Lanai Airport on Lanai; Hana and Kahului airports on Maui; and Kamuela and Kona airports and General Lyman Field (Hilo) on Hawaii.

The four general aviation airports administered by the Airports Division include Port Allen Airport on Kauai, Dillingham Field on Oahu, Kalaupapa Airport on Molokai, and Upolu Airport on Hawaii.

HARBORS

The six commercial deepwater harbors under the jurisdiction of the Harbors Division are located at Nawiliwili and Port Allen on Kauai, at Honolulu Harbor on Oahu, at Kahului on Maui, and at Hilo and Kawaihae on Hawaii.

Kewalo Basin on Oahu is a light-draft commercial harbor.

The Harbors Division administers barge landings at Kalaupapa and Kaunakakai on Molokai, and at Kawaihae and Kailua-Kona on Hawaii.

The Harbors Division's 15 small boat harbors are located as follows: at Kikiaola, Port Allen and Kukuiula on Kauai; at Haleiwa, Pokai Bay, Keehi Lagoon, Ala Wai Harbor and Heeia-Kea on Oahu; at Manele Bay on Lanai; at Maalaea and Lahaina on Maui; and at Kawaihae (where there are two small boat harbors), on the Wailoa River and at Kailua-Kona, all on Hawaii.

FEDERAL-AID HIGHWAY SYSTEM

The colored lines on the map show the Federal-aid Highway Primary (including Interstate) and Secondary systems, consisting of the designated principal network of highways on each of the major islands.

The solid colored lines show the portions which have been constructed by the State with the help of Federal funds.

The remainder of the system consists of proposed Federal-State construction, certain existing county road sections and certain National Park and military roads.