

HAWAII AERONAUTICS COMMISSION

Minutes of Regular Meeting

Monday-May 3, 1948

The Regular monthly meeting of the Hawaii Aeronautics Commission was held in the offices of the Commission at Honolulu Airport on Monday, May 3, 1948 at 3:30 p.m.

Present were: Mr. C. B. Wightman, Chairman
Mr. O. J. Burnett, Vice Chairman
Mr. Ralph C. Honda, Secretary
Mr. R. A. Anderson, Commissioner
Mr. Chester Clarke, Commissioner
Mr. Roy R. Bright, Commissioner
Mr. R. L. Campbell, Director
Mr. G. T. Belcher, Asst. Director
Mr. G. R. Sims, Administrative Asst.
Representative Nielsen, Kona, Hawaii
Messrs. Osborne, HATS; Naihe, Aero
service; Barrie and Randall TPA;
Graves, PAA; Erdman, Grayline
Transp.; Estes, Standard Oil Co.;
Schrader, K-T; Roebuck and Wong,
Sexton's; Andrew, Andrew Flying
Service
Capt. Elliot, Hawaiian Airlines
Capt. Hulme, Navy

Absent was: Mr. E. A. Bolles, Commissioner

MINUTES: The Minutes of meetings held April 5 and 14 were approved as circulated.

KAILUA (KONA) AIRPORT: The Assistant Director reported that the bid proposals for construction of the Kailua Airport had been received, and recommended awarding the bid to the low bidder, John C. Medeiros, Ltd. for Alternate A of the bid proposals for the amount of \$255,865. The bid was accepted by the Commission on motion by Mr. Anderson, seconded by Mr. Clarke, and unanimously passed.

ACCEPTANCE OF GRANT AGREEMENT, KAILUA (KONA) AIRPORT:
The following resolution was introduced by the Secretary, seconded by Commissioner Anderson, 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 Kailua 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 Kailua 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 herein-above shall be as follows:

GRANT AGREEMENT

(Grant Offer by Administrator and Acceptance by Sponsor Pursuant to Federal Airport Act)

Date of Offer April 14, 1948
Kailua Airport
Project No. 9-52-002-701

TO: The Territory of Hawaii acting by and through the Hawaii Aeronautics Commission (Herein referred to as the Sponsor)

FROM: The Administrator of Civil Aeronautics (Herein referred to as the Administrator)

WHEREAS, The Sponsor has submitted to the Administrator a Project Application dated March 11, 1948, for a grant of Federal funds for a project for the development of a class II airport (hereinafter referred to as the "Project") in accordance with the National Airport Plan formulated by the Administrator, which Project is described as follows:

Name of Airport Kailua Airport
Located at Kailua, Hawaii County, Territory of Hawaii
Project No. 9-52-002-701

Scope and description of development: Land acquisition; clearing and grubbing; grading and drainage of WNW/ESE landing strip, taxiways, apron, building area, access road and adjacent areas; paving of WNW/ESE runway (100 feet by 3,500 feet), taxiways, apron, automobile parking area and access road; furnishing and installing electrical ducts; relocation of existing building;

and has also submitted to the Administrator a Sponsor's Assurance Agreement adopted by the Sponsor under date of March 12, 1948, relating to the operation and maintenance of said airport; which Project Application and Sponsor's Assurance Agreement are hereby specifically incorporated herein and made a part hereof;

NOW, THEREFORE, pursuant to and for the purposes of carrying out the provisions of the Federal Airport Act (60 Stat. 170; Publ. Law 377, 79th Congress); and in reliance upon the representations made in said Project Application and Sponsor's Assurance Agreement; and in consideration of (a) the Sponsor's acceptance of this offer, and hereinafter provided, and (b) the benefits to accrue to the United States and the public from the accomplishment of the Project and the operation and maintenance of the airport,

THE ADMINISTRATOR, FOR AND ON BEHALF OF THE UNITED STATES, HEREBY OFFERS AND AGREES to pay, as the United States' shares of the costs incurred in accomplishing the project, 25 percentum of the allowable land acquisition costs and 50 percentum of all other allowable project costs, subject to the following terms and conditions:

1. The maximum obligation of the United States payable under this offer shall be \$142,500.00.

2. The sponsor shall
 - (a) begin accomplishment of the Project within a reasonable time after acceptance of this offer, and
 - (b) carry out and complete the Project in accordance with the terms of this offer and the Federal Airport Act and the Regulations promulgated thereunder by the Administrator on January 9, 1947, as amended, which Act and Regulations are incorporated herein and made a part hereof, and
 - (c) carry out and complete the Project in accordance with plans and specifications (including revisions or modifications thereof), as approved by the Administrator or his duly authorized representative.
3. Any misrepresentation or omission of a material fact by the Sponsor concerning the Project or the Sponsor's authority or ability to carry out the obligations assumed by the Sponsor in accepting this offer shall terminate the obligation of the United States, and it is understood and agreed by the Sponsor in accepting this offer that if a material fact has been misrepresented or omitted by the Sponsor, the Administrator on behalf of the United States may recover all grant payments made.
4. The Administrator reserves the right to revoke or amend this offer at any time prior to acceptance by the Sponsor as hereinafter provided.
5. This offer shall expire and the United States shall not be obligated to pay any of the allowable costs of the Project unless this offer has been accepted by the Sponsor, as hereinafter provided, within 60 days from the above date of offer, except that the Administrator may, in writing, prior to the expiration of said 60 days, extend such time for acceptance.
6. It is hereby further understood and agreed by the parties hereto that all grant payments made under the Grant Agreement shall be made on a monthly basis.

Acceptance of this offer shall be evidenced by execution of this instrument by the Sponsor, as hereinafter provided, and said offer when so accepted shall comprise a Grant Agreement constituting the obligations and rights of the United States and the Sponsor with respect to the accomplishment of the Project and the operation and maintenance of the Kailua Airport.

UNITED STATES OF AMERICA
THE ADMINISTRATOR OF CIVIL AERONAUTICS

By /s/ J. M. Beardslee
REGIONAL ADMINISTRATOR, REGION IX

PURCHASE OF QUONSETS FOR TERMINAL BUILDINGS: The Assistant Director requested the Commission's approval for the purchase of 10 quonset huts for use as terminals. The matter was considered and approval given for the purchase of these quonset huts, for a total amount of \$5,400., on motion by Mr. Anderson, seconded and passed.

UPOLU AIRPORT -- DISPOSAL OF BUILDINGS: Mr. Belcher requested permission to dispose of the buildings at Upolu Airport which were turned over to the Territory by the Navy in lieu of restoration, because of their state of deterioration. Permission was granted on motion by Mr. Clarke, seconded and carried.

POLICY ON TAXI SERVICE AT OVERSEAS TERMINAL, HONOLULU: Mr. Erdman of the Grayline Transportation Company told the Commission that his company rents the taxi stalls at Honolulu Airport on a month-to-month basis, and that he would like a long-term contract in order to be able to plan forward.

Mr. Campbell further explained that Mr. Erdman wanted the Commission to establish the policy of renting stalls only to those taxi services having contracts with airlines. The Director asked to have Mr. Erdman's request tabled for the next meeting, in view of the recommendations contained in his report to the Chairman, points of which he outlined briefly.

The matter was then discussed by the Commissioners. Mr. Clarke stated that he would like to see something done to protect this bus line, in view of their having "pioneered" the taxi service at the airport. He said, further, that he was in favor of the Commission's going on record for giving Grayline Transportation a year's franchise, and at the end of that time open up the concession for bid.

Mr. Canright stated that the Commission has the right to grant concessions, but that concessions must be on a uniform basis; that there were no requirements which compelled the Commission to put the concession out for public bid.

Mr. Anderson declared himself in favor of the one-year franchise.

The Director was then instructed to work on the matter along with Commissioners Clarke and Bright, to see if an equitable agreement could be reached, and to resubmit the matter at the next meeting.

DELEGATION OF POWER TO THE DIRECTOR FOR ISSUANCE OF ORDERS AND SPECIAL RULES: Mr. Canright explained the delegation of powers to the Director and suggested that authority be conferred upon the Director for reasons of (1) routine matters in management of the airport; (2) and, any matter, the promptness in execution of which requires more speedy action than could be had were it necessary that the entire Commission be called to act upon. Mr. Canright said, also, that the delegation of such authority should be in writing, as well as in the Minutes. He requested that he be directed to draw up a "Delegation of Powers" for the signature of the Chairman.

Mr. Canright's request was approved on motion by Mr. Clarke, seconded by Mr. Bright, and unanimously carried.

RENTAL AT HONOLULU AIRPORT: AERO SERVICE AND SUPPLY: Mr. Naihe, representing Aero Service and Supply, said that he had at one time applied for the reduction in rent of the Butler Hangar, and that he had had the building appraised and felt the price presently charged excessive.

It was brought out that the present rate of .35¢ per sq. ft. per annum was set by the Lease Committee. Mr. Campbell said that .35¢ per square foot was a reasonable price, and .30¢ for the transite building was fair enough, and recommended that prices be left as they are;

however, he suggested that Mr. Naihe be given the opportunity to discuss the matter with the Lease Committee for consideration.

The Director's request that Mr. Naihe discuss the matter with the Lease Committee was approved by the Commission.

SEXTON'S PROPOSAL FOR LONG-TERM LEASE: Mr. Campbell reported that the Sexton proposal for a long-term lease on the property now occupied by them would not fit in with the airport plans, and recommended that it be carried on a month-to-month basis until such time as a permanent location can be found which would be more advantageous to everyone concerned. Recommendation approved.

HATS HANGAR: The HATS proposal for aid and assistance in completing present Butler Hangar by selling the Territory a dismantled spare Butler Hangar for \$17,000 was deferred until plans are returned by Public Works Department.

However, in addition to the above offer, Mr. Osborne asked whether or not the Commission would be interested in purchasing another hangar and renting it to HATS.

It was decided to have the Lease Committee investigate the matter.

KAMUELA, HAWAII: Representative Nielsen reported that weeds at Kamuela Airport were considerably high on both sides of the runway, and also that it was in bad need of a wind sock.

The Director was asked to attend to these matters.

PORT ALLEN AIRPORT: It was reported that there was a delay but the contract should be completed by the 15th of May.

KEEHI LAGOON--SOLO FLYING: Mr. O. V. Andrew requested permission to conduct solo flying from Keehi Lagoon. He said it was his opinion, and that of CAA representatives also, that it would not constitute a hazard; and, too, that he thought a study should be made on it and recommendations of the operators given.

In the discussion which followed, it was pointed out that the Navy was opposed to solo flying from Honolulu Airport. Capt. Hulme said that the Navy had maintained this area solely as a seadrome; that there had been requests for use before, which, if granted, would prove hazardous.

It was decided that a special committee, made up of representatives of the Commission, the Civil Aeronautics Administration, the Army and Private Aircraft Operators study the question of seaplane student soloing. This committee will then make a recommendation to the Navy.

KIPAPA AIRFIELD: The progress made in acquisition of Kipapa was questioned by Mr. Dean Schrader of K-T Flying Service. Mr. Campbell replied that American Factors would not act on the Commission's application until the transfer had been received by the Army, and that it shouldn't take long thereafter.

MAUI AIRPORT--O'SHEA CASE: Mr. Clarke requested information on the O'Shea case. Mr. Campbell reported that the hearing would be held on Friday, May 7, at 10:00 a.m.

Mr. Clarke recommended that the Commission withdraw its side of the case and ask for its dismissal, then work out another way to solve the matter; and that the resolution previously passed by the Commission be amended

to read that employees engaged before the Resolution was passed would not be affected by it.

The Chairman read a resolution to this effect, drawn up by Mr. Clarke. After discussion, it was decided that the Committee of the Whole would meet with the Attorney General to determine the advisability of such action, before voting on it.

ADJOURNMENT: The meeting was adjourned at 4:55 p.m.

Respectfully submitted,



Ralph C. Honda, Secretary