

HAWAII AERONAUTICS COMMISSION
 Minutes of Regular Meeting
 Monday, December 17, 1951

The regular monthly meeting of the Hawaii Aeronautics Commission was held in the conference room of the Commission, Overseas Terminal Building, Honolulu Airport, on Monday, December 17, 1951 at 1:15 p.m.

Present were: Dr. F. K. Sylva, Chairman
 Mr. R. C. Honda, Secretary
 Mr. R. R. Bright, Member
 Mr. David Furtado, Member (Hawaii)
 Mr. Dorsey Edwards, Member (Kauai)

Absent were: Mr. O. J. Burnett, Member
 Mr. C. J. Pietsch, Jr., Vice Chairman
 Mr. R. A. Anderson, Member (on Mainland)
 Mr. H. W. Rice, Member (Maui)

Attending: Mr. Peyton Harrison, Director, HAC
 Mr. R. M. Lee, Administ. Asst.
 Mr. C. M. Kee, Asst. Director
 Mr. Cy Gillette, Supt. A & O, HAC
 Mr. Guy Murray, CAA
 Mr. Jas. Hogg, HAL
 Mr. McCraw, TPA
 Mr. Roy Johnston, Honolulu Advertiser
 Mr. Frank Taylor, Northwest Airlines
 Mr. Lester Irish, Irish's Cabs

ANNUAL REPORT, HAC: Mr. Roy Johnston of the Honolulu Advertiser, presented copies of the completed annual report for 1950-51. Mr. Johnston was commended on the fine job done. Secretary Honda suggested that in the future, a group picture of the Commission be also included.

KAHULUI AIRPORT - Sale of Steel: Mr. Harrison reported that he had written Mr. Kruse of the engineering department of HC&S Company, requesting that all steel, over and above the authorized quantity, be replaced. He said that a detailed accounting of the steel situation at Kahului was contained in his written report of December 11th.

Mr. Furtado asked who was responsible for the unauthorized sale of steel. The Chairman replied that he would like the Commissioner from Maui to answer this question. The Chairman said, however, that Mr. Rice had told him by 'phone that all steel stockpiled had been set aside for Hilo and Honolulu, and that he gave no authority to HC&S to take additional steel from the stockpile, but had approved the removal of some loose pieces. The Chairman said that if HC&S Company can replace the steel there will have been no harm done. Mr. Furtado said that the Maui Commissioner was then guilty of authorizing sale of "loose pieces", and asked what these were. The Chairman stated that these were miscellaneous pieces in the area of the hangar torn down.

Mr. Edwards pointed out that there were two things to be considered: (1) The sale which was in itself in error or which was a result of misdirection, and (2) What steps the Commission should take to see that these things do not again happen. He asked further what could be done in the matter of checking of inventories for each county. He expressed the opinion that it was an indication of laxity and mishandling of the HAC's affairs and safeguarding of property, if it was possible for outsiders to move equipment onto airport property and haul away large pieces of steel. He continued that it would appear that something was decidedly wrong with the way the airports were run.

Dr. Sylva stated that the matter needs to be followed through to get the full story. He said that Mr. Rice had told him that the airport manager at Maui had been requested several times to check the amount of steel taken out; also, that HC&S had been asked to furnish an itemized list of material they were taking.

Mr. Edwards inquired into the steps being taken to obtain explanations in these matters.

The Director stated that the Director is not in any position to take issue with a member of this commission and expressed the opinion that it is the duty of the Chairman of the commission to do so.

The Chairman replied that he felt it was the Director's responsibility to let any commissioner know when he steps out of line, and then make a report on the matter. The Director said that a report had been made.

In reply to Mr. Furtado's inquiry as to the reason for the Director being unaware of the situation for so long, and to Mr. Edwards' question as to whether or not he had received a report from the administrative staff immediately upon removal of this material, Mr. Harrison stated that his first knowledge of the matter came from HC&S, giving a list of the material which had been removed. He said that Mr. Kruse of HC&S told him that permission had been received from the Maui Commissioner.

The Chairman said that as soon as the matter was reported to him he called a meeting of the Director, Engineer, Administrative Assistant, and Mr. Theodore Vierra, and then instructed the Director to go to Maui and check on the story, and also directed the Engineer and the Architect to go to Maui to see if there were enough steel left for Hilo. After his inspection Mr. Vierra reported that there were about five pieces of steel not yet dismantled which could be used at Hilo. The Director then instructed the Maui work force to dismantle the rest of the building to recover those pieces. The chairman continued, that Mr. Morrison of the DFW had been asked to work up a list of steel needed for the Honolulu terminal expansion. Dr. Sylva said that he had also requested a complete inventory, which is presently being worked on, and that as soon as it is received the commission will have a better basis on which to go.

Mr. Furtado stated that an inventory should be made of everything on Maui and a record kept both at Maui and the Central HAC office. He moved that, for control purposes, an inventory of all HAC property on all airports be compiled, including salvage materials, and that a record be kept up to date and on file both at Maui and in the central HAC office. Motion seconded by Mr. Edwards.

Mr. Lee pointed out that the law prescribes each department to file with the Auditor an annual inventory of all properties under the control of each department, but that - in his recollection - he did not recall the expendable salvage material being considered as such and reported as such. He stated that an inventory should have been started when the razing took place to see what the salvage material was worth to offset the cost of razing.

In the discussion which followed, Mr. Furtado said that in order to keep proper control when dismantling of a building is begun, a record should be kept of what has been taken down, where it has gone, and what it has been used for.

Mr. Furtado's motion was carried unanimously.

FINANCE COMMITTEE RECOMMENDATIONS: Reporting on a meeting of the Finance Committee, held December 13th, Mr. Honda made the following recommendations approved by the Committee:

- (1) T-Hangars: That a sum not to exceed \$20,000 be appropriated for building 4 hangars for private owners at Kona Airport. Motion by Mr. Furtado to adopt the recommendation; seconded by Mr. Edwards and carried unanimously.
- (2) Airport Operators Council Convention to be held in Los Angeles in March 1952: That the HAC, through the Governor of the Territory of Hawaii, extend an invitation to the AOC Convention to take a post convention tour to Hawaii, and that the Hawaii Visitors Bureau be requested to assist in this matter. Motion to approve the Committee's recommendation by Mr. Bright, seconded by Mr. Furtado and carried unanimously.

- (3) Kahului Terminal Building - Revised Plans: It was recommended that the Commission adopt the latest floor plan for the Kahului Terminal which now includes an HAC office in that corner which was formerly designated for occupancy by TPA. Motion to adopt recommendation by Mr. Bright, seconded by Mr. Furtado.

Mr. Furtado inquired what the cost would be to put this change through, Mr. Kee estimated the cost at approximately \$75.

Motion carried unanimously.

- (4) Service Station, Lihue Airport: Kauai Motor Tours had requested that they be given an exclusive concession at Lihue Airport to operate a service station. The Committee's recommendation was that this matter be deferred and that a policy affecting such concession on all the airports be further studied and be reported out at some future date; that the request be denied on this basis.

The Chairman indicated that no motion was necessary on this matter.

- (5) Kahului - 5 year lease: It was the committee's recommendation to deny requests for a 5-year lease, on the ground that the HAC does not yet have title to the airport. Motion by Mr. Honda, seconded by Mr. Bright and carried. Mr. Edwards voted in the negative.

- (6) Request for reduced rental rate at Kahului: The committee recommended that a request from Nix Ready Mix for a reduction in rental rate be denied. Motion to this effect by Mr. Honda; seconded by Mr. Furtado and carried.

Mr. Edwards voted in the negative. He suggested that rather than disallow the request for a reduced rate, the Commission reaffirm its intention to adhere to the established schedule of rates and charges.

- (7) Transfer - Kahului Airport: Mr. Honda reported that Mr. Barlow, Attorney for CAA, explained at the Finance Committee meeting that House Bill 4511, now in congressional committee, would transfer the airport to the Territory. However, in case the Navy should recapture the field for any reason the title would again be lost. For that reason CAA would not be able to participate in airport projects at that airport. Mr. Barlow informed the committee that if the commission was desirous of future CAA participation, an amendment to the bill could be proposed. The matter was deferred until a subsequent meeting when the Maui Commissioner will be present.

HILO AIRPORT BUILDINGS - REPAIR OF: Mr. Furtado reported that the three buildings at Hilo which are being relocated are in a considerable state of disrepair and in order to make them permanent structures in good usable condition, an additional sum up to \$2500 would be needed for painting the interiors and exteriors and fixing the approaches to the buildings. He moved that a sum of \$2500 be appropriated for this purpose. Motion seconded by Mr. Bright and carried unanimously.

RETIREMENT OF CAA REGIONAL ADMINISTRATOR: Mr. Kee apprised the commission of the coming retirement of Mr. W. E. Kline, Ninth Regional Administrator of CAA, and said that he thought, in view of Mr. Kline's past record with CAA and in aviation generally, the Commission would possibly like to have the Director write Mr. Kline in behalf of the Commission and thank him for his past excellent service.

Mr. Edwards moved that the Director handle this matter in the Commission's behalf; seconded by Mr. Furtado and carried unanimously.

Mr. Kee was thanked for bringing this matter to the Commission's attention:

TAXI OPERATION, HONOLULU AIRPORT: Dr. Sylva stated that Mr. Lester Irish has asked to be heard by the Commission relative to taxi operations at Honolulu Airport. He said that it had been his impression, up to the time Mr. Irish contacted him by telephone, that these operations were running smoothly at the airport. Dr. Sylva continued, that the Commission would be glad to hear from Mr. Irish and that ideas and suggestions proposed by Mr. Irish would be considered by the special taxi committee.

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Mr. Irish spoke at length on the manner in which taxi operations were being carried on at the airport. He said, in substance: (1) His company had been unable to operate from the airport on a business-like basis because of the conduct of other taxi operators operating in competition with Irish; (2) His drivers had been belittled by other cab drivers;

(3) Customers already engaged to travel by Irish's had been induced away by other cab drivers; (4) That competitive companies had representatives working behind a particular baggage counter and, generally, within the terminal to engage fares; (5) That transportation companies operating in competition with his company on the airport were breaking the established airport rules and regulations in many ways, but said that he had been unable to get positive corrective measures effected by the airport management. He asked the Commission to enforce these rules and regulations.

The Chairman informed Mr. Irish that his statements would be referred to the special taxi committee for investigation. He said that shortly after the new year a meeting would be held with representatives of Irish's cabs and other operators and with the HAC supervisory officials to discuss the entire matter.

Mr. McCraw asked that he be given the opportunity of being heard at that time.

Mr. Taylor of Northwest Airlines spoke briefly on the airlines' contracts with Gray Line for transportation services.


Mr. Gillette stated that Mr. Irish had made a number of misleading statements and it is his plan to present to the Director his answers backed up by proof.

The Chairman said once again that the matter would be referred to the committee. He said also that it was the committee's intention to meet with outer island operators, on their respective islands, to discuss problems they may have and to hear their suggestions.

MINUTES: The Minutes of the regular meeting of the Commission held November 26, 1951 were approved as circulated.

ADJOURNMENT: The meeting was adjourned at 3:15 p.m.

Respectfully submitted,


Ralph C. Honda, Secretary