



State of Hawaii
DEPARTMENT OF
TRANSPORTATION

YEAR ENDING JUNE 30

1968

JOHN A. BURNS
GOVERNOR



STATE OF HAWAII
DEPARTMENT OF TRANSPORTATION
869 PUNCHBOWL STREET
HONOLULU, HAWAII 96813

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IN REPLY REFER TO:

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

Dear Governor Burns:

We hereby submit the annual report of the Department of Transportation for the fiscal year which ended June 30, 1968.

During the year, the State took possession of \$40.2 million worth of private waterfront land which will be incorporated into public operations at Honolulu Harbor. Other highlights of the year included the opening of two major segments of Lunalilo Freeway in Honolulu and the intensified planning for a \$37-million expansion at Honolulu International Airport.

Construction contracts granted during the year totaled \$30,517,831, as compared with \$21,819,410 for the fiscal year ending June 30, 1967. The 1968 fiscal year total was divided as follows: highways, \$27,132,698; airports, \$1,357,473; and harbors, \$2,027,660.

The Department continued to benefit from the information and recommendations of the Honolulu International Airport Task Force and the Honolulu Harbor Task Force. The ranks of these representative citizens' groups were joined during the year by the Ala Wai Boat Harbor Task Force, which will help us plan a million-dollar expansion of the State's largest harbor for recreational craft.

We are grateful to the members of all of these groups for their contributions to the sound long-range planning of important State facilities. We are grateful also to the numerous individuals and organizations who have offered testimony at public hearings and in correspondence. This kind of citizen participation should be encouraged and extended.

Transportation is, and must continue to be, "everybody's business" in our dynamic island community.

Very truly yours,

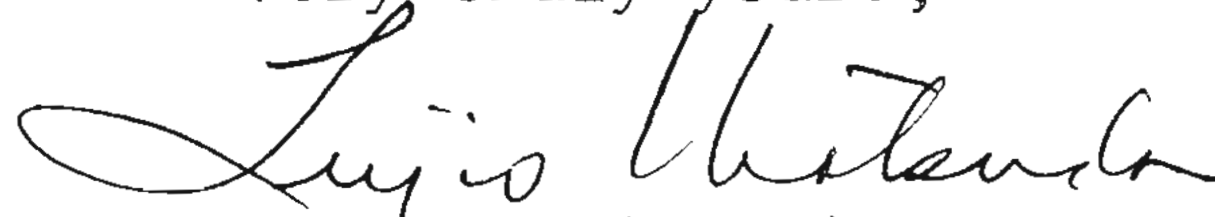

FUJIO MATSUDA
Director

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AIRPORTS



↓ **AAL BAGGAGE AREA**



AIRPORTS DIVISION

The Airports Division worked at an ever-quickening pace to keep the State's facilities geared to meet new developments in the rapidly expanding field of air transportation.

These developments included the opening of the State's second trans-Pacific gateway, the advent of the "common fare," the certification of new carriers and new routes, and the anticipated arrival of new and bigger jet planes.

Hilo's General Lyman Airfield achieved jet capacity early in 1965, when its runway was lengthened to 9800 feet, but it was not until October 1, 1967, that Pan American World Airways and United Air Lines pioneered direct scheduled flights between the Mainland United States and Hilo.

In anticipation of the new service, a major taxiway and apron project was completed at General Lyman in April, 1967.

Bids for terminal alterations were opened in March, 1967, prior to Federal approval of the new direct flights. The additions to the lobby, ticket office and baggage claim space were completed April 2, 1968.

The State plans to start construction of a new interim overseas terminal at Hilo during the '69 fiscal year, and to provide a permanent new terminal building within four or five years.

The "common-fare package" that accompanied the opening of the Hilo gateway allows unlimited stop-over on each of the four major islands at a fare of \$5 for each, except for one free stop-over at the turn-around point of the journey.

The plan saves the visitor up to \$48.90 over the old single gateway fare for a four-island swing, with stop-overs.

Airline leaders are predicting the common fare will stimulate air travel to all of the islands. Neighbor Island airports have already reported increased travel, apparently as result of the additional service and opening of new resort hotels.

About 40,000 pounds of papayas left for Los Angeles on the first direct United Air Lines jet flight from Hilo. The advent of the new service is expected to be a boon to Big Island farmers, who previously had to trans-ship Mainland-bound produce to Honolulu. Big Island orchid and anthurium growers are also expected to benefit from direct-flight shipments.

Intensified planning continued for the expansion program which will equip Honolulu International Airport to handle the new generation "jumbo" jets, and the increases in both passenger and freight traffic expected from the new types of planes plus certification by the Civil Aeronautics Board of new trans-Pacific routes.

The Honolulu International Airport Task Force completed its first full fiscal year of conferences and studies. On June 20, 1968, the Director of Transportation submitted to the Governor the recommendations of this citizens' advisory committee with his comments.

As the year closed, a summary of the technical considerations entering into the recommendations was being prepared by Leigh Fisher Associates, which acts as staff to the task force.

During the year, the plan to build the Boeing 747 terminal building with second-level loading for five gate positions at the end of the "Y" concourse was reconsidered on practical grounds.

With the first jumbo jets expected by December, 1969, the Task Force decided that the original plan should be altered somewhat to minimize serious dislocation of passenger movement, aircraft fueling and servicing, and to reduce costs.

The total cost of all Honolulu International Airport developments over the next dozen years is expected to reach the neighborhood of \$100 million.

About \$37 million worth of preparation will be necessary to provide for the scheduled inaugural arrival of the first Boeing 747 in December, 1969, and for the increased traffic expected by June, 1970.

Phase I improvements will increase the airport's capacity from about four million to eight million enplaning and deplaning passengers annually.

The State has engaged the Ralph M. Parsons Company of Los Angeles to design and manage construction of the airport expansion program. It is the first time in the history of the State that a single firm has been engaged to coordinate all of these phases of a massive public works program.

The Federal Aviation Administration rated Honolulu International Airport the 27th out of 318 FAA-operated airports in the nation during fiscal year 1968, with aircraft operations in all categories totaling 326,292. Air carrier movements in and out of the airport totaled 188,458, which were rather evenly spread over the 12-month period, averaging about 9871 per month.

Military flights averaged 5646 per month. General aviation operations varied from a low of 8694 in November, 1967, to a high of 12,364 in May, 1968.

Hawaii's first scheduled air taxi operations involving Short Take Off and Landing (STOL) aircraft were inaugurated in October by Air Hawaii, using deHavilland Twin Otter equipment. Initially an average of four flights originated daily from Honolulu International Airport for the Neighbor Islands. This service was expanded during the year.

United Air Lines inaugurated its stretched DC-8 flights into Honolulu in July with a schedule of four flights a day. The number of flights was expected to increase to 10 by July, 1968.

In December, 1967, the first Aero-Space Museum exhibit, a F-86L Sabrejet was installed in the garden area of Honolulu International Airport near the U. S. Customs Building.

During the first two weeks of June, 1967, Honolulu International welcomed its largest single group of visitors — 14,000 participants arriving for the American Bar Association's annual convention.

Implementation of Honolulu International Airport's expansion plans were already underway in fiscal '68. New holding rooms were opened for use, baggage claim areas were expanded and modern equipment installed, the Governor's Lounge was relocated and improved, the post office relocated and the employees' cafeteria was expanded and modernized.

Some of the major projects which were underway on the Neighbor Islands included repairs and restriping of the runways and taxiways at Kahului and Hana airports on Maui, repainting and other improvements at the Lihue, Kauai, airport terminal and major maintenance work on the Lihue runways and taxiways. A new fire truck was procured and placed in operation at Lihue.

The Visitor Information Program continued to assist arriving and departing passengers at airport terminals throughout the State.

A total of 758,028 counter contacts were made during the fiscal year. In addition, the VIP provided aid to military charter flights, servicemen on military Rest and Recuperation Leave ("R&R") and their wives, international students and East-West Center grantees, Government agencies, public organizations and youth groups also received help in providing expressions of "Aloha" at special arrivals and departures.

Visitor Information hostesses speaking foreign languages have been assigned to all major airports, and their linguistic versatility has been of assistance to the Federal border services as well as to foreign passengers.

The Visitor Information Program has assisted the Governor's Office with special events at Hickam Air Force and Pearl Harbor for arriving and departing dignitaries, and continued to participate in arrangements for outstanding visitors to Honolulu International Airport.

Among the airport's distinguished arrivals during the 1968 fiscal year were President Johnson, Vice-President Humphrey, the Queen Mother of Thailand, President Park of Korea, Madame Chiang Kai-Shek, the first ladies of the Philippines and Brazil, the crown princes of Laos, Japan, Nepal and Tonga, and the prime ministers of Thailand, Singapore, Japan, Tonga, Western Samoa, Australia, New South Wales and Cook Island.

An additional Visitor Information booth was installed in the Domestic Arrivals area at Honolulu International Airport. A large modern VIP booth replaced the old booth at the Kahului, Maui, airport. The Visitor Information booth at the Kailua, Kona, airport was relocated as part of the terminal expansion program. Future planning

for Honolulu International calls for two Visitor Information booths to be constructed at the Inter-Island terminals.

Visitor Information staff training has improved in scope and tempo and now includes training for newly hired employees, refresher courses in operations, supervisory training, and orientation tours of Oahu's points of interest, Waikiki hotels and the major Neighbor Islands.

The State continued to make progress toward the establishment of the Central Oahu Airport for General Aviation. A consultant was retained, cadastral and topographic surveys completed and engineering plans and specifications were about 50 per cent completed on June 30, 1968. Federal aid in the amount of \$384,905 has been tendered for this project.

The State has also enlisted the aid of the U. S. Comptroller General and the U. S. General Accounting Office in its efforts to obtain a portion of Bellows Field on Oahu for general aviation use. Negotiations are progressing slowly, but fruitfully, with the Federal Aviation Agency and the U. S. Department of Defense on this subject. It is hoped that the Secretary of Defense will render a favorable decision on the State's request during fiscal year 1969.

The General Aviation Officer organized a three-day flight instructor's clinic conducted by instructors from the FAA Aeronautical Center in Oklahoma. The clinic, which was attended by 65 local flight instructors, materially upgraded the quality and standardization of flight instruction in Hawaii. It is expected that a similar clinic will be conducted each year henceforth.

Until fiscal year 1968, the Department of Transportation and the Department of Accounting and General Services were sharing the responsibilities of advertising and awarding contracts for airport construction projects and of supervising the work underway.

By June 30, 1968, the Department of Transportation had gradually assumed the full responsibility for all State airport projects.

The following lists summarize all capital improvements projects which were under contract at State airports during fiscal '68.

The lists include projects for which the contracts were granted by the Department of Accounting and General Services in '67 and '68 fiscal years and which were being constructed under the supervision of the Department of Transportation in '68 fiscal year. Some of these projects were awarded late in the '67 fiscal year and were not started until after July 1, 1968.

During the 1968 fiscal year, the State Department of Transportation made all but two of the contract awards for capital improvements projects at State airports.

PROJECTS STARTED PRIOR TO FISCAL YEAR
AND COMPLETED DURING FISCAL YEAR

OAHU

Honolulu International Airport

SO-66-1 Relocation of Hangars 4 and 6 and other improve-
ments, additional taxiways and paving.

Contract amount: \$127,278.11; completion date:
December 13, 1967

O-90-1 Inter-Island Ramp Extension

Contract amount: \$57,512; completion date:
October 9, 1967

HAWAII

General Lyman Field

H-85 Alterations to Terminal Building - Additions
to lobby, ticket office and baggage claim space.

Contract amount: \$174,852.66; completion date:
April 2, 1968

MAUI

Kahului Airport

SM-67-9 Repairs to Runways and Taxiways. Slurry seal
existing runway and striping.

Contract amount: \$149,927.46; completion date:
November 8, 1967

Hana Airport

SM-67-10 Slurry Seal Runway.

Contract amount: \$18,781.95; completion date:
November 8, 1967

KAUAI

Lihue Airport

SK-67-14 Resurface Runway 3-21.

Contract amount: \$96,820.18; completion date:
August 16, 1967

PROJECTS STARTED PRIOR TO FISCAL YEAR
AND COMPLETED DURING FISCAL YEAR (cont'd.)

Lihue Airport (cont'd.)

SK-67-15 Repaint Terminal Buildings.

Contract amount: \$5,790.00; completion date:
August 2, 1967

SK-68-16 Repair Floor Tile - remove old tile and install new
floor tile for lobby.

Contract amount: \$2,885.00; completion date:
August 4, 1967

PROJECTS STARTED AND COMPLETED
DURING FISCAL YEAR

OAHU

Honolulu International Airport

SO-67-11 Reseal and repair roofing of the new terminal
building.

Contract amount: \$23,218.00; completion date:
November 15, 1967

HAWAII

General Lyman Field

H-65 Clearing and Grubbing for Runway 8-26
FAAP Project No. 9-52-008-C206

Contract amount: \$69,879.55; completion date:
May 15, 1968

PROJECTS STARTED DURING FISCAL YEAR
AND NOT COMPLETED AT END OF FISCAL YEAR

OAHU

Honolulu International Airport

S0-67-3, -4, -6 Holding room 7, expansion of baggage claim and installation of carousels, pedestrian overpass, escalators.
Contract amount: \$576,824.19

S0-67-1 Taxiway K extension and installation of illuminated taxiway signs. FAAP Project No. 9-52-007-C710
Contract amount: \$324,768.58

S0-67-7A Furnishing Governor's VIP Lounge.
Contract amount: \$15,365.52

S0-67-7 Expansion of employees' cafeteria, relocation of post office, construction of new Governor's VIP Lounge.
Contract amount: \$90,037.12

S0-67-12 Taxiway D Lights, transfer of electric power to new terminal, replacement of cables.
Contract amount: \$241,938.17

HAWAII

Kona Airport

H-89R Expansion of terminal building, new baggage claim area, ticket counters and parking lot expansion.
Contract amount: \$148,186.80

MAUI

Kahului Airport

M-71 Clear zone hazard removal. FAAP Project No. 9-52-012-C704
Contract amount: \$50,750.00

M-77 Terminal area improvements, parking lot paving, lighting and landscaping.
Contract amount: \$444,067.60

PROJECTS STARTED DURING FISCAL YEAR
AND NOT COMPLETED AT END OF FISCAL YEAR (cont'd.)

KAUAI

Lihue Airport

K-29 Improvements to maintenance area, expansion of
 air cargo building, new fire and rescue equip-
 ment shed.

Contract amount: \$61,902.98

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

Contract amount: \$46,990.75

AIRPORT CONSTRUCTION CONTRACTS
(awarded during fiscal year 1968)

<u>PROJECT AND LOCATION</u>	<u>CONTRACTOR AND DATE</u>	<u>AMOUNT</u>
Expansion of air cargo buildings, construction of new fire and rescue equipment shed, Lihue Airport, Project No. K-29*	Kauai Builders October 19, 1967	\$ 58,512.00
Clearing and Grubbing, General Lyman Field, FAAP Project No. 9-52-008-C206	Kuwaye Brothers November 7, 1967	53,440.00
Clear Zone Hazard Removal, Kahului Airport, FAAP Project No. 9-52-012-C704	E. T. Ige Construc- tion, Inc. November 27, 1967	50,250.00
Grading, drainage, paving ramp lighting, maintenance area, Lihue Airport, Project No. K-29*	J. P. Finan, General Contractor, Inc. January 9, 1968	47,170.00
Furnishing VIP Lounge, Honolulu International Airport, Project No. SO-67-7A	Western Contract Furnishers February 20, 1968	12,950.22
Strengthen Runway 8-26, Honolulu International Airport, FAAP Project No. 9-52-007-C811	Hawaiian Bitumuls and Paving Company February 21, 1968	990,499.00
Alterations to Terminal Building and Parking, Kona Airport, Project No. H-89R	F & M Contractors, Inc. April 22, 1968	144,652.00
	TOTAL	\$1,357,473.22

*These two contracts were awarded by the Department of Accounting and General Services.

AIRPORTS DIVISION
FINANCIAL STATISTICS
COMBINED BALANCE SHEET - JUNE 30, 1968 AND 1967

<u>ASSETS</u>	J U N E <u>1968</u>	3 0 <u>1967</u>
Cash	\$ 9,083,682	\$ 9,001,425
Receivables:		
Notes and Accounts, net	697,924	468,191
Aviation Fuel Taxes	340,712	265,797
Recoverable Costs from U. S. Government - Airport Aid	647,112	-
Due from Other Funds	2,174,369	1,055,514
Inventory, Materials and Supplies	52,998	49,940
Land	5,432,002	5,430,598
Improvements and Buildings	39,786,591	37,535,081
Equipment and Motor Vehicles	1,421,137	1,079,747
Construction in Progress	7,528,376	7,953,388
Amount Available and to be Provided for Retirement of Bonds and Payment of Interest	31,529,425	32,360,599
Bonds, Authorized, Unissued	15,568,700	15,568,700
Deposits	<u>1,500</u>	<u>1,500</u>
TOTAL ASSETS	<u>\$114,264,528</u> 1/	<u>\$110,770,480</u> 1/
 <u>LIABILITIES, RESERVES, FUND BALANCES AND SURPLUS</u>		
Contracts Payable	\$ 50,847	\$ 46,442
Contracts Payable - Retained Percentage	180,159	31,475
Interest Payable	290,577	301,486
Tenants' Deposits	45,707	51,249
Accrued Salaries and Wages	10,091	-
Accrued Vacation and Sick Leave	313,349	317,712
Due to Other Funds	1,300,605	422,401
Bonds Payable	66,175	91,843
Reserve for Encumbrances	872,743	2,045,333
Long Term Debt:		
Bonds Payable	20,822,172	20,905,467
Interest Payable - Future Years	10,707,253	11,455,132
Investment in Land and Fixed Assets	54,168,106	51,998,814
Fund Balances	18,699,766	18,555,593
Surplus	<u>6,736,978</u>	<u>4,547,533</u>
TOTAL LIABILITIES, RESERVES, FUND BALANCES AND SURPLUS	<u>\$114,264,528</u> 2/	<u>\$110,770,480</u> 2/

1/ Includes amount to be provided for payment of interest.

2/ Includes interest payable in future years.

AIRPORTS DIVISION
FINANCIAL STATISTICS
COMBINED ANALYSIS OF CHANGES IN FUND BALANCES
FOR FISCAL YEAR ENDED JUNE 30, 1968 AND 1967

	<u>F I S C A L</u>	<u>Y E A R</u>
	<u>1968</u>	<u>1967</u>
Fund Balances, July 1, 1967 and 1966	\$23,103,126	\$13,730,429
Add Reserve for Encumbrances	2,045,333	1,323,484
Add:		
Revenues	9,152,780	6,253,475
Legislative Appropriation and Authorization		
General Obligation Bonds	1,351,000	900,000
Airport Revenue Bonds Authorized - Unissued	-	10,139,000
Transfer from Other Funds	<u>1,327,189</u>	<u>6,784,537</u>
	\$11,830,969	\$24,077,012
Deduct:		
Operating Expenses	\$ 650,143	\$ 3,482,046
Equipment and Motor Vehicle - Operating Fund	371,806	68,682
Capital Expenditures - Project Funds	1,544,831	1,976,359
Debt Service Charges	1,974,050	1,670,842
Transfer to Other Funds	<u>6,129,111</u>	<u>6,784,537</u>
	\$10,669,941	\$13,982,466
Reserve for Encumbrances	\$ 872,743	\$ 2,045,333
Fund Balances, June 30, 1968 and 1967		
Revenue Fund	\$ 6,331,513	\$ 3,383,392
Aviation Bond Fund	362,475	323,538
Aviation Bond Reserve Fund	1,320,072	1,265,969
Aviation Operation and Maintenance Fund	14,805	841,411
Aviation Renewal and Replacement Fund	390,660	322,730
Airport Bond Fund - 1949 Authority	3,000,000	3,000,000
Airport Bond Fund - 1961 Authority	13,099	13,099
Airport Revenue Bond Fund - 1965 Authority	2,214,819	2,369,700
Airport Revenue Bond Fund - 1966 Authority	799,000	859,000
Airport Revenue Bond Fund - 1967 Authority	9,280,000	9,280,000
Capital Improvement Fund	<u>1,710,301</u>	<u>1,444,287</u>
	\$25,436,744	\$23,103,126

AIRPORTS DIVISION
FINANCIAL STATISTICS
CONSOLIDATED STATEMENT OF RECEIPTS,
DISBURSEMENTS AND BALANCES
FOR FISCAL YEAR ENDED JUNE 30, 1968 AND 1967

	<u>F I S C A L</u>	<u>Y E A R</u>
	<u>1968</u>	<u>1967</u>
Cash Balances, July 1, 1967 and 1966	\$10,896,102	\$10,297,831
Receipts:		
Aviation Fuel Tax Collections	\$ 3,684,280	\$ 3,036,575
Airport Operating Revenues	4,087,307	3,677,991
Federal Grant	363,600	146,739
Trust Fund Deposits	22,910	58,470
Advance from State Special Funds	-	479,000 <u>1/</u>
Reimbursement of Expenses	55,432	68,483
Vacation and Sick Leave Transfers	8,829	2,677
Appropriations	1,207,078	735,400
Interest on Investments	<u>75,548</u>	<u>100,347</u>
	\$ 9,504,984	\$ 8,305,682
Expenditures:		
Operating Expenses	\$ 5,066,059	\$ 2,759,561
Advances to Bond Fund	-	60,000
Advances to Airport Revenue Bond Funds	125,000	316,000
Advances to Other Funds	17,060	-
Repayment of Loan	-	103,000
5% Surcharge on Gross Receipts	339,822	288,299
Contribution to General Administration	204,895	178,193
Contribution to Visitors Information Program	236,286	238,273
Debt Service Payments	1,785,250	1,711,643
Refunds	49,368	66,877
Construction in Progress	1,499,643	1,982,228
Land	1,404	2,306
Vacation and Sick Leave Transfers-out	<u>2,155</u>	<u>1,031</u>
	\$ 9,326,942	\$ 7,707,411
Cash Balances, June 30, 1968 and 1967		
Encumbered Cash	\$ 1,176,853	\$ 2,086,251
Unencumbered Cash	<u>9,897,292</u>	<u>8,809,851</u>
	<u>\$11,074,145</u>	<u>\$10,896,102</u>

1/ Understated \$60,000.00 in Fiscal Year 1967 Annual Report.

DEPARTMENTAL STAFF

The work pace of the Departmental Staff continued to reflect the State's accelerating demands for increased transportation services in every area.

Two citizens' advisory committees created during fiscal '67 to help the Department with the master-planning of Honolulu International Airport and Honolulu Harbor made significant strides during fiscal '68.

A third citizens' committee was created in November, 1967, to advise the Department on the development of the Ala Wai Small Boat Harbor.

The Deputy Director for Operations continued to serve as chairman of the committees on the airport and Honolulu's commercial harbor, and the Deputy Director for Planning and Engineering became chairman of the committee which will help to blueprint the future of the State's largest small boat harbor.

The Deputy Director for Operations continued to head the Hawaii Highway Safety Council as the Acting State Highway Safety Coordinator.

The Council saw its work bear fruit during the 1968 session of the State Legislature, which added new provisions to the Highway Safety Act of 1967.

One of the most important of the new safety measures was the establishment of a statewide traffic records system under the authority of the State Highway Safety Coordinator.

With the completion of the Oahu Transportation Study in August, 1967, the agreement between the State and the City and County of Honolulu to coordinate their efforts in planning Oahu's transportation system entered the "continuing phase."

Under the reorganization, the Director of Transportation has assumed the chairmanship of the Policy Committee, succeeding the State Director of Planning and Economic Development.

The State Transportation Planner is now the newest staff officer of the Department of Transportation.

One of the first acts of the new Transportation Systems Planning Office was to engage the General Electric Company - TEMPO on October 6, 1967, to develop a computer-based system for the Department of Transportation to use in forecasting the needs for airport and harbor expansion and scheduling the necessary improvements.

The TEMPO project is to be completed on August 1, 1968, at a fixed cost to the State of \$80,000.

The Transportation Systems Planning Office also entered into a working agreement with the City and County of Honolulu to provide technical assistance in a study of access roads for the proposed Halawa Stadium.

Continuing participation in the City and County of Honolulu's Model Cities Project was initiated with the designation of the State Transportation Planner as Chairman of the Subcommittee on Transportation.

Arrangements for continuing participation in the City's Mass Transit Study were also completed during the year by the Transportation Systems Planning Office.

The office is also participating with the Honolulu International Airport Task Force in a study which will cover all possible modes of transportation — roadways, causeways, helipads, ferries, hovercrafts, VTOL and STOL aircrafts, etc. — which might facilitate the movement of people and goods to and from the airport and Waikiki and other Oahu destination areas as well as within the airport complex itself.

As of June 30, 1968, the Department of Transportation had 1,644 authorized positions in about 300 classes, ranging from unskilled laborers to the highest level of professionals and executives.

The number includes 47-1/2 positions in the Visitor Information Program which are exempt from civil service requirements, and 120 contractually hired crash and fire crew members at Neighbor Island airports.

The 1,644 positions were distributed among the organization's units as follows: staff offices, 65; airports, 406.75; harbors, 227.25; and highways, 945.

The total position count includes a greatly increased 1968 summer hire program. All 106 authorized student positions were filled for the summer program. These temporary employees included 58 engineering students, 42 clerical workers and six laborers and trades helpers.

For the first time in the history of the program the Department had more positions than applicants for summer jobs. Therefore it was necessary to recruit actively for the additional students required.

On June 20, 1968, the Department of Personnel Services declared all eight civil engineer classes to be in shortage categories and salary range Step G (the highest step before the first "longevity" increase) was set as the minimum (entering) pay level for each of the classes.

This action brought Hawaii from 30th to 6th place in engineering compensation among the 50 state highway departments, and is expected to be of tremendous value and assistance in recruiting to fill engineering vacancies.

The Departmental Personnel Office provides the Department of Transportation with a total personnel management program which includes a centralized system of payroll and preparation and processing, as well as safety and training and development services.

One of the outstanding personnel development activities of the year was the week-long Operations Research Seminar sponsored by the Department of Transportation and conducted by Messrs. John Shelton and James Browne of the Port of New York Authority. Top and middle managers of the Department of Transportation and interested managers from the Departments of Personnel Services, Planning and Economic Development, and Budget and Finance took part in this seminar.

The Department of Transportation and the Department of Planning and Economic Development co-sponsored a seminar for practicing engineers, "Highway Capacity Workshop", conducted April 15 - 19, 1968, by the Traffic Institute of Northwestern University.

The Programs and Contracts Office is responsible for preparing the Department of Transportation's annual Capital Improvements Program, the processing of fund allotments for capital improvements projects, the processing of requests to the Governor for approval to advertise capital improvement projects, and for the processing of construction and consultant contracts.

The Department's Capital Improvements Program authorized for 1968-69 by Act 40 of the 1968 Legislature included appropriations totaling \$134,948,000, divided as follows: airports, \$38,454,000; harbors, \$14,235,000; and highways, \$81,259,000.

During fiscal '68, the Programs and Contracts Office processed 155 construction, purchasing and maintenance contracts totaling \$42,863,318 (including allowances for extras).

The total was divided among the three operations divisions as follows: airports—18 contracts, \$1,359,186; harbors—28 contracts, \$1,949,703; and highways—75 contracts, \$39,554,429.

In addition, the office processed 62 formal contracts for consultants' services. They totaled \$3,658,224 (including allowances for extras) and were divided among the divisions as follows: airports—21 contracts, \$2,478,695; harbors—25 contracts, \$437,013; and highways—16 contracts, \$742,516.

The Property Management Office provides staff services to the Director of Transportation and the three operational divisions in the management of revenue-producing lands and facilities under the control of the Department.

The Property Management Officer reported that total revenues for the management of airport properties totaled \$4,281,735.14 during the fiscal year which ended June 30, 1968, as compared with \$3,667,908.19 for the previous fiscal year.

The biggest class of airport revenues for both years were "ancillary revenues," including concession fees, ground transportation services, rentals, and coin-operated lockers and storage, which totaled \$2,454,641.96 in fiscal '68, as compared with \$1,736,238.76 the previous fiscal year.

During the Fiscal Year 1968, "use fees" (landing fees, airport and terminal use charges) totaled \$618,833.07. Making up the rest of the '68 total were rentals of lands, buildings and equipment for both aeronautical and non-aeronautical purposes, and income from interest, sale of salvaged materials and other miscellaneous sources.

For the Harbors Division, the Property Management Office reported revenues totaling \$1,642,562 from properties and facilities, as compared with \$714,419.31 in fiscal '67.

Revenues realized from the commercial harbors properties increased from \$657,814.96 to \$1,534,356.87. Returns from small boat harbors went up from \$56,604.35 to \$108,205.13.

For the Highways Division, the Property Management Office conducted 22 public auctions for the sales of buildings in the path of highway improvements, and realized \$194,090.

Rental of properties acquired by the State for highway rights-of-way brought in \$130,004.04 during fiscal '68.

The Budget and Internal Control Office reviews the Department's operating budget and assists with its internal management.

As the fiscal year ended, the office was engaged in preparation of a management audit manual. One of its purposes will be to meet requirements of the United States Bureau of Public Roads, which administers grants of Federal money to state highway-building agencies.

ADMINISTRATIVE DIRECTORY
June 30, 1968

Director of Transportation Fujio Matsuda
Deputy Director for Operations E. Alvey Wright
Deputy Director for Planning and Engineering John H. McAuliffe, Jr.
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

Division Chiefs

Airports O. A. Byrne
Harbors Melvin E. Lepine
Highways Albert C. Zane

District Officers

Oahu

Airport Manager William H. Kraft
Harbor Master J. B. McCormick
Highway District Engineer Tit Mun Chun

Hawaii

Airport Manager John W. Cooper
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 William S. Latham
Highway District Engineer Edwin H. Nakano

DEPARTMENT OFFICES

Departmental Administration Offices

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Department of Transportation
State of Hawaii
869 Punchbowl Street
Honolulu, Hawaii 96813
Phone - 50511

Airports Offices

Airport Manager, Hawaii
Department of Transportation
State of Hawaii
General Lyman Field
Hilo, Hawaii 96720
Phone - 3100

Airport Manager, Oahu
Department of Transportation
State of Hawaii
Honolulu International Airport
Honolulu, Hawaii 96819
Phone - 855-981

Airport Manager, Maui
Department of Transportation
State of Hawaii
Kahului Airport
Kahului, Hawaii 96732
Phone - 729-302

Airport Manager, Kauai
Department of Transportation
State of Hawaii
Lihue Airport
Lihue, Hawaii 96766
Phone - 26601

Harbors Offices

Harbor Master, Hawaii
Department of Transportation
State of Hawaii
Pier 1, Hilo
P. O. Box 1555
Hilo, Hawaii 96720
Phone - 3957

Harbor Master, Oahu
Department of Transportation
State of Hawaii
700 Fort Street
P. O. Box 397
Honolulu, Hawaii 96809
Phone - 59372 or 501-461

Harbor Master, Maui
Department of Transportation
State of Hawaii
Pier 2, Kahului
P. O. Box 201
Kahului, Hawaii 96732
Phone - 76051

Harbor Master, Kauai
Department of Transportation
State of Hawaii
Nawiliwili, Kauai
P. O. Box 821
Lihue, Hawaii 96766
Phone - 2901

Highways Offices

District Engineer, Hawaii
Department of Transportation
State of Hawaii
50 Makaala Street
P. O. Box 403
Hilo, Hawaii 96720
Phone - 53347

District Engineer, Maui
Department of Transportation
State of Hawaii
962 Keaoolu Street
Kahului Kai (NASKA)
P. O. Box 700
Kahului, Hawaii 96732
Phone - 75061 or 75062

District Engineer, Oahu
Department of Transportation
State of Hawaii
721 Kelikoi Street
Honolulu, Hawaii 96813
Phone - 50511

District Engineer, Kauai
Department of Transportation
State of Hawaii
New Court House Building
Corner of Umi & Hardy Streets
P. O. Box 287
Lihue, Hawaii 96766
Phone - 2726

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--This aerial view looks toward Waialae along the new Kapiolani Interchange on Lunalilo Freeway in Honolulu. About four-tenths mile long, the project closed a gap between two previously completed sections of the freeway and takes commuters over one of the most complicated intersections in the city.

Page 1--The new control tower at the Kailua, Kona, airport was under construction at the close of the fiscal year as part of a terminal expansion program which will let the old airport accommodate traffic until it can be replaced by the proposed new airport at Keahole, about seven and one-half miles north along the Kona Coast.

Page 15--The wharf at Kewalo Basin on Oahu was extended seaward about 200 feet under a \$187,000 project started during fiscal year 1968. Kewalo Basin is the State's only commercial light-draft harbor, and chief headquarters for its fishing industry.

Page 33--The new Lumahai Bridge and its approaches have markedly improved the alignment of Kauai Belt Road through one of the Garden Island's most scenic areas.

Back Cover--(Top) Construction of a building and yard to house Harbors Division shop facilities at Honolulu Harbor was one of the major harbor projects started during the fiscal year.

(Bottom) The Visitors Information Program has been working closely with the military to insure success of the Rest and Recuperation Leave ("R&R") program in Hawaii. The designation of this booth as an "R&R" information center is part of a system developed for locating wives and parents arriving at Honolulu International Airport to be with servicemen coming in from the war area for their "R&R" leave.

