

New authority can improve state's airports

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All it takes is one look at Honolulu International Airport to know something's wrong. Broken-down bathrooms. Leaks, broken tiles.

Its shoddy appearance may be superficial, but it's only symptomatic of the larger problem: the failure of the state Department of Transportation to deliver essential improvements on a timely basis.

Exhibit A in this line of argument would be the years of delays in construction of a maintenance and cargo hangar for Hawaiian Airlines. The struggle with that project impeded progress on

others, upgrades worth hundreds of millions of dollars, [according to a report by Honolulu Star-Advertiser writer Kevin Dayton.](#)

In fact, Hawaii is atypical among states, most of which do handle airports separately from other transportation functions. The dismal record that has resulted here is distressingly long, and studying it leads to only one conclusion:

Another means of governance for the state's airports must be found. Fortunately, DOT itself acknowledges the problem and supports the quest for a solution.

The push for [Senate Bill 658](#), spearheaded by DOT, proposes one viable path the state should pursue: establishing an independent body that would have the focus and expertise to manage projects more efficiently. The measure is advancing quickly toward enactment, which is encouraging.

The bill would create the Hawaii Airport Corporation, effective July 1, 2018, to develop, manage, and operate the state airports and aeronautical facilities.

According to the latest version of the bill, a quasi-independent corporation, attached to DOT only for administrative purposes, can consolidate responsibilities now scattered among multiple state agencies. Key decisions are now made by the state Legislature, which meets only for a few months a year — and that means progress on airport concerns can bog down.

This makes no sense, given that a large share of revenues come not from the state general fund but from rents and fees paid by airlines and other private entities using the airport facilities.

Establishing a corporation with fewer constraints than state government is a smart approach.

For example, it makes sense to exempt the job of the chief executive officer from civil service laws. And the latest draft of the bill also deletes a pointless restriction on the CEO's salary. Previous iterations of the bill prohibited CEO pay from exceeding what a deputy DOT director earns.

If this new approach is to succeed, it would be better to base the salary on the market — what someone in a comparable position is paid — and to ensure that this person serves at the pleasure of the governing board of nine voting directors, not with the insulation of civil service protection.

The directors are to be appointed by the governor, but none is to be a state or county officer or employee. They will be required to have experience in one or more relevant disciplines: financial planning, budgeting, hospitality, tourism, commercial development, construction program management, marketing, law or aviation.

The notion of a separate airport board has won favor on several fronts, with representatives of labor and the tourism industry registering support at the state Capitol.

Not the least among these is Mark Dunkerley, Hawaiian Airlines' CEO, who has complained bitterly about the delays in the hangar project. State officials ultimately declared the general contractor on that project, DCK Pacific Construction LLC, in default of the contract.

Dunkerley considers this facility a “linchpin” in the overall airport modernization program: It must be finished to open access to the planned mauka concourse, next to the interisland terminal.

The airline has taken over control of the project, correcting various reported flaws in the work, which is pegged to be completed next year.

SB 658, which should be ushered promptly to final passage, includes the observation that airport planning, management, marketing and capital development are duties shared among DOT, the Hawaii Tourism Authority, the state Department of Budget and Finance and other agencies.

How can anything other than bureaucratic inefficiency result?

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And the airport leaves a lasting impression, on arrival to the islands and on their departure. It would be prudent — no, critical — for the state to do all it can to ensure that impression is a good one.