

Hawaii News

Legislators reconsider creating an entity to oversee airports

By [Marcel Honoré](#)
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BRUCE ASATO / BASATO@STARADVERTISER.COM

A sidewalk closed for construction greets departing travelers at Honolulu International Airport. The airport has been plagued with delays in plans to modernize.

Time is money.

Last year, it took Hawaiian Airlines a month to re-stripe lines outside the gates at Maui's Kahului Airport. It would have taken the state six times longer to get that work done, officials with the local carrier say.

"That's to paint lines on pavement," Hawaiian CEO Mark Dunkerley said in a recent interview at the airline's headquarters, bristling at the red tape his company often encounters. "That has a sort of theater of the absurd about it."

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For Dunkerley and his deputies, the Maui re-striping follows the same pattern of larger, costlier issues affecting Honolulu International Airport.

Outside their conference room window, heavy machinery operates across from the overseas terminal in a large dirt pit where a 345,000-square-foot rental car facility was supposed to have been built by now. On the airport's Ewa wing, legal battles with a contractor have stalled the state's progress to build a new hangar for Hawaiian to use, then demolish the old one, and then build a new concourse to fit larger planes.

Dunkerley, who leads one of the state's largest employers, blames the issues that have plagued the Honolulu airport's languishing modernization project — plus the leaky roofs and bathrooms, broken escalators and other blights that sometime greet travelers — on what he said is a cumbersome state procurement process that's unfit to manage the airport and the roughly 8.5 million to 10 million passengers it serves each year.

"It's our showcase," he said. "It's the first place people see on arrival, and it doesn't do justice to this terrific community the way it is. The ambition was to make sure it was adequate for our needs, and we're not delivering on that."

For a second year in a row, legislation is moving at the Capitol that would shift oversight of Hawaii's 15 airports from the state Department of Transportation to a new airport authority — a "corporation" led by members with industry expertise. Last year, the measure died near the end of the session during the Legislature's pivotal conference negotiations.

Dunkerley and other supporters — which include the DOT itself — hope the new governance model would speed up construction and repairs. The state's model, they argue, is designed to carefully oversee taxpayer dollars but it can't keep pace with the needs of Hawaii's airports, which are paid for by the airlines and other users' fees.

However, critics say that DOT has been derelict in managing the Honolulu airport even though it's capable and that little would change under the proposed nine-member authority board. Instead, the problems at the airport would only "get buried deeper," Sen. Donna Mercado Kim said.

Even if the airport is funded by user fees and not taxpayer money, it's the consumers who originally pay those fees so public transparency remains critical, she and other critics say.

"It's not the procurement process that's slowing us down — it's the department itself," Kim said of DOT earlier this week.

'Hoover Dam faster'

The HNL modernization, a project that aims to add new concourses and wider taxiways for bigger planes, has taken 13 years so far. When ground finally broke in 2013, state officials estimated it would finish sometime this year. Hawaiian Air employees say now they don't know when it will be finished. (DOT Director Ford Fuchigami said in an interview Friday that he believes the latest estimate is 2020.)

In that time, six other major airports have done similar upgrades; in Detroit, Atlanta, San Diego, San Francisco, Dallas and Los Angeles; according to Dunkerley.

"During this time where we've been crawling, they've been running," Dunkerley said.

"They built the Hoover Dam faster than we're building this thing right now," added Kaiali'i Kahele, Hilo's new Democratic state senator — and a pilot for Hawaiian. Kahele's father, the late Sen. Gilbert Kahele, signed last year's bill to establish the authority hours before his death, Kaiali'i Kahele said Thursday.

The Honolulu airport's modernization has required approvals in two different legislative sessions — first for design and later for construction, Dunkerley said. It's seen three different governors, including former Gov. Neil Abercrombie, whose administration halted the project about two years for review, he added.

It's a cautious, slow process that "is preordained to fail," Dunkerley said.

Kim expressed deep skepticism, however.

Last month, she joined two other senators, Breene Harimoto and Brian Taniguchi, to vote against moving the airport authority measure ([Senate Bill 658](#)) to the House. Such an authority would still have to follow its own legal procurement process — something “very similar to what we’re doing now” — so not much would change, she said.

Furthermore, airport authority board members would have other primary jobs and responsibilities, yet they would be expected to oversee a “huge bureaucracy” at monthly meetings, she said. “Many of these board members do not have the time to roll up their sleeves and get in the nitty gritty,” Kim said.

Kim criticized DOT’s handling of the airport project, saying the agency got poor results from the outside consultant it hired to oversee construction of the now-stalled Hawaiian hangar. DOT “should be held accountable for everything that’s going on,” she said. “It’s the lack of oversight, the lack of diligence ... there should be hearings going on on all this stuff.” Fuchigami declined to comment on the hangar situation, citing the ongoing legal action.

Randy Perreira, executive director of the Hawaii Government Employees Association, expressed similar concerns. “We don’t disagree that we would love to see our airports upgraded” but the current state bill “creates a corporation that has no oversight (and) is accountable to nobody,” Perreira said Thursday. The bill also lacks the employee protections that HGEA wants and “raises too many questions at this point,” he added.

Fuchigami, the DOT director, said that an authority could craft a shorter procurement process than the state’s. Sarah Allen, the state’s procurement officer, even sent the Legislature draft language for a new process that the authority could use, he said.

“Procurement has an effect on everything,” Fuchigami said. “We’ll be able to go out and do things in these airports in a much faster manner.”

An airport board would also be able to move approvals along quicker than the Legislature, which only meets several months each year in session, he added.

Airline affected

The delays have inhibited Hawaiian's growth, Dunkerley said. The airline doesn't have enough gate space, and this past summer some planes sat on the taxiway for more than an hour waiting for a place to park, he added.

The limited space has affected the airline's ability to compete, and that affects not only the company but also its local employees, Dunkerley said.

Kahele, who supports SB 658, said the state's process has delayed common amenities found in other major airports, such as recently added diaper-changing stations to the restrooms in HNL's baggage claim area.

Kahele also pointed out that HNL still doesn't have free Wi-Fi service, although Fuchigami said it's coming soon.

"We are lagging way behind our competitors around the world," Kahele said. He added that he did not see a conflict of interest in supporting the bill as a Hawaiian Air pilot.

Dunkerley and other authority supporters note that most other U.S. airports are not run by state transportation departments, and that "Hawaii is the exception, rather than the rule."

However, other authorities around the country typically don't oversee 15 airports as the proposed Hawaii authority would have to do, Kim said.

Earlier this month, Sushil Ranjan, a North Carolina resident who visited Oahu with his wife and son, said that he wasn't dazzled by the Honolulu airport's appearance.

"It doesn't look like a beach area. It didn't feel like Hawaii. It looked like a city," Ranjan said while sitting with his family in the departures lobby. Their luggage rested atop blue pads placed around the terminal to absorb water and leaks.

"It looked like a very small, basic airport," Ranjan said.

SB 658 unanimously passed the House Labor Committee last week. The Finance Committee will now have to schedule a hearing for the bill if it's to advance.