SENATE . . . . No. 660

The Commonwealth of Massachusetts

REPORT OF THE COMMISSION ON ADMINISTRATION AND FINANCE UNDER SENATE ORDER NUMBER 768 ADOPTED BY THE SENATE JUNE 24 AND BY THE HOUSE OF REPRESENTATIVES JUNE 30, 1953.

To the Great and General Court of Massachusetts.

Pursuant to the above entitled order, the Commission on Administration and Finance has held hearings, listened to the testimony of twenty-six witnesses and has about 600 pages of testimony. Some of these witnesses appeared on several different occasions.

The more caustic criticisms of the State Airport Management Board, hereinafter referred to as the SAMB, is contained in pages 10 and 11 of Senate, No. 615, which is a report of the Special Recess Committee on Aviation, and is signed by fifteen members of that Committee. The contention of the Committee was —

1. That funds for expenditure were being improperly requested.

2. That the office staff expense of $50,000 annually was not reported as maintenance cost.

3. That several hundred thousand dollars of bond issue funds in 1951 and 1952, used for salaries, supplies and equipment, should not have been paid out of bond issue funds.

4. That the airport has been operated at a deficit.

5. That the financial status, construction and operation of Logan Airport was not what it should be.

6. That lack of planning, misleading reporting of costs and delay in construction lead the Committee to believe

that the Board has not accomplished the intention of the 1948 act which originated this Board.

Your Commission finds that none of the six contentions in this report was substantiated by the evidence before us.

It must be borne in mind that the SAMB is set up as an administrative body to operate Logan and Bedford airports. The Legislature appropriates certain funds for maintenance of the airports. It also authorizes certain bond issues for "the further development of Logan Airport."

It is the SAMB who have the responsibility to certify, under penalty of perjury, on every invoice or order, whether the funds spent were for ordinary maintenance or for "the further development of Logan Airport." This decision is a matter of administrative judgment and opinion. Our Commission can find no improper charge or allocation of funds.

We found a difference of opinion between the SAMB and the Recess Committee that the amortization of the bonded indebtedness should or should not be included in public statements in the determination whether or not the airport is operating at a profit or loss.

This is also a matter of administrative judgment and opinion of both groups and cannot be resolved until there is clarifying legislation on the reporting of the financial status of this state agency. This could very well apply to other agencies and authorities under the jurisdiction of the Legislature.

We believe that the Recess Committee was poorly advised in the wording of this report, as the testimony shows that it does not express, in many instances, its thought and intent.

In regard to the Lawrence G. Hanscom Field, known as Bedford Airport, we wish to report that the questions raised in Senate, No. 615 are in the process of being resolved by legislative and administrative action.

We do further recommend that all precautions be taken to assure the continuance of commercial and private flying from this airport, and that adequate protection be planned for the surrounding communities as well as that

of blind flying operations at Logan Airport. This Commission feels that Bedford Airport merits more consideration.

The order requesting our Commission to investigate the airport and Aeronautics Commission arose out of an incident before the Aeronautics Committee, where a pie-shaped blueprint was exhibited by a member of SAMB. This blueprint was from the firm of Markus & Nocka, architects and engineers, where Robert Cutler, son of Senator Cutler, was employed. This blueprint was dated December, 1951. It is titled Logan Airport Central Tower Appropriation. The pie-shaped diagram shows $25,000 survey and over-all planning; estimated construction contract, $400,000; designing, engineering, and supervision fees, $25,000; and contingencies, $50,000 — total, $500,000. Written at the top is "Commissioner: Here's my suggestion, as you know. We like our pie à la mode. R. B. Cutler."

The appropriation for the control tower was chapter 756, signed October 30, 1951. The pie blueprint was given to Commissioner McGrath by Robert Cutler some time between December, 1951 and March 10, 1952. At that time Cutler was having conferences and exchanging letters on the control tower and two other contemplated projects for the airport. During this period Senator Cutler was in a hospital or out of the state recuperating from her operation.

Under the appropriation, not one cent could be used for an over-all study which is directly contradictory to the proposal of Robert Cutler.

The procedure, when the architect was hired for the control tower, was that the SAMB sent a list of three choices to the Massachusetts Public Building Commission, and said Commission approved one of these choices. Samuel Glaser was first choice, Markus & Nocka the second choice, and Perry, Shaw & Hepburn, Kehoe & Dean the third choice.

The Massachusetts Public Building Commission approved Samuel Glaser.

Although there was a request by the Senator for an

appointment for her son to see the SAMB regarding work at the airport, at no time was there any evidence that the Senator requested any of the persons involved in the selection of an architect to appoint her son or the firm for which he worked.

We find that Robert Cutler, in his attempt to be humorous, has shown very bad judgment. Although there was no actual improper conduct, such a statement, which is susceptible of many implications, was ill-advised and beyond what we would call humor.

We also find that Commissioner McGrath, if he was surprised by this blueprint, as he stated, also used poor judgment in not showing this blueprint to his Board for fourteen or fifteen months.

After Mr. Glaser started his design of the control tower, there were several discussions and conferences between him and Mr. Nichols, engineer for the Massachusetts Public Building Commission.

The original request of Massachusetts Public Building Commission to the SAMB and Mr. Glaser was that so far as possible the tower plans should fit the plans for the Central Building which cost the Commonwealth about $400,000. There was also the question of using the foundation presently in this location to accomplish this purpose. In April of 1953, at a meeting of the SAMB with the MPBC, Mr. Nichols expressed fear that the present foundation and design of the tower would not be safe. It was jointly agreed that Mr. Small, a structural engineer, would be hired by the SAMB to check the structural design for safety. In November, 1953, the final plans were considered, and at that time Mr. Small stated he would not approve the structural design. As a result, there was a further delay until a new design for the foundation was made and approved. These final plans and specifications are now out for bids, and the completed tower will fit the Central Building floor levels and plans.

It was apparent to this Commission that although all parties concerned were interested in the furtherance of aviation in Massachusetts, their judgment as what should

be done and how it should be done was beclouded by a clash of certain personalities and their individual prejudices. This Commission, under authority of chapter 7 of the General Laws, conducted hearings in accordance with its regular procedure.

It is the contention of the SAMB that the report of the Recess Committee of fifteen members, Senate, No. 615, was damaging to their personal reputation, and that this report was so worded because Robert Cutler did not obtain the tower design contract.

We can find no evidence that there was any intent on the part of any individual to damage the reputation of any other individual. The facts are that the SAMB could only suggest an architect, as under the law at that time final approval was made by the Massachusetts Public Building Commission. This information was available to the Recess Committee who signed the report.

In regard to the underground gasoline distribution system, the Commission feels that such a system might be an asset to the airport, but also feels that it can be studied without the expenditure of $25,000 as was suggested at the hearing.

To date, the Commonwealth of Massachusetts has invested approximately $50,000,000 in the construction and development of Logan Airport. There can be no question that air transportation is necessary for the prosperity of this State. The question which now confronts us is how much more are we going to spend on this facility, and how best to make it a self-liquidating facility.

First, we believe that the airport has not been adequately promoted. We believe that the promotion of aviation should be grouped with that of shipping and of business and industry in the Commonwealth. We therefore suggest that the promotion of all such facilities should be under the Department of Commerce.

Secondly, from the evidence given us it appears that besides capable business men needed to obtain the most value from the airport, it is also necessary that a knowledge of aviation should also be available. Under the pres-

ent organization there is a lack of co-ordination between the SAMB and the MAC. This is not in the best interests of aviation in the Commonwealth. We therefore recommend that there should be one authority consisting of six members with a commissioner, having within its organization a division for construction and operation and division for regulation, each headed by a director. With such an organization we believe a co-ordination of activities concerning aviation may be realized.

Respectfully submitted,

COMMISSION ON ADMINISTRATION AND FINANCE.

CARL A. SHERIDAN,
Commissioner of Administration.
FRED A. MONCEWICZ,
Comptroller.
GEORGE J. CRONIN,
State Purchasing Agent.
WILLIAM H. BIXBY,
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