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Appendices and Attachments

- Appendix A: Testimony from Mililani/Waipio/Melemanu Neighborhood Board
- Appendix B: List of 25+ Alternatives
- Appendix C: Letter from Communications Pacific dated September 1, 2005
- Appendix D: David Shapiro Commentary: “Public left in dark on details of Honolulu’s rail recovery plan”
- Appendix E: Resolution from Rail SOS

Auditor’s Report on Internal Control Over Financial Reporting and on Compliance and Other Matters. *Note this document could not be incorporated into the package and is being sent separately because it is password-protected.*

For reference, the June 3, 2022, Recovery Plan can be found at <https://www.dropbox.com/s/ihk7kz0cle3mgxe/20220603%20-%20HART%202022%20Recovery%20Plan.pdf?dl=0>.

RESPONSE TO HART'S JUNE 3, 2022 RECOVERY PLAN EXECUTIVE SUMMARY

ES-1 INTRODUCTION

HART lays out the reasons for submitting a revised plan in the introduction including the termination of the P3 procurement, project cost increases, COVID-19 impacts, and more HART leadership changes.

While on the HART Board, Mr. Joe Uno, a professional cost estimator, repeatedly asked HART in early 2021 to develop a revised recovery plan. Had HART taken his request seriously in 2021, they wouldn't have had to rush this plan through in 2022.

ES-2 REQUEST FOR TRUNCATION OF THE FFGA PROJECT SCOPE

HART states it is "also confident that it will be able to complete the next phase of the Project to Ala Moana Transit Center using future local and/or other funding."

This is the same type of hubric statement that backed the 2019 Recovery Plan.

The plan proposes that the FTA accept a truncated project with a separate phase to Ala Moana "as sufficient funding becomes available." Unspecified promises of future funding *must not* be relied upon as a basis for approving this plan.

According to HART, project cost increases are a contributing factor for this revised recovery plan. We propose that a pattern of poor cost estimating, exacerbated by political interference, is the major factor for the shortfalls that have plagued this project.

Additionally, the 1,600-stall Pearl Highlands Parking Garage will be deferred under this plan, despite the fact that several Central Oahu communities oppose this deferral, as represented by the public testimony that was given before the Honolulu City Council during its June 1, 2022, full council meeting. (See attached sample testimony from the Mililani/Waipio/Mememanu Neighborhood Board as an example of concerns raised.)

ES-3 ESTIMATED PROJECT COSTS

It is understood the FTA recommended that HART have its costs reviewed by a third-party consultant. However, HART spent a lot of time last year considering all risks and prior history to come up with an estimate that was a P95. The current estimate is only P65. Given this project's poor history of cost estimation, P95 would be a better basis for cost projections.

Triunity's report serves as a method to "rubber stamp" reduced costs rather than use the estimates that were prepared by HART staff who have intimate knowledge of the project.

- We urge the FTA to determine why HART is more confident in a third party’s “assessment” than the detailed work of its own in-house engineers and estimators.
- Triunity’s recommendations were almost exclusively limited to subjective reductions in contingencies rather than in substantive considerations. No line items were increased. The project will be entering the most difficult and potentially costly areas of construction as it heads into downtown Honolulu. Reducing contingencies for this area does not seem prudent, and these assumptions should be questioned vigorously.
- Triunity’s Independent Cost and Schedule Assessments are just that, assessments. Its report should be informative and not declarative of the project’s cost and schedule. HART’s staff should take these recommendations and develop its own EAC and schedule.

ES-4 PROJECT FUNDING AND FINANCING

HART did not take into account significant changes under Act 1 of 2017 when calculating the compound annual growth rates for GET and TAT. This leads us to believe that revenue projections are overly aggressive.

ES-5 MANAGEMENT CAPACITY AND CAPABILITY

Improvements have been made in HART management and organization. However, key areas such as transparency and financial oversight need significant improvement.

ES-7 RECOVERY PLAN SUMMARY

HART, the Honolulu City Council, Project Management Oversight Contractor (PMOC) and others have spent considerable time producing this plan and submitting input, but adequate time was not provided for complete review prior to submission to the FTA. The HART board had barely one week to review the 170+ pages, and the Honolulu City Council was only provided the final copy on May 18. A formal presentation of the plan was given to councilmembers on May 24, eight days prior to their final vote, despite several requests by the council chair for an earlier release to provide for careful review.

A plan as important as this deserved greater scrutiny than was allowed under this tight timeframe. We are counting on the FTA to ask tough questions, get answers and require that the plan be revised accordingly.

In addition, we recognize that HART plans to complete construction to the Ala Moana Transit Center in a future phase, but no funding sources have been identified. Given the state legislature’s statements that 2017 would be the last bailout for rail and the Honolulu City Council’s position on not increasing real property taxes, we believe additional funding is improbable, with the result that the critically-important Pearl Highlands Parking Garage or similar facility will likely not be funded or completed.

1 PROJECT STATUS

The introductory paragraph states that HART “Conducted value-engineering workshops.” We are concerned about the quality of the value-engineering workshops and dispute they were conducted properly. Our understanding is that these workshops were restricted in scope as the participants could not conceive of any ideas that were outside the constraints of the Full Funding Grant Agreement (FFGA).

In addition, while HART came up with more than 25 potential alternatives in early 2021, those alternatives were never discussed in public. (See attached.) The public was told many times that the FFGA could not be changed. However, if this Recovery Plan is approved, the FFGA will require an amendment.

1.1 Project Description

HART’s future plans include the eastern extension to Ala Moana as Operating Segment 4. However, it would make more sense to build a western extension to Kapolei and parking garage near Pearl Highlands.

1.2 Construction Status

1.2.1 Operating Segment 1 – West Side Stations and Guideway and

1.2.2 Operating Segment 2 – Airport Guideway and Stations

Reports that were provided to the HART Board between July 2020 and June 2021 showed nearly every activity in Segments 1 and 2 to be over budget and behind schedule. This is what led to the change in methodology that was used to arrive at the P95 EAC in early 2021. The contingencies were reasonable and proper for the risks and challenges that the City Center Guideway and Stations are sure to bring.

2 TRUNCATION OF FFGA PROJECT SCOPE AND FUNCTIONALITY OF SYSTEM

The May 10, 2019, Recovery Plan stated the Lagoon Drive Station is “the most practical location to transfer to and efficiently route connecting rail-access services;” yet this station is not even mentioned in the 2022 plan.

We urge the FTA to have HART address Lagoon Drive as a solution. If “enhanced bus service” is viable from the Civic Center as the plan states, it should also work from Lagoon Drive at a significant cost savings. We could forego the \$744 million and apply for a grant to fund a fleet of electric buses instead.

2.1 Delivery of a Functional System – Purpose and Need

If the stated project purpose is to “provide high-capacity rapid transit in the highly congested east-west transportation corridor between Kapolei and UH Manoa,” then rail should originate in Kapolei.

This plan ignores the stated need to support growth of Oahu’s second city of Kapolei, a city that has grown by more than 40% from 2010 to 2020, according to the U.S. census.

2.2 Deferral of Pearl Highlands Parking Garage

According to the plan, the estimated cost of the Pearl Highlands Parking Garage is \$330 million (approximately \$206,000 per parking stall). Similar garages have been constructed at average rates that span from \$35,000 to \$60,000 per stall. The estimated per-stall cost of the Pearl Highlands Parking Garage warrants further evaluation and a more detailed explanation as to why the cost exceeds national averages and that of similar Hawaii projects.

The impact of deferring the parking garage is estimated to be 1,500 daily riders; yet 1,600 stalls were planned. It begs the question: Is HART deliberately minimizing the impact of this deferral? Why was this garage part of the plan if the impact on ridership is so small?

2.3 Bus-Rail Interface

Having Express Buses that run from Lagoon Drive to Dillingham, Chinatown, Downtown, Kakaako, Ala Moana, Waikiki, and UH Manoa is smart. An express bus line may be faster than a rail that stops at every station and is certainly less expensive.

The 2019 Recovery Plan stated the following about the Lagoon Drive Station:

“former peak-hour expresses and all day regional rapid services operating between Aloha Stadium Station and major commuter destinations including Downtown Honolulu, UH Manoa, Waikiki, and East Honolulu will be discontinued at Aloha Stadium and implemented at Lagoon Drive station for convenient access to the H-1 Freeway. Major increases are planned for the new services, increased frequency on existing routes, and increases in spans of service. Although this is the penultimate stop in the interim extension, it is the most practical location to transfer to and efficiently route connecting rail-access services.”

We ask the FTA to determine why this is not in the 2022 plan.

2.4 Impact on Ridership

Ridership is estimated to decrease approximately 16.5% under the truncated plan. We ask the FTA to require HART to propose alternatives that increase, rather than shrink, ridership because of the long-term implications of operations costs with fewer riders to subsidize the service. For example, HART should look at extending the western terminus to the city of Kapolei.

3 FUNDING

3.1 Project Funding Summary

HART points out that approximately 83% of funding for rail construction is from local sources, including 66% from the general excise tax (GET). This is a highly regressive tax which hits low-income people the hardest as it taxes food, medical services and rent. The main state GET is 4% and has been equated with a sales tax of 12% to 16% or more due to its pyramiding nature.

With every significant increase in costs, the percentage of local funding has increased, putting more and more financial pressure on Oahu residents.

3.2 Federal Funding

For several years, HART and the City's Administration have mandated that no deviations from the FFGA could be considered for fear of losing the remaining \$744 million in federal funding and potentially the full \$1.55 billion. This mantra was questioned at various times, knowing that a reasonable alternative would not be denied.

In July 2016, FTA's Acting Administrator, Carolyn Flowers wrote to then-Mayor Caldwell: *"Logically, your first step will be to identify a range of viable options for cost containment, new investments in the Project, perhaps an interim terminus or deferral of certain stations and an analysis of the costs and estimated ridership associated with each such option."*

Had HART and the City acted prudently at that time, this Recovery Plan would have been prepared with the fidelity it deserves. Decision makers chose instead to withhold effort on a revised plan until the very last minute, which did not allow for adequate public review and comment. This is another example of the level of manipulation this project is under and why additional scrutiny by the FTA is warranted.

According to the footnote on page 19 of the plan, HART projects a savings of \$75 to \$130 million if the FTA were to accelerate payments of the remaining \$744 million. If the FTA were to do this, it would lose its leverage with HART. The concerned public is counting on the federal government to hold HART accountable, and it is much easier to do so with payments spread out as they are currently shown in Table 3-2 of the plan. Speeding up the remaining \$744 million would be akin to paying a home builder up front, and that would be unwise.

3.3 State-Wide GET and TAT

HART has based its GET and TAT revenue projections on the compound annual growth rate (CAGR) calculated from actual collections for fiscal years (FY) 2010 – 2019. (See Tables 3-3 and 3-4 in the plan.)

GET

Table 3-3 of the plan indicates the source is the City and County of Honolulu, February 2022, but a couple of these numbers are more than \$45 million different than amounts derived from City and HART audited financial statements, and the total of the years listed is overstated by about \$12.8 million.

GET collections for FY 2011, for example, were about \$166 million, not \$228.5 million as listed in Table 3-3. (Note the ~\$166 million agrees with the amount that was in the FFGA's financial plan.) GET collections for FY 2012 were \$193.5 million, not \$143.7 million. HART should be required to correct these amounts as noted in the following table.

Fiscal Year	GET Per Audited Statements	GET Calculated Cash Basis	GET Per Recovery Plan Table 3-3	Variances Too high or (Too Low)
<i>AR = Accounts Receivable</i>				
AR 6/30/09	41,108,000			
2010	157,555,320	162,208,320	162,048,559	(159,761)
AR 6/30/10	(36,455,000)			
AR 6/30/10	36,455,000			
2011	179,108,573	165,718,573	228,516,861	62,798,288
AR 6/30/11	(49,845,000)			
AR 6/30/11	49,845,000			
2012	190,664,993	193,521,207	143,676,207	(49,845,000)
AR 6/30/12	(46,988,786)			
AR 6/30/12	46,988,786			
2013	173,822,505	170,455,106	170,455,106	-
AR 6/30/13	(50,356,185)			
AR 6/30/13	50,356,185			
2014	218,390,853	219,289,704	219,289,704	-
AR 6/30/14	(49,457,334)			
AR 6/30/14	49,457,334			
2015	223,666,342	220,793,293	220,793,293	-
AR 6/30/15	(52,330,383)			
AR 6/30/15	52,330,383			
2016	233,323,231	229,344,241	229,344,241	-
AR 6/30/16	(56,309,373)			
AR 6/30/16	56,309,373			
2017	223,348,774	226,185,265	226,179,113	(6,152)
AR 6/30/17	(53,472,882)			
AR 6/30/17	53,472,882			
2018	274,273,592	260,747,450	260,802,235	54,785
AR 6/30/18	(66,999,024)			
AR 6/30/18	66,999,024			
2019	267,354,170	269,962,578	269,957,975	(4,603)
AR 6/30/19	(64,390,616)			
TOTALS	2,118,225,737	2,118,225,737	2,131,063,294	12,837,557

While one could question why HART choose 2010 - 2019 and not FY 2008 (the first full year of GET collections) through 2021, the more important question is, why didn't they take into account changes in the law that resulted in significant increases to collections in 2018 and 2019?

Act 1 of 2017 decreased the state administrative fee from 10% to 1%. Since the calculation for the CAGR uses the first year in the series, i.e., 2010 with a 10% administrative fee, and the last year, i.e., 2019 with a 1% fee, the amounts are not comparable. If HART had instead calculated the GET collections for 2019 using a 10% administrative fee (gross surcharge \$272.7 million), they would have arrived at collections of \$245 million and a CAGR of 4.7% instead of the aggressive 5.83%.

Note that the 2012 FFGA used a growth rate of 5.04%, but it was subsequently revised to 4.75% on March 31, 2015, to 4% on September 30, 2015, and to 4.3% on March 1, 2016.

Why are we all of a sudden using such an aggressive growth rate (5.83%) to project the GET surcharge? The lower rate of 4.7% is much more reasonable.

TAT

The projections for the TAT (Act 1) are similarly too high, as they do not take into account the almost 11% increase in TAT that occurred as a result of Act 1 of 2017. If the TAT for 2019 were calculated at 9.25% instead of 10.25%, TAT collections would have been about \$5.3 billion instead of the \$5.9 billion used in the plan. That would have resulted in a growth rate of 7.89% rather than the more aggressive 9.13% used by HART.

HART used the same growth rate to project the City TAT as it did the Act 1 TAT. These projections, therefore, also do not take into account the change in the TAT rate. In addition, HART did not consider the impact of the recently-approved Bill 41, which limits short-term rentals on Oahu. Short-term rentals and hotel charges are the basis for TAT collections.

Based on GET and TAT growth rates of 4.7% (calculated using a 10% GET administrative fee for 2019) and 7.89% (calculated using a 9.25% TAT rate for 2019), revenue projections would be reduced by at least \$200 million through FY 2030.

3.4 City TAT

The newly-implemented City TAT includes an allocation of 33.33% of tax to rail construction for the first two years and 50% to rail in perpetuity thereafter. HART wasted no time in identifying uses for this new source of funding stating:

“These potential future funds could be used to support future cash flow needs as contingency funds to complete the truncated FFGA scope”

It should be noted that the City will have to pay for rail operations and maintenance (O&M) and some elected officials have already identified this new source of revenue as a method to pay for it. Given that the Honolulu City Council and former mayors have been loathe to increase property taxes on homeowners, it seems very unlikely that they would authorize use of the City TAT for rail construction after FY 2030.

3.5 City Subsidy

Honolulu taxpayers were told that no real property taxes would be used for rail construction. This was a significant promise made to taxpayers that was broken as \$214 million City “skin in the game” was mandated by the state via Act 1 of 2017.

3.6 Risks to Funding

HART correctly points out that, “while the TAT collections are more volatile, GET collections have proven to be much more resilient and are by far a greater revenue source for the project.”

Both the State GET and TAT funding will end on December 31, 2030, in 8.5 years. Given the project’s past failures to meet both budget and schedule milestones, this 2030 sunset date poses a significant risk to future funding. Without these funding sources, the City will likely have to rely on property tax revenue and the City’s TAT to fund both O&M and any additional capital expenditures.

4 ESTIMATED COST TO COMPLETE

As noted earlier, the current EAC is a P65. Honolulu’s rail debacle was highlighted during a U.S. House Subcommittee on Highways and Transit meeting held in July 2019 during which P65 versus P50 was discussed. From a report on the hearing:¹

“A DOT spokesperson countered that the 65 percent probability makes it less likely that a project will have its financing fall apart so badly during construction that the project stalls, as has happened in Honolulu (even though Honolulu was originally judged on the P65 standard).”

As proven, P65 is simply not high enough for Honolulu.

4.1 Estimate at Completion

As noted on page 25 of the plan, the March 2021 EAC of \$11.37 billion plus financing costs of approximately \$1 billion fulfilled a long-standing PMOC action item from 2019 “to provide a *realistic* forecast at completion.” (Emphasis added.)

We ask the FTA to determine why HART now considers P65 realistic, aside from the fact that the FTA allows that probability to be used.

The EAC for constructing the project to the Civic Center at South Street and Halekauwila is just under \$10 billion. (Recall that the FFGA was \$5.2 billion when it was signed about 10 years ago and included Ala Moana Center.)

¹ *Contentious House Hearing Looks At Transit New Start Program, July 19, 2019.*

<https://www.enotrans.org/article/contentious-house-hearing-looks-at-transit-new-start-program/>

- Does this revised cost include the Howard Hughes settlement, which could potentially be \$200 million or more, according to “The ‘Lost Tower’: Why Howard Hughes Has a Love-Hate Relationship With Rail,” published by Civil Beat April, 20, 2022, (<https://www.civilbeat.org/2022/04/the-lost-tower-why-howard-hughes-has-a-love-hate-relationship-with-rail/>)?
- According to the city’s audited financial statements for FY 2021, “potential settlement amounts may total approximately \$160 million” for delay claims related to rail construction. (See page 141, “Construction Claim Costs,” of the audit, https://www.honolulu.gov/rep/site/oca/oca_docs/ACFR_FY2021.pdf.)

Are these potential delay claims included in the EAC?

- The reduced cost from P95 to P65 includes the “savings” from the inflated credit for the deferral of the Pearl Highlands Parking Garage. HART is claiming a credit of \$330 million while also acknowledging the number is inflated. The true cost of a 1,600-stall garage should be around \$80 million, according to data in Section 2.2 of the Recovery Plan. This means that the credit is overstated by \$250 million.
- If these costs are not included in the EAC, using a more conservative P95, the total cost would be closer to \$10.7 billion. This is based on the \$9.310 billion from the plan’s Figure 4-1, financing costs of \$785 million, the potential \$200 million related to the Howard Hughes settlement and \$160 million in delay claims and the parking garage.

Significant inflation and escalation have continued since the EAC was finalized in December 2021 and are not captured in the current estimate. The impacts of the Russian invasion of Ukraine, and continued global supply chain issues should not be ignored. The CPI-U in April 2022 showed that prices have risen by 8.3% in the prior 12 months.

In order to be able to fully evaluate this plan, inflation factors used for the cost estimate should be included for each standard cost category, as they were in the FFGA (Table 2 of Attachment 3).

We are all aware of rail’s history of under estimating costs. We ask the FTA to compel HART to be more responsible to Oahu’s citizens.

4.2 Independent Cost and Schedule Assessment

HART is summarily accepting Triunity’s assessments of cost and schedule. These consultants were paid to review costs and advise HART, not to supplant HART’s own in-house staff. It should be noted that Triunity did not come up with even one instance or suggestion of increasing cost, only decreasing or staying the same. This seems unrealistic.

In early 2021, HART’s in-house personnel came up with an EAC of \$12.4 billion. This number was based on historic costs from the construction of the West and Airport Segments. Staff relied on historic costs and applied intelligent assumptions for contingencies.

HART's staff knows this project's cost and schedule better than any Mainland consultant. When this revised EAC is proven inadequate, HART runs the same risk of reporting monthly that it is overbudget and behind schedule as it did with monthly reports from July 2020 through June 2021.

Given HART's history, it would be prudent to use a higher probability rate than 65%.

4.5 PMOC Risk Assessment

Prior to the March 2022 risk assessment workshop, HART updated its Risk and Contingency Management Plan. HART's Monthly Progress Report for April 2022 stated they are currently tracking 135 risks, yet neither of these reports mentions the risk of fraud, waste or abuse.

Risk of Fraud, Waste and Abuse

During a 2016 Honolulu City Council Budget Committee meeting, former city auditor Edwin Young said, ". . . internal controls were so weak, that if fraud, waste, or abuse were to occur, HART and (others) would not have detected it, could not prevent it, and could not have taken corrective action"

The auditors of HART's June 30, 2021, financial statements issued a Report on Internal Control over Financial Reporting (attached) that stated in part:

"During our audit, we identified 5 misstatements that in our opinion were material to HART's financial statements These misstatements . . . are indicators that HART's internal controls over financial reporting were either not properly designed or were not operating as designed."

HART still has no internal audit function, no fraud tip hotline and no fraud policy. There has been no state audit since 2019, even though annual audits were mandated by Act 1 of 2017.

Board oversight is limited due to a lack of timely financial reporting by staff. For example, during the March 24, 2022, Finance Committee meeting, the Cash Flow Update that was provided was the same one discussed during the August 12, 2021, meeting. This was a critical time for HART, yet there was no way for board members to evaluate the financial status of the rail project.

The Finance Committee received an updated cash flow report at its May 6, 2022, meeting, but it was not complete -- no financial information was reported for September 2021.

In addition, over the years there have been several allegations of fraud, waste and abuse. One such allegation goes back to the beginning of rail. (See attached letter dated September 1, 2005, from Communications Pacific to then-mayor Mufi Hannemann.)

Despite all of these vulnerabilities and warning signs, HART's Risk Assessment appears not to include any consideration of fraud, waste or abuse. HART should be required to include such an assessment in the Recovery Plan.

5 FINANCING

As noted in the plan, as of April 2022, \$988.7 million in G.O. bonds had been issued. Nearly \$1 billion in debt has covered more than 10 years of construction. Now the updated plan calls for *double* the amount of debt to cover less than 10 years of construction. The community was told rail would be built with no mortgage. What happens if costs are higher than projected or revenues lower, or worse, if both revenues and costs are worse than projected?

If high rates of inflation hit construction costs, including the long-term contract for the City Center Guideway and Stations, then the project could be looking at borrowing needs sooner than FY 2025, which in turn would mean increased financing costs.

This is another reason the FTA should be critical of HART's aggressively high projected revenues and the P65-estimated costs.

In addition, if the true intent is to use TECP rather than G.O. bond funding, the TECP should be reflected in a financial plan similar to the one presented in Table 6-2. A separate financial plan with the TECP would allow for a full analysis and would be more transparent.

6 FINANCIAL PLAN FOR CAPITAL

Table 6-1 in the plan shows a summary of sources and uses of funds, including a hopeful remaining balance of about \$119 million. As noted previously, projecting GET and TAT revenues based on more realistic growth rates would result in over \$200 million less in fund sources. That would wipe out most of the surplus, even assuming lower finance charges by using TECP. If costs come in higher than estimated, additional funding would be needed to build even to the Civic Center. A potential recession would only make the financial situation worse.

Table 6-2 in the plan shows details of the financial plan from FY 2007 – 2031. While we are unable to check all of the numbers presented, we note the following errors:

- The \$4 million in American Recovery and Reinvestment Act funds of 2009 are not included;
- Interest and other income are not included; and
- Total GET collections through FY 2007-2021 should be \$2,968.8 million, per audited financial statements converted to the cash basis of reporting, not the \$2,835.3 million listed.

The ending cash balance as of FY 2021 agrees with the audited financial statements; therefore, certain costs and/or other uses of cash are likely not correct, given the errors in the sources of funds. Errors like this require more scrutiny to find other errors that may be hidden in the plan.

7 BUS-RAIL INTEGRATION AND RIDERSHIP

According to the plan, the Honolulu Department of Transportation Services (DTS) developed an enhanced interim bus-rail integration plan that will be in place until the rail system is fully built.

As noted above, there is no discussion of the Lagoon Drive Interim Transit Station that is a part of the 2019 Recovery Plan. This interim station will be relied on for nearly a decade as the rail line, even truncated, is constructed. The plan for that function should be specified.

7.1.1 Civic Center and Downtown Stations

The plan states two new rapid bus routes will be started to mitigate deferral of the last two stations as well as provide service to riders going to UH Manoa and Waikiki. Where are all these buses going to queue up to serve UH Manoa, Ala Moana, and Waikiki? The downtown and Civic Center stations appear to be ill-suited for this transfer function for several reasons. The site lacks adequate area to serve the number of buses needed to efficiently transfer to and from the rail. It also lacks convenient access to routes serving the UH Manoa and Ala Moana. Buses arriving and leaving from this station will have several left-hand turns to navigate, creating further congestion.

7.1.2 Pearl Highlands Station

Bus routes from Haleiwa, Wahiawa and Mililani are planned to be redirected to the Pearl Highlands Station and arrive every 20 minutes instead of every 30 minutes. Won't this result in MORE congestion at the station as busloads of riders arrive all at one time rather than by carloads in a more metered manner?

7.2 Rail Ridership

The Honolulu City Council was originally presented with a projected average of 116,300 riders on weekdays. Even in 2012, this figure was not realistic. Then-UH Professor of Traffic Engineering, Panos Prevedouros, reported that, "no modern light rail in the US, even in cities five times bigger than Honolulu, carries more than 38,000." Actual ridership on relatively-recent rail projects around the country has been about 59% less than what was predicted, on average. The table below shows actual ridership as of 2015 for U.S. rail cities of less than four million population, with Honolulu's rail ridership projection at the bottom. (At one point, HART had increased its ridership estimate to 119,600 daily riders. Pre-pandemic ridership in 2019 for most cities listed in the table was lower than in 2015.)

City	Population (millions)	Daily rides as of 2015	Miles of rail	Rides per mile	Riders per million pop.
Seattle	3.7	41,000	20.4	2,010	11,081
Minneapolis	3.5	71,400	21.8	3,275	20,400
San Diego	3.3	123,300	53.5	2,305	37,364
Denver	2.8	76,600	48.0	1,630	27,357
St. Louis	2.8	47,600	46.0	1,035	17,000
San Juan	2.6	32,800	10.7	3,065	12,615
Charlotte	2.4	16,700	9.6	1,740	6,958
Portland	2.4	122,900	60.0	2,048	51,208
Pittsburgh	2.4	22,281	26.2	850	9,284
Sacramento	2.3	45,300	42.9	1,056	19,696
San Jose	2.0	33,400	42.2	791	16,700
New Orleans	1.3	22,900	22.3	1,027	17,615
Salt Lake City	1.2	67,300	44.8	1,502	56,083
Buffalo	1.1	17,100	6.4	2,672	15,545
Honolulu	1.0	116,300	20.7	5,618	116,300

Source: Compiled from information on Wikipedia.

The Final Environmental Impact Statement (FEIS) forecasts for Honolulu and San Juan (the only other elevated rail system built recently in the US) are remarkably similar: 116,300 and 114,492 daily riders respectively. Actual ridership for San Juan turned out to be just 27,567, which was 25% of the projected number. San Juan’s combined bus and rail ridership declined from 32.6 million the year before rail opened to 26.4 million just two years after, and it never recovered. Parsons Brinckerhoff, the firm that prepared the Honolulu ridership projection, also prepared San Juan’s.

The COVID-19 global pandemic has fundamentally altered commuting and work patterns as well as online learning and medical appointments. The 2022 Recovery Plan assertion that the combination of bus and rail will increase transit ridership by almost 60% over (pre-COVID) 2019 levels despite changes in remote school and work patterns must be challenged.

According to “Without Commuters, US Transit Agencies are Running Out of Options” published by Bloomberg on June 16, 2022, (<https://www.bloomberg.com/news/articles/2022-06-16/public-transportation-braces-for-fewer-commuters-amid-work-from-home>), transit agencies across the U.S. are considering service cuts and price hikes as a means to deal with reduced ridership.

Does the 2022 Recovery Plan adequately take into consideration commuting changes that others have recognized and are working to deal with?

7.3 Transportation Benefits

The plan states that the combination of bus and rail will "increase transit ridership by almost 60 percent over 2019 levels." Given all of the changes in work patterns and commuting options available, this 60% increase seems implausible, unrealistic and naïve.

8 MANAGEMENT CAPACITY AND CAPABILITY

Many agree that the new executive director/chief executive officer Lori Kahikina and the new management team have made significant improvements to HART's operations. However, HART continues to delay release of certain information. For example, its report on internal controls from its last financial audit was provided about five months after it was requested. Such delays only serve to validate concerns about public trust and raise questions of whether HART is trying to hide something.

9 RAIL OPERATIONS AND MAINTENANCE PLAN

Table G-1 (in Appendix G) shows the operating plan annual operations and maintenance (O&M) costs for rail, TheBus and Handi-van for 2017 – 2036. (The table doesn't indicate the unit of dollars, but it is stated in millions.) O&M for TheBus increases every year, but costs for the rail go up and down. For example, year 2035 goes down \$10 million from \$163 to \$153. We urge the FTA to determine and disclose the basis for this decrease and whether it's reasonable.

In October 2015, it was reported that the City and County of Honolulu would be the largest consumer of electricity in Hawaii after rail is complete.² The estimated electrical costs to run rail should be included in the O&M.

In addition, in a presentation to the Honolulu City Council in March 2022, farebox recovery was reported as 11.52% for FY 2021 and 2022 and 2023 were estimated at 17.19% and 19.65%, respectively. Why is the farebox recovery shown in G-1 higher, at 11.9%, 26.2% and 20.5% for those three years? If these are errors, they should be corrected.

While TheBus fares are set to increase on July 1, 2022, has adequate consideration been given to rider behavior due to things like remote work and ridesharing?

It should also be noted Honolulu's farebox recovery is significantly lower (at less than 30%) than the transit systems mentioned in the June 16, 2022, Bloomberg article noted earlier (<https://www.bloomberg.com/news/articles/2022-06-16/public-transportation-braces-for-fewer-commuters-amid-work-from-home>). All but one of the seven systems mentioned recover almost 50% or more from ridership. Any O&M costs in excess of those projected for Honolulu will put an even greater burden on our residents and taxpayers.

Please also consider whether the projected revenues and expenses are reasonable and require HART to adjust them accordingly if they are not.

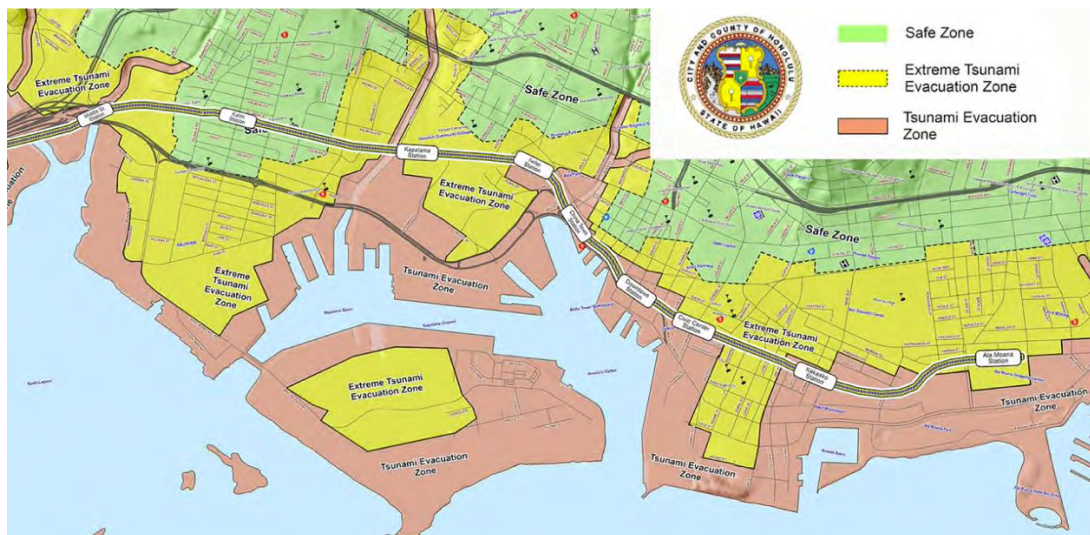
² "Rail transit project would make City and County of Honolulu top energy consumer in Hawaii," Pacific Business News, October 5, 2015. <https://www.bizjournals.com/pacific/blog/2015/10/rail-transit-project-would-make-city-and-county.html>

OTHER

Supplemental Environmental Impact Statement (SEIS)

The 2010 FEIS is now 12 years old. In addition to updating suspect ridership numbers, a Supplemental EIS should review and update the following:

- 1. ADVERSE IMPACT TO HISTORIC AREAS AND SITES:** the mauka shift along Dillingham Blvd., addition of new bents (road-spanning concrete support structures) along Halekauwila Street, and repositioning of columns that encroach even farther into Mother Waldron Park, which is on the National and State Registers of Historic Places;
- 2. SEA LEVEL RISE:** On January 30, 2015, a Presidential Executive Order (E.O.) 13690 was signed establishing a Federal Flood Risk Management Standard and a Process for Further Soliciting and Considering Stakeholder Input. Revisiting the 2010 Rail FEIS for that process was never done. Five of the six rail stations beyond Middle Street lie in tsunami evacuation zones. According to “2022 Sea Level Rise Technical Report” published in February 2022 by the Sea Level Rise and Coastal Flood Hazard and Tools Interagency Task Force, sea level rise in Hawaii is anticipated to be between six to eight inches by 2050 (<https://oceanservice.noaa.gov/hazards/sealevelrise/sealevelrise-tech-report-sections.html>). The Recovery Plan makes no mention of emergency safeguards for rail stations that will be inundated with 100-year floods, hurricane storm surge, earthquake tsunamis, or sea level rise (SLR). Updated input from experts on climate change and SLR must be solicited along with public comment. Bringing a fixed guideway into an area that will likely have severe and regular flooding issues is ludicrous.



Source: City and County of Honolulu 2015.

- 3. SUSTAINABILITY:** Rail is scheduled to run 20 hours a day with peak ridership during morning rush hour in-bound trips and evening rush hour out-bound trips. The City claims rail is an energy saver by purporting that Oahu’s energy per-passenger mile is on a par with the national average for heavy rail systems. The national average is heavily skewed by New York City data where ridership levels make it far more efficient than

other places. Using a national average that excludes New York City, Oahu’s rail system would use more BTUs per passenger mile than is currently used by one person in one car—and more than twice the amount currently used per-passenger mile by TheBus.

BROKEN PUBLIC TRUST

In Sections 1.3 and 2.6 of Appendix J, the 2010 FEIS twice falsely states “*The Project is not located in a tsunami evacuation zone.*” As recently as 2021, the HART Board was told that the scope of the FFGA could not be revised. Any changes to the 20-mile, 21-station plan would put the remaining \$744 million in FTA grant money in jeopardy as well as potentially the entire \$1.55 billion. We note this because the foundation of the 2022 Recovery Plan sets the framework for changing the FFGA by reducing the original project scope – the FFGA will have to be amended if the FTA accepts the plan. Had HART been honest about the possibility of amending the FFGA scope of work and moved last year to develop a revised plan, we wouldn’t have had to rush to meet the June 30, 2022, deadline. The pattern of putting out bad information and manipulation of time frames that began with the 2010 FEIS continues with the 2022 Recovery Plan. Oahu residents are counting on the FTA to hold HART accountable for developing and operating a sensible and sustainable transit system. This plan needs to be significantly modified.

(For reference, see the attached recent commentary from David Shapiro, a long-time contributor to the Honolulu Star Advertiser.)

Errata

The following errors are included in the current plan and should be corrected.

First paragraph in section 3.3. Act 1 increased the TAT by almost 11% (10.81%), not 1%. The statement

“Act 1 also increased the state-wide Transient Accommodation Tax (TAT) by 1.0 percent . . .”

is incorrect and should state

“Act 1 also increased the state-wide Transient Accommodations Tax (TAT) by 10.81 percent . . .”

“Transient Accommodation Tax” should be “Transient Accommodations Tax” (with an “s”) in the sentence above, the table of contents list for Table 3-4, in the header and body of Table 3-4 and in the acronym list in Appendix A.



MILILANI/ WAIPIO/ MELEMANU NEIGHBORHOOD BOARD NO. 25

NEIGHBORHOOD COMMISSION • 925 DILLINGHAM BOULEVARD, SUITE 160 • HONOLULU, HAWAII 96817
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May 31, 2022

TO: The Honorable Tommy Waters, Chair and Presiding Officer
and the honorable members of the Honolulu City Council

From: Danielle Bass, Chair
Mililani/Waipio/Melemanu Neighborhood Board #25

RE: Resolution 22-127 (Approving the 2022 Recovery Plan of the Honolulu Authority for Rapid Transportation to Be Submitted to the Federal Transit Administration)

Dear Chair Waters and Honorable Members of the Honolulu City Council,

My name is Danielle Bass, and I am the Chair of Neighborhood Board No. 25 (Mililani/Waipio/Melemanu). I am testifying on with comments and concern on this resolution.

Neighborhood Board No. 25 passed the attached resolution at our regular meeting on April 27, 2022 stating our objection to excluding/deferring the Waiawa Station (Pearl Highlands) park-and-ride facility from the proposed Recovery Plan.

This facility was promised to Mililani and Central O'ahu residents since the inception of the rail project, and is a key component of the rail project necessary to allow Mililani and Central O'ahu residents access to the rail line.

Failure to deliver a park-and-ride facility in the Waiawa Station (Pearl Highlands) area will be another entry in a long list of broken promises related to the rail project.

Our resolution further urges the City Council (and the Hawai'i State Legislature, the Hawai'i Congressional Delegation, and the Federal Transit Administration) to urgently approve additional funding to allow HART to complete the entire rail project as originally proposed, including the Waiawa Station (Pearl Highlands) park-and-ride facility and the balance of the rail line from Kaka'ako to Ala Moana. Our board believes that the City is morally obligated to complete the full rail line to Ala Moana as has been promised to O'ahu residents for nearly twenty years now.

Finally, given the likelihood that the Waiawa Station (Pearl Highlands) park-and-ride facility will not be completed for the foreseeable future, Neighborhood Board No. 25 requests that the City Council work with the Department of Transportation Services to implement additional TheBus service between Mililani and Waiawa Station (Pearl Highlands), including Bus Rapid Transit service, to connect Mililani residents to the rail line.

Mahalo for the opportunity to present testimony on behalf of our Central O'ahu and Mililani constituents and our significant concerns objecting to excluding/deferring the Waiawa Station (Pearl Highlands) park-and-ride facility from the proposed Recovery Plan.

Attachment:

"Strongly Urging the Honolulu Mayor, Honolulu City Council, the Federal Transit Administration, Hawai'i Congressional Delegation, and the Hawai'i State Legislature to Approve Additional Funding to Complete the Waiawa Station (Pearl Highlands) Park-and-Ride of the Honolulu Rail Transit Project and Urging the Department of Transportation Services to Establish Additional Transit Service between Central O'ahu and the Waiawa Station"



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Strongly Urging the Honolulu Mayor, Honolulu City Council, the Federal Transit Administration, Hawai'i Congressional Delegation, and the Hawai'i State Legislature to Approve Additional Funding to Complete the Waiawa Station (Pearl Highlands) Park-and-Ride of the Honolulu Rail Transit Project and Urging the Department of Transportation Services to Establish Additional Transit Service between Central O'ahu and the Waiawa Station

WHEREAS, the Honolulu Rail Transit Project is a 20-mile rail transit project currently under construction from Kapolei to Ala Moana,

WHEREAS, the Honolulu Rail Transit Project includes the Waiawa Station (Pearl Highlands) in Pearl City, which is planned to include a 1,600-stall park-and-ride facility to accommodate commuters traveling from Central O'ahu to Kapolei and Honolulu,

WHEREAS, there is expected to be a \$1.6 billion shortfall between the projected revenues and construction expenses for the full 20-mile rail transit line, necessitating the submission of a "Recovery Plan" to the Federal Transit Administration (FTA) for approval and receipt of federal grant funds necessary to complete the Honolulu Rail Transit Project,

WHEREAS, as part of the Recovery Plan being proposed by the City and County of Honolulu for approval by the FTA, the Waiawa Station (Pearl Highlands) park-and-ride facility will be deferred indefinitely pending approval of additional tax revenues and value engineering,

WHEREAS, the lack of a park-and-ride facility at the Waiawa Station (Pearl Highlands) will greatly limit the utility of the rail transit line for Central O'ahu residents,

WHEREAS, the Central O'ahu Transportation Study completed by the O'ahu Metropolitan Planning Organization in December 2019 identified several possible transportation projects to connect Central O'ahu communities to the Waiawa Station, albeit with the assumption that a park-and-ride facility will be available at the Waiawa Station (Pearl Highlands),

WHEREAS, the Central O'ahu Transportation Study specifically recommended expanding TheBus service in Central O'ahu and establishing bus rapid transit (BRT) lines from the Waiawa station to Mililani and Central O'ahu,

WHEREAS, that Neighborhood Board No. 25 acknowledges that approval of additional funding to the Honolulu Authority for Rapid Transit (HART) will require additional taxes to be paid by O'ahu residents,

BE IT RESOLVED, that Neighborhood Board No. 25 strongly objects to the exclusion of the Waiawa Station (Pearl Highlands) park-and-ride facility from the City and County of Honolulu's proposed Recovery Plan,

BE IT FURTHER RESOLVED, that Neighborhood Board No. 25 urges the Honolulu City Council, the Hawai'i State Legislature, the Hawai'i Congressional Delegation, and the Federal Transit Administration to urgently approve additional funding to allow HART to complete the Honolulu Rail Transit Project as originally proposed, including the Waiawa Station (Pearl Highlands) park-and-ride facility for the benefit of Central O'ahu residents, commuters, and future generations, by whatever means necessary,

BE IT FURTHER RESOLVED, that Neighborhood Board No. 25 urges the Honolulu City Council, the Hawai'i State Legislature, the Hawai'i Congressional Delegation, and the Federal Transit Administration to act swiftly to allow HART to complete the Honolulu Rail Transit Project as originally proposed and promised to the residents of O'ahu,

BE IT FURTHER RESOLVED, that Neighborhood Board No. 25 urges the City and County of Honolulu's Department of Transportation Services to immediately plan for and implement additional TheBus service in Mililani and Central O'ahu to connect residents and commuters to the Waiawa Station (Pearl Highlands) when the Honolulu Rail Transit Project opens for revenue service,

BE IT FURTHER RESOLVED, that Neighborhood Board No. 25 requests the City and County of Honolulu's

Department of Transportation Services to plan for and coordinate bus rapid transit service from the Waiawa Station (Pearl Highlands) to Mililani and Central O'ahu,

BE IT FINALLY RESOLVED, that copies of this resolution be transmitted to the Mayor of the City and County of Honolulu, the Managing Director, the Director of the Honolulu Department of Transportation Services, the Deputy Director of the Honolulu Department of Transportation Services, the Executive Director of the O'ahu Metropolitan Planning Organization, the Executive Director of the Honolulu Authority for Rapid Transit, all members of the Board of Directors of the Honolulu Authority for Rapid Transit, all members of the Honolulu City Council, all members of the Hawai'i State Legislature, the Governor of the State of Hawai'i, the Administrator of the Federal Transit Administration, and all members of the Hawai'i Congressional Delegation.

The Mililani-Waipio-Melemanu Neighborhood Board #25
ADOPTED this resolution by majority vote of 14-8-0
at the Wednesday, April 27, 2022 Regular Meeting.

Submitted By: _____
Danielle Bass, Chair



CONFIDENTIAL (NOT FOR DISTRIBUTION)

CITY CENTER GUIDEWAY AND STATIONS

Preliminary Draft Qualitative Evaluation of Potential Project Changes

February 24, 2021

CATEGORIES OF ALTERNATIVES:

1. Baseline Approach
2. Change Mode or Technology
3. Move Guideway Alignment to Another Corridor
4. Shift Guideway Alignment within LPA Corridor
5. Stations, Joint Development, and Private Finance
6. Tunnel or At-Grade on LPA Alignment
7. Utility-Focused Changes
8. Move Terminus and Reduce System

1. Baseline Approach

ALT.	POTENTIAL CHANGE	PROS	CONS
1	Baseline: Complete Full Funding Grant Agreement (FFGA) scope for CCGS (i.e. 4 miles, 8 stations, along Locally-Preferred Alternative alignment)	<ol style="list-style-type: none"> 1. Consistent with public commitments. 2. Honors signed Full Funding Grant Agreement with FTA. 3. Maintains planned ridership (user benefits). 4. Not anticipated to require a Supplemental Environmental Impact Statement (Supplemental EIS). 5. Not anticipated to require any further Archaeological Inventory Survey (AIS). 6. Consistent with existing third-party agreements and utility agreements. 7. Consistent with Locally-Preferred Alternative (LPA). 8. Alignment and station locations consider locations of planned riders. 9. Property has been acquired or is in the process of being acquired. 10. All of the core systems equipment has already been designed around this corridor (requires minimal redesign). 11. All concept designs to date (including those received from priority-listed offerors) are based on this approach. 12. All previous in-depth planning studies led to this scope and layout. 	<ol style="list-style-type: none"> 1. Requires many utility relocations. 2. Likely to require utility clearance variances.

2. Change Mode or Technology

ALT.	POTENTIAL CHANGE	PROS	CONS
2A	Separate at-grade system from Kalihi to Ala Moana with different technology	<ol style="list-style-type: none"> 1. Depending on technology selection, schedule, and price escalation over time, this approach could result in reduced construction costs for guideway and stations. 2. Potential to reduce visual impacts of elevated rail line in the urban core. 3. At-grade stations are often easy to access and conducive to neighborhood scale transit-oriented development. 	<ol style="list-style-type: none"> 1. Likely to require Full Funding Grant Agreement (FFGA) amendment and could result in loss of Federal Transit Administration (FTA) funding. 2. Mixes rail traffic and roadway traffic, slowing both and creating longer travel times. 3. Increased likelihood accidents between rail, pedestrians, cyclists, and autos. 4. Will require more utility relocations than an elevated guideway. 30+ feet wide for entire length vs. 8-foot diameter column every 100 to 140 feet. For Dillingham Boulevard, this concept would result in the relocation of all existing underground utilities in order to create the clear space---even if we leave the vast majority of communications and electrical aerial. 5. Potential cost increase if additional costs (ROW, trains, core systems, utilities, security, grade crossing signalization and/or viaducts) outweigh guideway savings. 6. Requires extensive ROW acquisitions and associated costs. When comparing a 12-foot median to a 30-foot wide footprint. Minimum 20 additional feet for the length of at grade construction. If extended downtown, it would result in the complete closure of parts of Halekauwila, Queen and Kona. 7. Core systems must be redesigned and operations renegotiated. 8. Likely to require new rail vehicles or retrofitting of current vehicles to accept both traction and catenary power. 9. Introduces new risks (e.g. safety, ROW, noise, access, hazards, etc.). 10. Lower ridership, due to slower travel times and less reliable service. 11. Would likely require a Supplemental EIS for at-grade system. 12. Would require City Council action to adopt a new Locally Preferred Alternative. 13. Substantial increases in cost and schedule to the program. 14. Challenges with locating 4-car (i.e. 240' long) platforms within on-street ROW. 15. Higher operating and maintenance costs.
2B	Terminate rail at Middle Street; build elevated automated people mover (APM) to Ala Moana	<ol style="list-style-type: none"> 1. Lighter guideway structure. 2. Smaller station structures. 3. More easily expandable in Downtown area. 	<ol style="list-style-type: none"> 1. Requires passengers to transfer at Middle Street (not a "one-seat ride"). 2. Would likely require a Supplemental EIS for APM system. 3. Major changes to existing contracts (e.g. core systems, elevators and escalators). 4. Requires a new maintenance and storage facility for APM vehicles. 5. Pre-purchased equipment for metro system may go to waste. 6. Likely to require Full Funding Grant Agreement (FFGA) amendment and could result in loss of Federal Transit Administration (FTA) funding.

CITY CENTER GUIDEWAY AND STATIONS
Preliminary Draft Qualitative Evaluation of Potential Project Changes

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ALT.	POTENTIAL CHANGE	PROS	CONS
2C	Terminate rail at Middle Street; switch to bus rapid transit (BRT)	<ol style="list-style-type: none"> 1. Costs less. 2. Provides long-term flexibility for route changes, fleet expansion, etc. 3. May benefit from future driverless technologies. 	<ol style="list-style-type: none"> 1. Requires FFGA amendment and could result in loss of FTA funding. 2. Slower commutes. 3. Impedes other modes of traffic. 4. Increased risk of collisions at grade. 5. Conflicts with 2008 public vote, Final Environmental Impact Statement (FEIS), FFGA, etc. 6. Would likely require a Supplemental EIS. 7. Would reduce overall rail ridership.
2D	Change technology from traction power to maglev	<ol style="list-style-type: none"> 1. Good ride quality. 2. Potential energy savings during operations. 3. Lower noise emission and vibration levels. 4. Reduced maintenance frequencies on some system components. 5. Quieter operations. 	<ol style="list-style-type: none"> 1. There are no proven maglev technologies in operation in North America. 2. Requires FFGA amendment and could result in loss of FTA funding. 3. Maglev is generally more expensive than traditional technologies. 4. Requires major retrofit (over \$1 billion) of existing guideway, maintenance and storage facility, power supply, fleet, maintenance equipment, etc. 5. Would result in substantial delays (multiple years) to overall program. 6. Primary benefit of maglev (high speeds) would be limited by guideway alignment, passenger comfort, structural design, and frequent station stops. 7. Would likely require a Supplemental EIS. 8. Regulatory approvals could be challenging given lack of precedence in the United States.

3. Move Guideway Alignment to Another Corridor

ALT.	POTENTIAL CHANGE	PROS	CONS
3A	Shift guideway alignment to Nimitz Hwy	<ol style="list-style-type: none"> 1. Avoids utilities on Dillingham. 2. Does not require significant widening (if any) of Nimitz Hwy. 3. Could support HDOT Harbors Master Plan including new cruise ship terminal at Pier 21/22. 	<ol style="list-style-type: none"> 1. Requires FFGA amendment and could result in loss of FTA funding. 2. Likely to have lower ridership, due to distance from major activity centers (Kalihi, Honolulu Community College). 3. Increases length of guideway and associated costs. 4. Requires new ROW acquisitions and associated costs. 5. Core systems must be redesigned and operations renegotiated. 6. Previous ROW acquired and buildings demolished for naught. 7. Cost per rider goes up. 8. Introduces new risks (e.g. hazmat, utilities, third parties, etc.). 9. Requires demolition and reconstruction of east end of Airport Guideway and Stations (AGS) alignment. 10. Would require a Supplemental EIS. 11. Requires new Archaeological Inventory Survey (AIS). 12. Requires City Council action to modify Locally Preferred Alternative. 13. Landowners may have anticipated TOD along Dillingham corridor. 14. New TOD zoning will need to be established. 15. New Utility relocation design required for the length of the realignment. 16. Likely to result in schedule increase due to environmental approvals. 17. Conflicts with some HDOT plans for future roadway use (e.g. Nimitz Flyover Project). 18. No plans as to how to transition guideway from Dillingham to Nimitz and how to maintain bus connectivity. 19. Would not connect UH system with Honolulu Community College (HCC). 20. Blocks harbor views and impacts businesses along Nimitz Hwy. 21. Nimitz Highway is designated as a Primary Freight Route by the FHWA. This may require FHWA approval. 22. The height of the guideway would need to consider SLR as the Honolulu Harbor, the piers, and adjacent land and roads get raised. Large container trucks would need to continue to use Nimitz Highway. 23. Requires removal of more trees transplanted by HART from Waipahu to Nimitz.

CITY CENTER GUIDEWAY AND STATIONS
Preliminary Draft Qualitative Evaluation of Potential Project Changes

Deliberative Draft: Rev. H, Last Modified: 3/1/2021 10:21 PM

ALT.	POTENTIAL CHANGE	PROS	CONS
3B	Shift guideway alignment to Dillingham > King Street > ?	<ol style="list-style-type: none"> 1. Larger residential ridership catchment area and potentially higher ridership. 2. Better integration with multimodal transit system (King/Beretania connections) 3. Potential new TOD opportunities and opportunity to integrate value-capture (see Montreal, Hong Kong, Singapore). 	<ol style="list-style-type: none"> 1. Requires FFGA amendment and could result in loss of FTA funding. 2. Requires new ROW acquisitions and associated costs. 3. Core systems must be redesigned and operations renegotiated. 4. Previous ROW acquired and buildings demolished for naught. 5. Cost per rider goes up. 6. Introduces new risks (e.g. archaeological, utilities, third parties, etc.). 7. Would require a Supplemental EIS. 8. New Archaeological Inventory Survey would need to be conducted; also need to assess impacts to historic resources and potential amendment to the Programmatic Agreement. 9. Requires City Council action to modify Locally Preferred Alternative. 10. Landowners may have anticipated TOD along Dillingham corridor. 11. New transit-oriented development (TOD) limits will need to be established. 12. New utility relocate design required for the length of the realignment. 13. Likely to result in schedule increase due to environmental approvals. 14. No plans as to how to transition guideway and how to maintain bus connectivity. 15. Alignment was studied and analyzed during Alternatives Analysis (2006); potential additional impacts to historic resources.
3C	Tunnel the guideway along new alignment to Ala Moana (Dillingham > Beretania > Kapiolani)	<ol style="list-style-type: none"> 1. Larger ridership catchment areas and higher ridership (Downtown mauka). 2. Better integration with multimodal transit system (King/Beretania connections) 3. Opportunity to integrate with redevelopment sites (HECO/Blaisdell/Straub) 4. Opportunity to better integrate the Ala Moana Station with the community. 	<ol style="list-style-type: none"> 1. Requires FFGA amendment and could result in loss of FTA funding. 2. May require more utility relocations than elevated guideway due to transition from elevated to underground. 3. Requires new ROW acquisitions and associated costs. 4. Core systems must be redesigned and operations renegotiated. 5. Introduces new risks (e.g. geotechnical, adjacent buildings, etc.). 6. May require demolition and reconstruction of east end of AGS alignment. 7. Capital cost per new rider would increase. 8. Would require a Supplemental EIS. 9. New Archaeological Inventory Survey would need to be conducted; also need to assess impacts to historic resources and potential amendment to the Programmatic Agreement. 10. Substantial cost and schedule increase to the program. 11. Underground stations could impact more utilities. 12. No plans for how to transition from elevated guideway to underground tunnel. 13. Requires new scope (e.g. ventilation, fire detection, dewatering system, etc.). 14. Recent U.S. subways cost: \$2.5b/mi (NY, Second Ave Subway, 2017), \$930m/mi (LA Purple Line Extension), \$928m/mi (SF Central Subway), \$600m/mi (Seattle U-Link, 2012), \$630m/mi (Vancouver Broadway Subway, 2020).

CITY CENTER GUIDEWAY AND STATIONS
Preliminary Draft Qualitative Evaluation of Potential Project Changes

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ALT.	POTENTIAL CHANGE	PROS	CONS
3D	Tunnel the guideway directly to UH-Manoa (Dillingham > Beretania > King)	<ol style="list-style-type: none"> 1. Potentially higher initial ridership. 2. Potential to better integrate stations with adjacent development. 3. Addresses sustainability/resiliency directives (out of sea level rise area) 4. Potential to integrate with flood control projects (use of excess tunnel space in a large-diameter tunnel). 5. Substantial new TOD opportunities; potential to integrate value-capture (see Montreal, Hong Kong, Singapore). 6. Potential to attract private capital 	<ol style="list-style-type: none"> 1. Requires FFGA amendment and could result in loss of FTA funding. 2. Would require a Supplemental EIS. 3. Would require reopening AIS and Programmatic Agreement. 4. May require more utility relocations than elevated guideway due to transition from elevated to underground. 5. Requires new ROW acquisitions and associated costs. 6. Core systems must be redesigned and operations renegotiated. 7. Introduces new risks (e.g. geotechnical, adjacent buildings, etc.). 8. May require demolition and reconstruction of east end of AGS alignment. 9. Capital cost per new rider would increase. 10. Substantial cost and schedule increase to the program. 11. Underground stations could impact more utilities. 12. No plans for how to transition from elevated guideway to underground tunnel. 13. Requires new scope (e.g. ventilation, fire detection, dewatering system, etc.). 14. Recent U.S. subways cost: \$2.5b/mi (NY, Second Ave Subway, 2017), \$930m/mi (LA Purple Line Extension), \$928m/mi (SF Central Subway), \$600m/mi (Seattle U-Link, 2012), \$630m/mi (Vancouver Broadway Subway, 2020). 15. Landowners may have anticipated TOD around existing station locations. 16. Previous ROW acquisitions and building demolitions for naught.
3E	Shift guideway alignment to Colburn Street	<ol style="list-style-type: none"> 1. Fewer utility conflicts on Colburn relative to Dillingham. 2. Would shift traffic impacts from an arterial (Dillingham Boulevard) to a side street (Colburn), thereby reducing the impact on traffic capacities and commute times. 	<ol style="list-style-type: none"> 1. Requires amendment to FFGA and could result in loss of FTA funding. 2. Would likely require a Supplemental EIS. 3. Requires reopening of AIS and Programmatic Agreement. 4. Traffic impacts to Colburn would be significant and may prevent access to some properties. 5. Would not “clean up” Dillingham (e.g. would not underground aerial utilities, new roadway, etc.). 6. Requires restart of design. 7. Increases length of guideway and associated costs. 8. Requires new ROW acquisitions and associated costs. 9. Core systems must be redesigned and operations renegotiated. 10. Previous ROW acquired and buildings demolished for naught. 11. Landowners may have anticipated TOD around existing station locations. 12. New TOD limits will need to be established. 13. New utility relocate design required. 14. Likely to result in schedule increase due to environmental approvals.

4. Shift Guideway Alignment within LPA Corridor

ALT.	POTENTIAL CHANGE	PROS	CONS
4A	Dillingham Mauka shift from Kapalama Stream to Kaaahi (qualitative assessment generally includes several variations on this concept)	<ol style="list-style-type: none"> 1. Substantially reduces CCUR construction risk. 2. Potential to allow HECO makai 138kV and 46kV circuits to remain aerial, if variance is granted. 3. Will also allow communication lines paralleling Dillingham to remain aerial. 4. Should significantly reduce underground utility congestion in this area relative to the current approach. 5. Substantial reduction in costs and construction schedule due to the reduction of utility relocations. 6. HECO prefers the redundancy associated with one aerial circuit and one undergrounded circuit and the separation this alternate provides between the circuits. 7. Allows one row of historic trees to remain in place. 8. Allows left turns into businesses. 9. Creates opportunity for a multi-use path under the guideway adjacent to UH HCC. 10. Less traffic disruption during guideway construction. 11. Potential to reduce traffic signal scope if DTS is amenable. 12. Moving guideway piers from median to roadside could reduce risk of vehicle collisions. 13. Reduces visual impact of elevated guideway relative to center column and straddle bent configuration; enhanced urban design. 	<ol style="list-style-type: none"> 1. Requires re-design of utility relocations, roadway, traffic signals and core systems. 2. Requires Post-ROD; risk of supplemental EIS. 3. UH HCC approval will be required. 4. Introduces noise and vibration risk to UH HCC with the guideway closer to buildings. 5. Community had been promised a full undergrounding of overhead utilities.
4B	Dillingham Makai shift from Puuhale Rd to Kapalama Stream (qualitative assessment generally includes several variations on this concept)	<ol style="list-style-type: none"> 1. Substantially reduces CCUR construction risk. 2. Reduces utility relocation needs (could allow 46kV and 138kV aerial on mauka side, may require a HECO variance) and could reduce utility relocation costs. 3. Potential to integrate community multiuse path under the guideway. 4. Potential to redesign station with a smaller footprint. 5. Additional property takes could create additional opportunities for City development (e.g. housing, etc.). 6. May help reduce need for utility clearance variances. 7. Less traffic disruption during guideway construction. 8. Potential to reduce traffic signal scope if DTS is amenable. 9. Moving guideway piers from median to roadside could reduce risk of vehicle collisions. 10. Reduces visual impact of elevated guideway relative to center column and straddle bent configuration; enhanced urban design. 	<ol style="list-style-type: none"> 1. Requires re-design of utility relocations, roadway, traffic signals and core systems. 2. Previously studied and ruled out by Tiger Team due to AGS impacts. 3. Impacts utility design schedule. 4. Requires Post-ROD; risk of supplemental EIS. 5. Requires additional property acquisitions, which will like increase the project costs. 6. Requires demolition of additional buildings. 7. May require additional utility relocations. 8. Potentially significant impact to round-trip time and headway (requires simulation). 9. Potentially increases quantity of straddle bents over Dillingham.

5. Stations, Joint Development, and Private Finance

ALT.	POTENTIAL CHANGE	PROS	CONS
5A	Shift Niuhelewai (Kapālama) Station to Ewa side of canal	<ol style="list-style-type: none"> 1. Addresses UH concerns with disturbing contaminated soil; reduces potential liability for investigation and remediation. 2. Adjacent to planned Kapālama Kai redevelopment. 3. Eliminates some (not all) straddle bents along Dillingham Boulevard. 4. When paired with mauka guideway shift, could allow some aerial 46kV to remain in place. 5. Simplifies emergency egress design, allows for more compact station design.. 6. Eliminates concerns about access to Kokea Center (currently impacted by current station concept). 7. Generally supported by ROW, Planning, D&C. 8. Mitigates visual impacts from proximity to historic resources. 	<ol style="list-style-type: none"> 1. Requires additional ROW acquisition(s). 2. Requires Post-ROD or potential Supplemental EIS, depending on scope of integration with other project(s). 3. Requires re-design of utilities and core-systems. 4. Previous property acquired for naught. 5. Eliminates potential, future makai station entrance. 6. Eliminates potential opportunities for future station integration with transit-oriented development at Kokea Center.
5B	Shift Kuloloia (Downtown) Station	<ol style="list-style-type: none"> 1. Addresses longstanding issues with Pacific Guardian Center. 2. Could reduce visual impacts associated with proximity to historic Dillingham Transportation Building. 3. Could be integrated with Honolulu Harbors Master Plan. 	<ol style="list-style-type: none"> 1. Requires environmental re-evaluation. 2. Requires re-design of utilities and core systems. 3. Requires additional land acquisitions. 4. May require Supplemental EIS, depending on scope of integration with other project(s).
5C	Integrate Ka'akaukui (Civic Center) Station with joint development	<ol style="list-style-type: none"> 1. May enable HART to capitalize future revenues to offset project costs. 2. May be well received by public. 3. Could result in a better integrated system with more amenities. 	<ol style="list-style-type: none"> 1. May require zoning changes (e.g. building height waivers) to make potential projects profitable and attractive to developers. 2. Increases complexity and risk due to additional stakeholders (e.g. DTS for O&M-phase agreements, DPP TOD for zoning, HCDA, etc.). 3. Increases complexity and risk due to additional project interfaces (e.g. multiple interdependent design and construction projects). 5. May require Supplemental EIS depending on scope of integration with other project(s). 6. Increases schedule and risk associated with environmental approvals to incorporate new scope into project (e.g. FEIS). 7. Additional impacts from joint development (on historic resources, etc...) could require further mitigation.
5D	Integrate other stations with joint development	<ol style="list-style-type: none"> 1. Could attract different sources of financing/capital (similar to typical commercial development). 2. Could increase ridership. 	<ol style="list-style-type: none"> 1. Likely to require Post-ROD(s) and could require Supplemental EIS depending on scope of integration with other project(s). 2. Additional impacts from joint development (on historic resources, etc...) could require further mitigation.

CITY CENTER GUIDEWAY AND STATIONS
Preliminary Draft Qualitative Evaluation of Potential Project Changes

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ALT.	POTENTIAL CHANGE	PROS	CONS
5E	P3 for stations	<ol style="list-style-type: none"> 1. May enable HART to capitalize future revenues to offset project costs. 2. May be well received by public. 3. Could result in a better integrated system with more amenities. 	<ol style="list-style-type: none"> 1. Likely to require Post-ROD(s) and could require Supplemental EIS depending on scope of integration with other project(s). 2. May require zoning changes (e.g. building height waivers) to make potential projects profitable and attractive to developers. 3. Increases complexity and risk due to additional stakeholders (e.g. DTS for O&M-phase agreements, DPP TOD for zoning, etc.). 4. Increases complexity and risk due to additional project interfaces (e.g. multiple interdependent design and construction projects). 5. Increases schedule and risk associated with environmental approvals to incorporate new scope into project (e.g. FEIS, FFGA).
5F	Shift Holau (Chinatown) Station	<ol style="list-style-type: none"> 1. Could address station constructability issues. 2. Would mitigate impacts to the Chinatown Historic District (by shifting station outside of the historic district). 3. Could be integrated with Honolulu Harbors Master Plan. 	<ol style="list-style-type: none"> 1. Likely to require Post-ROD(s) and could require Supplemental EIS depending on scope of integration with other project(s). 2. Requires re-design of utilities and core systems. 3. Adjacent to existing residential buildings.

6. Tunnel or At-Grade on LPA Alignment

ALT.	POTENTIAL CHANGE	PROS	CONS
6A	Tunnel the guideway under Dillingham (and perhaps further) along existing LPA alignment	<ol style="list-style-type: none"> 1. Avoids many of the current utility conflicts on Dillingham. 2. Reduces visual impact to historic downtown if guideway is underground (i.e. addresses AIA's concerns). 3. May provide more flexibility in alignment (since tunnel could be underneath constraints on the surface) and could help get the alignment through to UH Manoa. 4. Eliminates construction-related traffic impacts in some areas (i.e. all but launching pits, receiving pits, and stations). 5. Reduced construction and operational noise impacts. 6. Reduced archaeological impacts due to reduced proportion of near-surface work. 7. Frees up above-ground space for joint development and/or TOD. 8. Construction can be more continuous due to lack of competing surface traffic and access. 9. ROW acquisitions should be less expensive below-ground than above-ground. 10. Mitigates visual impacts of straddle bents along narrow urban streets, especially near historic parks. 11. Could aid in pursuit of additional project funding if stakeholders are supportive of a subway in lieu of an elevated guideway. 12. Proves ability to tunnel to other locations on the island. 13. Could combine tunnel with utility and stormwater project(s). 14. No sun/rain canopies required for underground stations. 15. May reduce future problems with sea level rise (?). 16. Could attract different international bidders. 17. May garner community support. 	<ol style="list-style-type: none"> 1. May require amendments to FFGA and could result in loss of FTA funding. 2. May require more utility relocations than elevated guideway due to transition from elevated to underground. 3. Requires new ROW acquisitions and associated costs. 4. Core systems must be redesigned and operations renegotiated. 5. Introduces new risks (e.g. geotechnical, adjacent buildings, etc.). 6. May require demolition and reconstruction of east end of AGS alignment to accommodate transition. 7. Capital cost per new rider would increase. 8. Would require a Supplemental EIS. 9. Substantial cost and schedule increase to the program. 10. Underground stations could impact more utilities. 11. No plans for how to transition from elevated guideway to underground tunnel. 12. Requires new scope (e.g. ventilation, fire detection, dewatering system, etc.). 13. Recent U.S. subways cost: \$2.5b/mi (NY, Second Ave Subway, 2017), \$930m/mi (LA Purple Line Extension), \$928m/mi (SF Central Subway), \$600m/mi (Seattle U-Link, 2012), \$630m/mi (Vancouver Broadway Subway, 2020). 14. Operation of underground station is more costly due to increased mechanical systems and ventilation requirements.

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ALT.	POTENTIAL CHANGE	PROS	CONS
6B	Build track at grade (i.e. at roadway level)	<ol style="list-style-type: none"> 1. Reduced construction costs for guideway and stations. 2. Addresses longstanding community concerns regarding visual impacts of elevated rail line in the urban core. 3. At-grade stations are more accessible stations and conducive to neighborhood scale transit-oriented development. 	<ol style="list-style-type: none"> 1. May require amendments to FFGA and could result in loss of FTA funding. 2. Mixes rail traffic and roadway traffic, slowing both. 3. Increased likelihood accidents between rail, pedestrians, cyclists, and autos. 4. Will require more utility relocations than an elevated guideway. 30+ feet wide for entire length vs. 10' diameter column every 100' to 140'. For Dillingham would result in the relocation of all existing underground utilities in order to create the clear space even if we leave the vast majority of comms and electrical aerial. 5. Could increase overall project costs if additional costs (e.g. additional ROW, additional trains, modifications to core systems, additional utility relocations, security measures, grade crossing signalization and/or viaducts) outweigh guideway savings. 6. Requires extensive ROW acquisitions and associated costs. When comparing a 12' median to a 30+ wide footprint. Minimum 20 additional feet for the length of at grade construction. If extended downtown would result in the complete closure of parts of Halekauwila, Queen and Kona. 7. Core systems must be redesigned and operations renegotiated. 8. May require new rail vehicles or retrofitting of current vehicles to accept both traction and catenary power. 9. Introduces new risks (e.g. ROW, noise, access, hazards, etc.). 10. Likely to result in lower ridership, due to slower travel times and less reliable service. 11. Likely to require a Supplemental EIS. 12. Would require City Council action to adopt a new Locally Preferred Alternative. 13. Substantial increases in cost and schedule to the program. 14. Challenges with integrating 4-car (i.e. 240' long) platforms into existing blocks and street ROW. 15. Higher operating and maintenance costs.

7. Utility-Focused Changes

ALT.	POTENTIAL CHANGE	PROS	CONS
7A	Allow utilities to run through guideway foundations	<ol style="list-style-type: none"> 1. This could relieve some congestion where there are conflicts between utilities and C-pier pile caps. 2. Reopens essential discussion about variances. 	<ol style="list-style-type: none"> 1. Requires utility clearance variance(s). 2. Sequencing will require an additional utility relocate design to move the utilities in conflict as the shaft foundations are drilled and poured. 3. Results in two utility relocations, which will increase cost, schedule, and duration of impact to public. 4. Custom design and formwork will be required for shaft foundations with penetrations. 5. Likely to require larger foundations, which will take up more room and could trigger additional utility relocations. 6. Substantial cost and schedule increase to the program. 7. Represents a significant impact to the linear nature of elevated guideway build. A large number of the columns will be unique which will have a significant impact to the CCGS contractor's efficiencies. 8. Utility owners have rejected this approach in the past.
7B	Obtain temporary variances for temporary utilities, then place utilities in guideway and demolish temporary utilities	<ol style="list-style-type: none"> 1. Reopens essential discussion about variances. 2. Could apply to traffic signal interconnect and/or AT&T. 	<ol style="list-style-type: none"> 1. Requires utility clearance variances. 2. Relocating utilities once (to temporary location) and again (into guideway) doubles the amount of work, time, and cost. 3. The most challenging congestion is adjacent to manholes, not guideway columns, so this approach is not anticipated to solve the variance issue. 4. Does not apply to most utilities.
7C	Obtain temporary variances to leave utilities in place, then pay utility owners to move their own utilities after guideway is constructed	<ol style="list-style-type: none"> 1. Reopens essential discussion about variances. 2. Could apply to traffic signals and street lights. 	<ol style="list-style-type: none"> 1. For the case of utilities "within our column" this would require moving utilities three times: (1) to enable foundation construction, (2) to put the utility back in place within the foundation, and (3) moving it to a new location, someday. 2. Additional utility relocations increase cost and schedule. 3. Sleeving utilities through foundations requires larger rebar spacing than standards allow. 4. HART can only be reimbursed for work performed and paid (but cannot be paid in advance for work to be performed in the future).

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ALT.	POTENTIAL CHANGE	PROS	CONS
7D	Relocate utilities to provide a 5-foot temporary construction buffer around guideway foundations	<ol style="list-style-type: none"> 1. Clearing a 5-foot zone around guideway foundations has been, and continues to be, a part of the current basis of design for utility relocations. 2. There are numerous locations where HECO duct is currently designed and constructed within the buffer zone. They required their duct bank to be structurally reinforced in these areas. 	<ol style="list-style-type: none"> 1. Reduces the CCGS contractor's flexibility of design. 2. Adds risk to CCGS contractor (or HART if not disclosed prior to bid) due to proximity of the utilities to contractor's foundation excavation.
7E	Revert CCUR designs to eliminate or minimize straddle bents in City Center	<ol style="list-style-type: none"> 1. Minimizes risks of delay due to increased ROW takes and impacts to historic resources and/or parks. 2. Minimizes risk of delay due to changes in ROW takes associated with guideway design changes. 	<ol style="list-style-type: none"> 1. Requires CCUR redesign. 2. Likely to require routing of 46kV ductbank "around the block" on Pohukaina.
7F	Relocate utilities onto parallel streets	<ol style="list-style-type: none"> 1. Creates more space on Dillingham. 2. Could eliminate the need for utility clearance variances during design, and could reduce the need for clearance variances during construction. 3. If large mains are replaced with multiple, smaller mains, may improve redundancy and reduce consequences of a single utility outage. 4. There is precedence for this approach on Halekauwila and Pohukaina. 	<ol style="list-style-type: none"> 1. May require additional ROW (e.g. utility easements). 2. Applicable only to transmission utilities (i.e. not utilities with service connections on Dillingham). 3. May require amendment to Area of Potential Effect and Post-ROD . 4. May trigger the need for additional off-corridor utility relocations (e.g. 42" watermain clearance zone is 14' wide).
7G	Use deeper, trenchless methods for utility relocations on Dillingham	<ol style="list-style-type: none"> 1. Reduces congestion of underground utilities near the ground surface. 2. Could eliminate the need for utility clearance variances during design, and could reduce the need for clearance variances during construction. 3. Depending on trenchless method selected, may reduce temporary traffic impacts relative to open-trench construction (except at launching pits, receiving pits, manholes). 4. Reduced risk of unforeseen utility conflicts at deeper depths. 5. Reduces dewatering expense associated with open-trench construction. 	<ol style="list-style-type: none"> 1. This approach would be practical only for transmission mains (e.g. 138kV, 42" water, etc.). 2. Still requires (larger) manholes, which will continue to create pinch points in congested areas. 3. Utility owners have concerns with maintainability (i.e. inability to access and repair a pipe 25 feet below grade) and therefore may require additional safeguards, increasing overall cost. 4. Launching and receiving require relatively large areas and could potentially require additional utility relocations. 5. Traffic impacts associated with launching pits, receiving pits, and adjacent equipment could be significant. 6. Depending on interpretation of horizontal clearance standards, this approach may still require clearance variances, regardless of utility depth.
7H	Keep communication lines aerial on makai side of Dillingham	<ol style="list-style-type: none"> 1. Could eliminate the need for utility clearance variances during design, and could reduce the need for clearance variances during construction. 2. Aerial poles and lines are typically less expensive to construct relative to underground ductbanks so this approach should reduce project cost. 3. HART's designer is already looking at this concept. 	<ol style="list-style-type: none"> 1. Would leave some existing utilities overhead (rather than undergrounding everything) so there would still be some residual aerial utility clutter along Dillingham. 2. Requires redesign of utility relocations. 3. Could increase design complexity based on joint pole ownership and multiple stakeholders. 4. Still grappling with some technical issues (e.g. still requires service risers and underground service connections, conflicts with straddle bent pier capitals).



COMMUNICATIONS PACIFIC

September 1, 2005

The Honorable Mufi Hannemann
Mayor
City and County of Honolulu
Honolulu Hale
530 South King Street
Honolulu, Hawaii 96813

Dear Mayor Hannemann:

My company, Communications Pacific, was asked by Parsons Brinkerhoff Quade & Douglas, Inc. (Parsons) to participate on its team to respond to the City and County of Honolulu's RFQ for the Alternatives Analysis/Draft Environmental Impact Statement to be prepared for the transit project. Specifically, we were asked to lead and manage the public involvement efforts. We have worked very successfully with Parsons in the past, and we were delighted to be asked to participate as one of its subcontractors if it was selected for the project.

All of us who choose to respond to any RFQ know that it will involve an investment of time and resources. That was true in this case – our company assisted in developing the RFQ response for submission. Parsons structured the submission so that the public involvement work, including community outreach and media relations, would be conducted by several companies. It was clear in the RFQ response that Communications Pacific would head up the work and would be supported by The Limtiaco Company.

We were gratified to learn that the Parsons team had been selected through the procurement process. We have been in constant communication with Dick Page, Project Director for Parsons, and up until last Friday afternoon we were actively beginning to work with them to initiate this project. Based on the RFQ submittal, and various verbal communications with Parsons we fully believed we would have substantial roles in the project. Ruth Limtiaco had even hired additional staff to work on this.

On Friday, August 26, I received a call from Ruth Limtiaco who said that she had just learned from Dick Page that the scope of work of Communications Pacific and The Limtiaco Company had been severely reduced, and a new company had been inserted. She called me back a short time later to say, "Parsons is trying to work it out, so hold tight. I'll call you back when I hear something."

Mayor Mufi Hannemann

September 1, 2005

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I didn't hear anything further until this past Monday when my company received word from Dick Page that our scope of work and that of The Limtiaco Company had been drastically reduced and that he had tried to get that decision by the city changed, but was not successful. After receiving this news from a member of my staff, I called Dick Page directly and learned further that when Parsons went in to sign the contract with the city they were informed by Toru Hamayasu, the city's manager for this project and Acting Deputy Director of the Department of Transportation, that four small subcontractors that had been on the Parsons team had been completely removed and replaced with four contractors chosen by the city. In addition, the work that was to be done by my company and The Limtiaco Company had been given to Joe Pickard and Vicki Gaynor. I asked Dick Page if Pickard and Gaynor's company had submitted a bid to Parsons or proposals on how they planned to implement the work they were being given. Dick said they had done neither. Dick said that Parsons had really wanted to work with our company because they know our qualifications and capabilities.

Immediately after speaking with Dick Page, I called an attorney who specializes in procurement law and described the situation. He basically told me that if the work was awarded to the new sub-contractors based on their relationship with you and/or the city and not on their qualifications, I could file a complaint with the ethics commission under HRS Chapter 84, Section 13. He said that as a subcontractor I have no real legal standing with the city, but the prime contractor (Parsons) has standing and can demand that the city implement the contract it has been awarded using the team Parsons selected. He further added that if this project is to receive federal funds, those funds could be at risk if a government entity is directing who is going to get the work after the contract has been awarded. He cited the situation where HUD demanded that federal funds be returned by the Housing and Community Development Corporation of Hawaii after the former director was found to have given too many contracts to her ex-husband's construction company. Finally he suggested that I contact the prime contractor and officially let them know that the law is on their side if they want to insist that the team they selected to do the work be left intact. He said, however, that if the contract is fairly large, I should not be surprised if the prime contractor does not stand up for the subcontractors and that, if confronted, it might even say that it had been its idea to make the switch.

Next I called Joe Pickard to ask him how he happened to have been awarded a very significant amount of work on a project he hadn't even bid on. I also asked how his environmental engineering firm would handle the media and community outreach for this project. In general he told me that he had someone on staff with experience in this area and that he had called up Tad Ono of Parsons right after the contract selection had been made (but not yet made public) and asked if his company could assist. He said that Tad Ono said he would see what he could do.

I put in a call to your office and later in the day, your managing director called me back. His only comment after hearing about my problems with this process was to say he would make you aware of it.



Mayor Mufi Hannemann

September 1, 2005

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Then I called Dick Page back to tell him that I had spoken with Joe Pickard and that Joe confirmed that he had approached Parsons and that Tad Ono had suggested there might be some work for his company on this project. I said that I didn't understand this because Dick had been meeting and communicating with my company and The Limtiaco Company regularly through the previous Thursday with every indication that things were ready to move forward as planned with us. I asked Dick if Tad had been the one to suggest giving our work to Joe Pickard's company and he said Tad had not initiated the changes and that the first they had heard of this was when they went to sign the contract with the City and Toru Hamayasu told him they were making changes to the subcontractors list. I then told Dick that I had spoken with an attorney specializing in procurement law and he said Parsons has full legal standing to insist that the city implement the contract with the team originally selected and named in the response to the RFQ. At that point, having been assured by Dick that Parsons would have much preferred to work with us, I asked that Parsons take a stand on this issue and insist on using its original team. Dick was noncommittal about this, and I said that if Parsons was not willing to do this, I did not want to have any role in this project and that I wanted my company eliminated from the contract. Dick said he would not take us off at this time and that it was possible that as the project moved forward he could direct additional work our way. I told him that the only reason I ever got involved in politics was to stop this kind of bullshit and that it was a matter of integrity for me and I did not want to participate in something that was starting off without integrity. Dick insisted he would leave us in the contract for a small amount of work; at the time I didn't realize that it might put Parsons' contract at risk to take us out. Nevertheless, Mayor, I am officially asking that my company be removed from the contract.

Next, Joe Pickard called me back to tell me that he was not going to pursue this project until Parsons had straightened out its issues with my company and The Limtiaco Company. He also told me that Tad Ono had approached him and asked him to do the work. (A change from the previous conversation when he said he had approached Tad Ono.)

I called Dick Page back one more time and confirmed once again that Tad Ono had not initiated these changes and that it was Toru Hamayasu at the city who had initiated these changes. I also told him about the call I had received from Joe Pickard about backing off on the work. Dick indicated that the message to him from Joe had been more along the lines of getting me and Ruth under control before he would move forward.

I called Joe back and left him a voicemail message saying that I had confirmed that Tad Ono hadn't approached him to do the work and that the directive had come from the city. I said at this point I was going to pursue looking into an ethics complaint and possibly other options.

So, Mayor, the purpose of this letter is to do several things:

- To officially ask you to take my company off of the Alternatives Analysis/Environmental Impact Statement contract.
- To tell you how extraordinarily disappointed I am to learn that you are not, after all, concerned with transparency and doing things differently.



Mayor Mufi Hannemann

September 1, 2005

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- To shine light on the issue, since that is one of the more powerful tools that we public relations people have when confronted with something that is simply not right.
- To specifically request information regarding your selection process for the Alternatives Analysis/ Environmental Impact Statement contract.

It is my sincere hope that the actions of your administration have not jeopardized the federal funding and viability of this important project that will benefit all the citizens of the City and County of Honolulu.

Sincerely,



Kitty Lagareta

Chairman and Chief Executive Officer

KL:co

- c: Daniel K. Inouye, United States Senate
Daniel K. Akaka, United States Senate
Neil Abercrombie, United States Representative
Ed Case, United States Representative
Jeff Coelho, Managing Director, City and County of Honolulu
Donovan Dela Cruz, Chair, Honolulu City Council
Ann Kobayashi, Vice Chair, Honolulu City Council
Todd Kala Apo, Councilmember, Honolulu City Council
Romy Cachola, Councilmember, Honolulu City Council
Charles Djou, Councilmember, Honolulu City Council
Nestor Garcia, Councilmember, Honolulu City Council
Barbara Marshall, Councilmember, Honolulu City Council
Gary Okino, Councilmember, Honolulu City Council
Rod Tam, Councilmember, Honolulu City Council
Edward H. Kubo, Jr., United States Attorney, District of Hawaii
Tadahiko Ono, Vice President, Parsons Brinkerhoff Quade & Douglas
Richard S. Page, Project Director, Parsons Brinkerhoff Quade & Douglas
Ruth Limtiaco, The Limtiaco Company
Charles W. Totto, Executive Director and Legal Counsel, Honolulu City and County Ethics Commission
Gordon Lum, Executive Director, Oahu Metropolitan Planning Organization



Appendix D - David Shapiro Commentary

HAWAII NEWS | VOLCANIC ASH

David Shapiro: Public left in dark on details of Honolulu's rail recovery plan

By [David Shapiro](#), Special to the Star-Advertiser • June 12, 2022

When it comes to money and Honolulu rail, we've heard it all.

We listened to former Mayors Mufi Hannemann and Peter Carlisle promise repeatedly to finish the train from Kapolei to Ala Moana Center on time and within the \$5.2 billion budget laid out in the original agreement with the Federal Transit Administration.

We heard former Mayor Kirk Caldwell pledge that two state bailouts totaling \$4 billion would be enough to finish, but he left with costs exceeding \$10 billion and the project running a decade late.

Now Mayor Rick Blangiardi says he can complete a functional system for \$10 billion, but [only if it ends two stops short](#) of Ala Moana Center at Halekauwila and South streets and jettisons a Pearl Highlands parking garage key to opening the system to Central Oahu commuters.

I want to believe it'll work. I want to credit him for trying to make lemonade out of the lemon he inherited and salvage something for our money. I want to applaud him for taking command and involving his whole administration instead of relying only on suspect representations from the Honolulu Authority for Rapid Transportation.

But I keep worrying about the money.

Blangiardi often says, "If the numbers don't make sense, then the strategy doesn't make sense." On his rail recovery plan being submitted to the FTA this month, he hasn't spelled out how the numbers make sense.

He says it's because the FTA, from whom the city seeks \$700 million in delayed federal rail funding, instructed the city not to discuss plan details until it's reviewed in Washington.

It's not only the public in the dark.

HART's board had many questions that couldn't be answered when it took up the recovery plan, but quickly approved it anyway ahead of a June 30 deadline to get the plan to the FTA.

City Council members also couldn't get answers to many questions, but blessed the plan in a fraction of the time it would take them to approve a \$50,000 bicycle path.

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Key rail decisions have always been rammed through under pressure of some deadline, and questions have always been discouraged. Look where it's gotten us.

The unanswered questions are important.

A new HART cost accounting that shaved \$1 billion from projected costs was based on supposition as much as fact and had a political scent to it. The study occurred before the massive inflation we're now experiencing.

A proposed rerouting through the Dillingham Boulevard corridor, critical to the savings, hasn't been fully engineered or subjected to environmental and other reviews.

HART is again painting the rosiest picture where nothing goes wrong. When has that ever happened with this train wreck? HART CEO Lori Kahikina already talks about raising money to expand to Ala Moana and the University of Hawaii as if the tricky eight years ahead have already happened with no hitches.

We can only hope the FTA demands more answers than the HART board and City Council. And shares them with the taxpaying public for a change.

Reach David Shapiro at volcanicash@gmail.com.

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RAIL SOS RESOLUTION

This resolution is a request for the Honolulu City Council and HART to complete the rail project by establishing transfer stations offering multimodal express service at Lagoon Drive and Middle Street. A thorough analysis of this option is needed to include in the Updated Financial Plan to be presented to the Federal Transit Administration later this year.

WHEREAS, It is clear we do not have the funding to build rail all the way to Ala Moana Center, with rail's deficit of \$3.6 billion. Many are suggesting that a shorter route is needed and can deliver a useful system, including our mayor, some HART board members, City Councilmembers, other politicians, and various media voices; and

WHEREAS, HART is preparing a Financial Plan, due by December, to explain to the FTA how rail will be funded and completed, which offers a chance to include this alternative solution for Honolulu's rail project. There is urgent need to look at this option now to get the system up and running as soon as possible with the existing budget to provide relief for Leeward travelers; and

WHEREAS, The situation is a blessing in disguise, allowing time to update critical projections on operating costs, climate change impacts, ridership, and more. It necessarily puts new focus on how far the tracks should extend and how to best continue travel service from an alternative terminus, none of which have yet been properly studied. Five different endpoints are being considered: Aloha Tower, Chinatown, Kalihi, Middle Street and Lagoon Drive.

WHEREAS, Middle and Lagoon are ideal transfer stations because they are in good position to work together sharing the passenger load. Travelers step off the train at the multimodal station, ride escalators to transfer platforms, board express vehicles, then sit down for direct rides to their destinations.

WHEREAS, Express routes along North King Street, Dillingham and Nimitz can take full advantage of our existing roads, which can be improved to enhance traffic flow, including some dedicated lanes and synchronized traffic signals. These routes can provide direct service to various destinations including Downtown, UH Manoa, Ala Moana and Waikiki.

WHEREAS, This alternative could begin service within two years and fulfill the original goals of the project with a lower construction cost which could likely be paid for with current funding, requiring no further tax increases. It also has the flexibility to incorporate new transportation technologies, including electric autonomous vehicles of various sizes and routes that can be modified to meet demand; and

WHEREAS, If rail usage is high, and funding can be secured, future extension of the elevated train tracks is always an option, but expansion beyond Middle is not necessary or desirable at this time, and is faced with enormous problems of funding, construction, and aesthetics which would only add further delays.

WHEREAS, The appearance of downtown would be marred by an elevated structure blocking views of the waterfront and Aloha Tower, and there is no good location there for a bus transfer station. Chinatown has the same issues, and extension to Kalihi, near the prison, is likewise unneeded. Infrastructure challenges along Dillingham have made

these options extremely difficult. Fortunately, no contracts have been issued for any construction beyond Middle Street, so no work need be done there unless further studies warrant it; and

WHEREAS, Our goal should be creating the best multi-modal transportation system, with the largest total ridership, rather than focusing solely on rail. There is urgent need to look at the options now to get the system up and running as soon as possible within the existing budget to provide relief for Leeward travelers; and

WHEREAS, This is not a proposal to “stop rail” or advocate for automobiles. It is a plan to increase the ridership and effectiveness of mass transit. Our major rush-hour traffic problem is along H-1, not on the streets in the urban center, which have sufficient capacity to handle express buses. Much to its credit, the rail can offer some relief by giving H-1 drivers an alternative way to reach the edge of town, then transfer to express buses and similar vehicles.

WHEREAS, The Federal Transit Administration is waiting for our Updated Financial Plan at the end of this year and by all accounts is fed up and deeply embarrassed by our prolonged problems but will surely show support by issuing remaining funds when a reasonable plan is presented:

RESOLVED: We respectfully ask the Honolulu City Council and HART to establish transfer stations at Lagoon Drive and Middle Street to complete the rail project and efficiently extend travel services beyond those points with multimodal express service; and

RESOLVED: Study of this alternative shall include cost of construction and Operation & Maintenance, funding projections, determination of how far the rail line can be built with current finances, updated ridership projections and effects of telecommuting, autonomous self-driving vehicles, bus rapid transit technology, sea level rise and other relevant concerns; and

RESOLVED: No major new construction contracts or land acquisitions for the Middle Street to Ala Moana section shall be awarded pending results of the study; and

RESOLVED: Our congressional delegation should work with the Federal Transit Administration to determine how the existing Federal grant can be modified; and

Copies of this Resolution shall be transmitted to all the Neighborhood Boards, the Members of the Honolulu City Council, HART Executive Director and Board of Directors, the Honolulu Mayor’s Office, and our Congressional delegation, and the Administrator of the Federal Transit Administration.