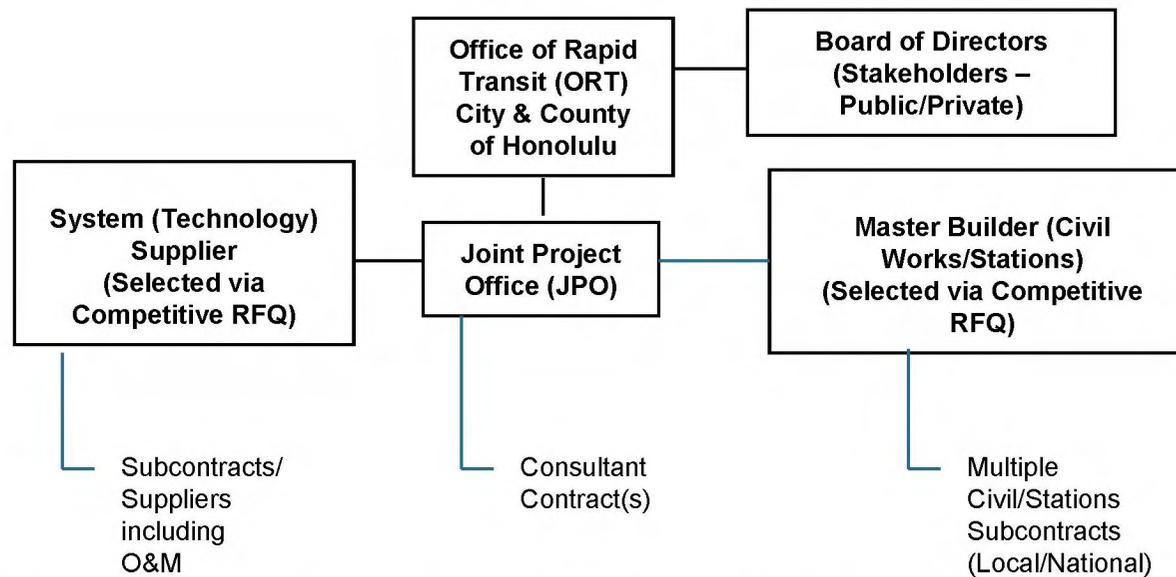


Possible Honolulu Rapid Transit Project Organization



Notes:

1. System Supplier and Master Builder selected via Competitive Qualifications (RFQ) process. No pricing at this point.
2. After selection, together with City's Office of Rapid Transit, a Joint Project Office (JPO) is formed. JPO governed by Board of Directors. One or more engineering consultants are selected to also become part of JPO.
3. JPO performs Preliminary Engineering (PE) & Environmental Impact Statement (EIS) per FTA regulations. (EIS may need to be performed with private sector in support only.) Lower costs anticipated as exact technology and construction methods known, and better estimates of costs also known.
4. Following PE, System Supplier and Master Builder prepare lump sum, fixed-price costs for performance at-risk. Due to early participation, risk and contingency provisions minimized. Open-book analysis possible via independent consultant review.
5. Master Builder selects and uses multiple local and national contractors/engineers for various line sections/station design/construction. Master Builder manages and performs overall coordination at-risk. System Supplier selects and uses multiple suppliers/subcontractors for various E&M work. System Supplier manages/performs at-risk. System Supplier and Master Builder perform systems integration together with consultants as part of JPO. JPO includes contingency provision in the event of problems. All share any excess as an incentive at end of construction.

Nov. 2006