From: Ryan, James <FTA>
To: Sukys, Raymond <FTA>
CC: Libberton, Sean <FTA>; Fisher, Ronald <FTA>; Ossi, Joseph <FTA>
Sent: 11/7/2006 2:41:42 PM
Subject: RE: Honolulu's AA

Ray:

Got your phone message about the follow-up to the discussion you and I had on the phone. A day or two after our discussion, I talked to Ron, Sean, and Joe about the status of the Honolulu AA, decision-making by the City Council, and our out-of-date NOI that promises both an AA and a DEIS before a PE application.

Taking the last item first, Joe said that the remedy for a no-longer-accurate NOI is a new NOI before the pre-PE scoping process that describes the revised intentions for environmental analysis and documentation. So that doesn't sound like a problem.

Regarding local decisionmaking, we got copies of the AA final report by FedEx yesterday so I'm assuming that you got the region's copies as well. Jim Barr and I will be reading it over the next week or so. Can we try for comments by next Friday? We agreed with Toru when he was here several weeks ago that our review would be from the perspective of the readiness of the information to support a PE application for whatever alternative emerges as the LPA.

Also regarding local decisionmaking, last Friday we got a request for a visit with Brigid from City Council Chair Della Cruz and Councilmembers Djou and Apo. That's been arranged for Thursday morning. Their assistant promised written questions in advance but we haven't seen them yet. The issue -- which has been in the local Honolulu press that Hymie monitors -- is whether they have to pick an alignment in addition to picking "rail" before they look to enter PE. The answer is YES, of course, and both the mayor and Toru have been telling them that at some length. But apparently they want to hear it first hand. The council members are in Chicago this week for RailVolution and are making the short hop to Washington on Wednesday evening.

Regarding the FTA role in all of this, Ron, Sean, and I reconfirmed that our role really begins when they propose an LPA for PE. It would have been useful for the Honolulu folks to have given us intermediate materials like ridership forecasts and cost estimates, but it's not unusual that we never got anything -- in spite of our harranging and cajoling all potential project sponsors over the last two years.

Regarding a TRO/TPE conference call on all of this, we're happy to have one if you, Leslie, or anyone else in your office would find it useful. Let me know.....

Jim

From: Sukys, Raymond <FTA>
Sent: Tue 10/17/2006 4:12 PM
To: Ryan, James <FTA>
Cc: Libberton, Sean <FTA>; Fisher, Ronald <FTA>; Rogers, Leslie <FTA>; Turchie, Donna <FTA>; Marler, Renee <FTA>; Ossi, Joseph <FTA>; Barr, James <FTA>
Subject: RE: Honolulu's AA

Hi Jim,

Cliff Slater called me and said:

- The City and County's public meetings are not based on accuracy or truthfulness.
- The project staff has maintained that the FTA has worked very closely with them on the AA implying that we are in agreement with it.
- He remains concerned that the City and County will not respond to his comments and he is especially concerned with the purpose and need for the project.
- He finds it ridiculous to assume that the "no-build" could show a 30% growth in ridership when ridership at best could be described as flat since 1984.

Ray

From: Sukys, Raymond <FTA>
Sent: Thursday, October 12, 2006 9:46 AM
To: Ryan, James <FTA>
Cc: Libberton, Sean <FTA>; Fisher, Ronald <FTA>; Rogers, Leslie <FTA>; Turchie, Donna <FTA>; Eagle, Lucinda <FTA>; Marler, Renee <FTA>
Subject: RE: Honolulu's AA

Hi Jim,

This is a useful summary and I would add that they will need to factor in the time that it takes to develop and issue the new NOI before we start NEPA. We don't want to have the crunch like we did before where we were scrambling to meet their scoping dates. I would suggest a minimum of 6 to 8 weeks before the scheduling of any scoping meeting.

On other AAs, we have been trying to schedule periodic conference calls between Dwayne, the Region and the sponsor to try to mitigate issues however, we not had great success.

Thank you,

Ray

From: Ryan, James <FTA>
Sent: Thursday, October 12, 2006 8:42 AM
To: Sukys, Raymond <FTA>
Cc: Libberton, Sean <FTA>; Fisher, Ronald <FTA>
Subject: RE: Honolulu's AA

Ray:

We seem to be proceeding in the hallowed tradition of Honolulu rapid transit studies: never enough time to do it right, but lots of time to do it over.

Toru and Mark Scheibe were here yesterday to deliver the draft AA report. This is the first material they've given us since spring, so we haven't seen anything on the alternatives, costs, ridership, etc., etc. Toru had marked up a somewhat earlier version of the draft report while he was traveling here (by way of Colorado Springs to visit his Air Force cadet daughter). And a FedEx box with graphics pages to be inserted into the draft didn't arrive at the PB-Washington office – so no graphics.

We spent five hours walking through the "highlights" of the document and it's clear that both the document and the underlying work are in rough condition. Discussions on the financial analysis, for example, stumbled into some perverseness in the approach that they've used. They have considered a range of possible revenue generation from the excise tax, and estimated the New Starts funding that would be needed to cover the shortfall in local funding: the lower the proceeds from the excise tax, the higher the New Starts request. The large problem with that approach is that they will not know what the revenue stream from the excise tax will be (because most of its duration will still be in the future and it depends on the future state of the Hawaii economy and the still-uncertain fraction of statewide tax revenues that are generated on Oahu) when they have make the request for New Starts funding. Ooops! And the chapter on transportation benefits has a few tables with island-wide totals followed by many tables of incredibly detailed (and not very useful) numbers like station-to-station rail volumes. It's missing all the really useful information on the key ridership markets and how the alternatives make transit travel better for those markets.

One thing that seems clear is the rail alternative preferred by the city administration: a "shorter" rapid transit project that drops the last four miles through Kapolei on the western end and terminates at Ala Moana Center on the eastern end. That's what they think is affordable without an extension of the increment in the excise tax. (And the goofy Kapolei-to-Mililani "local funded segment" seems to have disappeared, so we won't have to deal with the potential segmentation issues that loomed with that idea.)

After more than four hours of muddling through the document, I asked what they wanted from us given that they intend to hand a cleaned-up version of the draft report to the City Council in two weeks. Toru said that he wanted his edits incorporated into the

report (and the financial analysis revised) before we review the report, and that it might be another week before we got a real review copy. And that obviously leaves no time for a meaningful FTA review.

So we agreed that they are on their own with the information they're giving to the City Council and the public to support a decision on an LPA. They are not sure how that's going to proceed because the Council chair and the mayor are already disagreeing on how quickly the Council can/should act on the decision. And Toru expects that the Council members will be generating lots of questions that they and PB will be responding to for a month or two. And who knows what Cliff Slater will toss into the mix.

We also agreed that lots of work is probably needed to provide solid grounding (numbers) to support a PE request to FTA and that we will cooperate on that work once an LPA has been identified. Ideally, that work would get started before the LPA so that we don't lose 2, 3, or 4 months or more waiting for the LPA decision. But they have funding and contractual issues that may prevent any such head start.

I subsequently talked with Sean about the status of FTA's role in AA reviews. We've been saying publicly for the past two years that we'd like to see AA materials as they are produced so that we can head off any obvious problems that will become barriers to PE approvals of LPAs that emerge from the studies. But the reality is that we have not really been involved in many AAs, so Honolulu has lots of company in the way things have gone: local agencies do AAs without any FTA contacts and then submit a PE application with information that may or may not be useful in evaluating their project.

So the Honolulu situation is unfortunate (as is the situation in most AAs) and not amenable to remedy in the next few weeks. Fortunately, DTS says they recognize that lots of additional work is necessary to get solid numbers needed for a PE application. Assuming that's what happens, we'll be able to make them cover the bases on costs, ridership, the managed-lanes alternatives, and other key topics germane to either New Starts requirements, or NEPA requirements, or both – before we take on any responsibility by OKing them into PE and NEPA. That work will occur between January and June, assuming that the LPA decision happens by the end of this year.

As they say in Hawaii, oy!
Jim

From: Sukys, Raymond <FTA>
Sent: Tuesday, October 10, 2006 7:15 PM
To: Ryan, James <FTA>
Subject: Honolulu's AA

Hi Jim,

It seems that we are about two weeks away from the release of the AA to Honolulu's city council. Shortly after that the city council will select an LPA. I am wondering about your involvement in this, whether you are okay with the document, the alternatives, the modeling, etc.?

Cliff Slater is concerned that his comments are being ignored especially those associated with the project's purpose and need.

Ray

From: Cliff Slater [mailto:cslater@lava.net]
Sent: Monday, October 09, 2006 11:50 AM
To: cliff@lava.net
Subject: Today's column

Other cities have shown rail does not work. October 9, 2006.

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