



HONOLULU AUTHORITY for RAPID TRANSPORTATION

MINUTES

**Board of Directors Meeting
December 1, 2011, 10:00 A.M.
Conference Room B, Kapolei Hale
1000 Uluohia Street, Kapolei, Hawaii**

PRESENT:

| | |
|----------------|--|
| Carrie Okinaga | Wayne Yoshioka |
| Ivan Lui-Kwan | Robert "Bobby" Bunda |
| Damien Kim | Don Horner |
| David Tanoue | William "Buzz" Hong (arrived 10:53 a.m.) |

ALSO IN ATTENDANCE:
(Sign-in Sheet and Staff)

| | |
|----------------|------------------------|
| Toru Hamayasu | Jeanne Mariani-Belding |
| Gary Takeuchi | Russell Honma |
| Joyce Oliveira | W. Zimmerman |
| Jurgen Sumann | Matt Robertson |
| Wes Mott | Tetsuya Yamamoto |
| Frank Doyle | Michael Ang |
| Michael Levine | William Spiegelberg |
| Kevin Dayton | |

EXCUSED:

| | |
|---------------|------------|
| Glenn Okimoto | Keslie Hui |
|---------------|------------|

I. Call to Order by Committee Chair

At 10:03 a.m., the meeting of the Board of Directors was called to order by Board Chair Carrie Okinaga.

II. Public Testimony

Ms. Okinaga called for public testimony. None was offered.

III. Approval of Minutes of November 17, 2011 Board Meeting

Ms. Okinaga called for the approval of the minutes. There being no objections, the minutes were unanimously approved.

IV. Report of November 25, 2011 Joint Meeting of Finance and Project Oversight Committees

Finance Committee Chair Don Horner stated he had nothing additional to report beyond what was reflected in the minutes of the joint committee meeting.

V. Report of December 1, 2011 Audit/Legal Matters Committee Meeting

Audit/Legal Matters Committee Chair Ivan Lui-Kwan stated that the committee heard a report about the pending litigation facing the project, including the *Honolulutraffic.com et al. v. Federal Transit Administration et al.* case, the *Kaleikini v. Yoshioka et al.* case, and the appeals by Bombardier. Mr. Lui-Kwan also stated that the committee heard a report on the status of procurement for audit services for FYs 2012-2015.

VI. Presentation on Project Management Plan (“PMP”)

Deputy Project Officer Frank Doyle explained the key features of the PMP, how it was developed, and the upcoming revision process of the PMP in anticipation of the Full Funding Grant Agreement (“FFGA”). Mr. Doyle stated that after receipt of the FFGA, the PMP will be revisited on an annual basis.

Ms. Okinaga indicated that the baselines contained in the Management Control section of the PMP might be useful in the development of the Board’s Balanced Scorecard. The Board members discussed the relationship between the information found in the PMP and the monthly reports to the Board and Project Management Oversight Contractor.

Board Member Wayne Yoshioka observed that the existing PMP is dated March 2011, prior to the formation of HART, and stated that the Board should become familiar with the upcoming update of the PMP.

Mr. Horner asked whether the PMP has been approved by the FTA. Mr. Doyle indicated that the PMP was approved in May and will need to be reapproved after being updated. Board Member Robert “Bobby” Bunda asked whether the Board will have a role in the decision-making process surrounding the PMP. Ms. Okinaga requested that Board Members be able to provide input as the PMP is updated.

Mr. Horner noted that the PMP outlines several policies, such as a barrier-free entry policy and farebox recovery ratio, and requested that the Board have the opportunity to discuss the pros and cons of these policies before they are finalized, particularly if there are financial implications. Mr. Horner expressed appreciation that the PMP is a dynamic document, which allows for further examination by the Board and its committees.

Ms. Okinaga asked whether there is a list of all the individual plans contained within the PMP. Mr. Doyle indicated that such a list can be found on pages 1-3 to 1-5. Ms. Okinaga requested that any new plans or modifications to existing plans that involve policy calls as requested by Board members be placed on a Board agenda for review.

Mr. Bunda asked about the Board’s impact on the claims resolution process as outlined in the PMP. Mr. Doyle stated that the Board will be notified if there are any change orders or claims. Mr. Horner expressed some concern as to whether the Board would simply be informed of changes or would authorize changes, and reminded the Board that there is a 10% threshold for contingency in the Financial Policies. Ms. Okinaga noted that the Financial Policies may be revisited at the next Board meeting.

Ms. Okinaga asked when a discussion on barrier-free entry policy may occur. Mr. Doyle stated that HART staff is in the process of reviewing a report submitted by the GEC on this topic, and that a discussion on the matter could happen in February or March. Ms. Okinaga recommended referring the matter to the Project Oversight Committee. Mr. Horner noted that a barrier-free entry system will have financial implications, and advised against hastily deciding on any one particular type of entry system and then later reversing that decision at a greater cost.

Interim Executive Director Toru Hamayasu stated that although barrier-free entry was studied before, HART staff is in the process of restudying the proposal in light of new information. Mr. Lui-Kwan noted that it is important for the Board to inquire and scrutinize the decisions for the sake of the public, but note that there is a difference between policymaking and management. Messrs. Lui-Kwan, Horner, and Bunda briefly discussed the role of the Board as a policymaking body which does not micromanage the day-to-day operations of the project.

Mr. Bunda asked if there is a role for the City Council in the approval and development of the PMP. Ms. Okinaga stated that HART must be accountable for the creation of and compliance with the document.

VII. Presentation on Scope of Core Systems Contract ("CSC")

Chief Systems Engineer Jurgen Sumann gave a presentation on the operations and maintenance portion of the CSC, which is attached hereto as Attachment A to these minutes. In response to a question raised at a previous meeting, Mr. Sumann noted that the RFP required service availability for any given month to be greater than 99.5% to be eligible for the full O&M payment, with no payment given for service availability under 95%.

Mr. Horner asked about Ansaldo's staffing proposal. Mr. Sumann indicated that Ansaldo plans to have 295 employees. Mr. Horner requested to receive more information on fixed and variable costs associated with the CSC, such as upkeep of the Maintenance & Storage Facility, utility costs, etc., and more information on the financial assumptions underpinning the revenue projections for the operations period.

Mr. Horner also asked about the process for evaluating the need for additional vehicles beyond the 80 already contained in the contract. Mr. Sumann indicated that the 80 vehicles already include 15% spares, and that the vehicles in the contract will be capable of carrying 12,275 riders per direction per hour.

VIII. Report of the Interim Executive Director

Mr. Hamayasu delivered a report on recent activities, which is attached hereto as Attachment B to these minutes.

Mr. Horner asked whether the \$125M in federal funds projected for FY2012 were part of, or in addition to, the \$1.55B total. Mr. Hamayasu replied that the \$125M represents one installment of the \$1.55B total. Board Member David Tanoue asked whether HART will

continue to receive installments once the FFGA is signed. Mr. Hamayasu stated that the FFGA is a contract to commit a total of \$1.55B, but noted that Congress will have to continue to appropriate portions of that total on an annual basis until all \$1.55B have been received.

Mr. Okinaga requested that correspondence from HART to the City Council be CC'd to the Board. She also requested that urgent correspondence be reported immediately as part of the Executive Director's report, and that nonurgent correspondence be reported on a quarterly basis.

Mr. Horner asked when renderings of the 21 stations might be available to the Board. Mr. Hamayasu explained that the station design contracts are being let out in six different packages, and that the Board will be updated as station design progresses. Mr. Horner observed that there may be differences between what the public wants in terms of station design and what is feasible from a cost or maintenance standpoint, and requested that a presentation on station design take place soon — perhaps in February.

Board Member Wayne Yoshioka stated that there is concern among some Board members about the platform areas. Mr. Hamayasu noted that the platform areas will be as standardized as possible, and that the platforms continue to be subject to value engineering.

XI. Adjournment

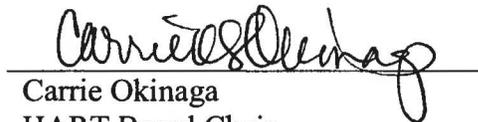
Having no other pending business, Board Member Damien Kim moved that the meeting be adjourned. Mr. Lui-Kwan seconded the motion. There being no objections, the motion passed unanimously and Ms. Okinaga adjourned the meeting at 11:54 a.m.

Respectfully Submitted,



Tyler Dos Santos-Tam
Board Administrator

Approved:



Carrie Okinaga
HART Board Chair

JAN 26 2012

Date

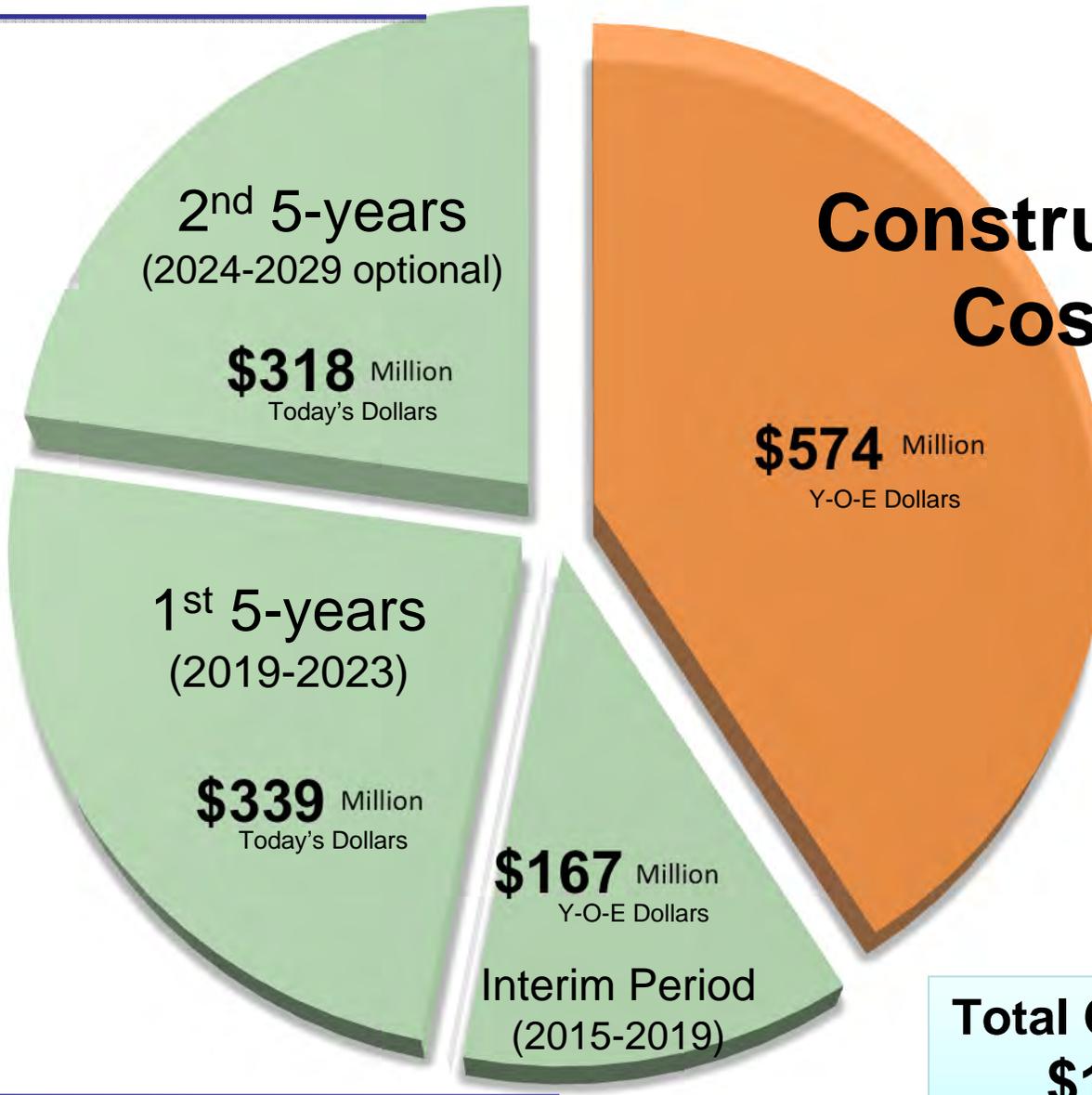
[ATTACHMENT A]

Core Systems Contract Operations and Maintenance Overview

by Jurgen Sumann
Chief Systems Engineer

December 1, 2011

O&M Costs



**Total Contract Costs:
\$1.4 Billion**

CORE SYSTEMS CONTRACT OPERATIONS & MAINTENANCE (O&M)

The Operations and Maintenance Plan (OMP) is the principal source document establishing operations and maintenance practices necessary to deliver rail service in a safe, dependable and efficient manner, and to provide quality service to the riders.

MAINTENANCE

- Vehicles
- Tracks, Bridge Structures, and Right-Of-Way
- Shop and Yard Facilities
- Communications Systems
- Operations Control Facility
- Automatic Train Control Systems
- Traction Electrification System
- Stations, Platforms and Parking Facilities

VEHICLE MAINTENANCE

- Carbody, doors, truck, couplers
- Communications
- Train Control
- Vehicle Monitoring System
- Braking System
- Power Collection and Propulsion
- Electrical (Lighting, Power Unit, Batteries)



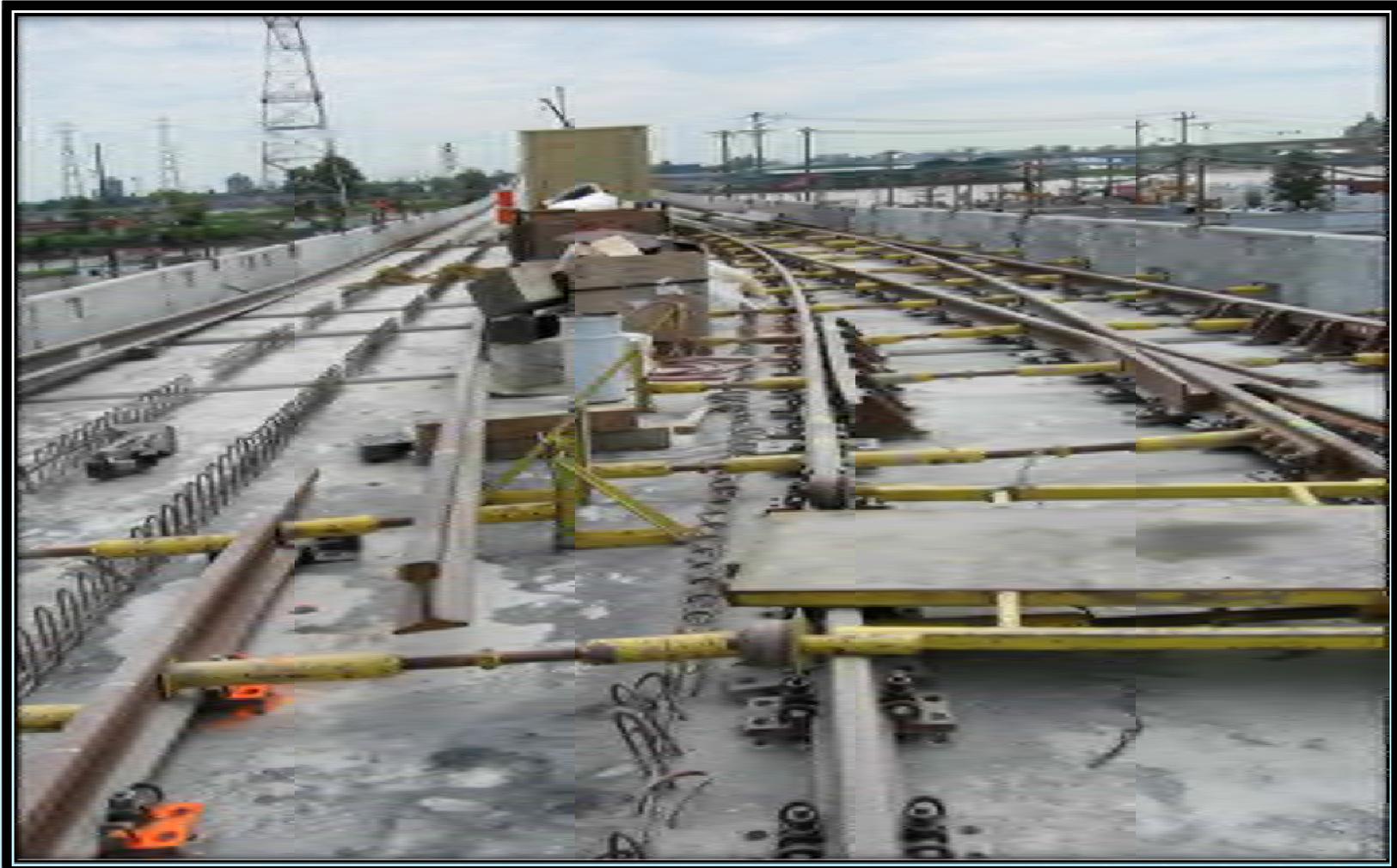
VEHICLE CLEANING

- Light interior cleaning performed on a daily basis
- General cleaning and other needed repairs done during systems operations
- Heavy cleaning every 60 days
- Entire fleet will undergo a high-level inspection and safety testing daily

TRACK MAINTENANCE

- Tracks will be maintained to meet ride, noise, vibration and safety requirements
- 100 switches, 15 crossovers and 165,000 fasteners inspected and maintained regularly

DIRECT FIXATION TRACK



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www.HONOLULUTRANSIT.ORG

HART

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DIRECT FIXATION TRACK



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GUIDEWAY MAINTENANCE

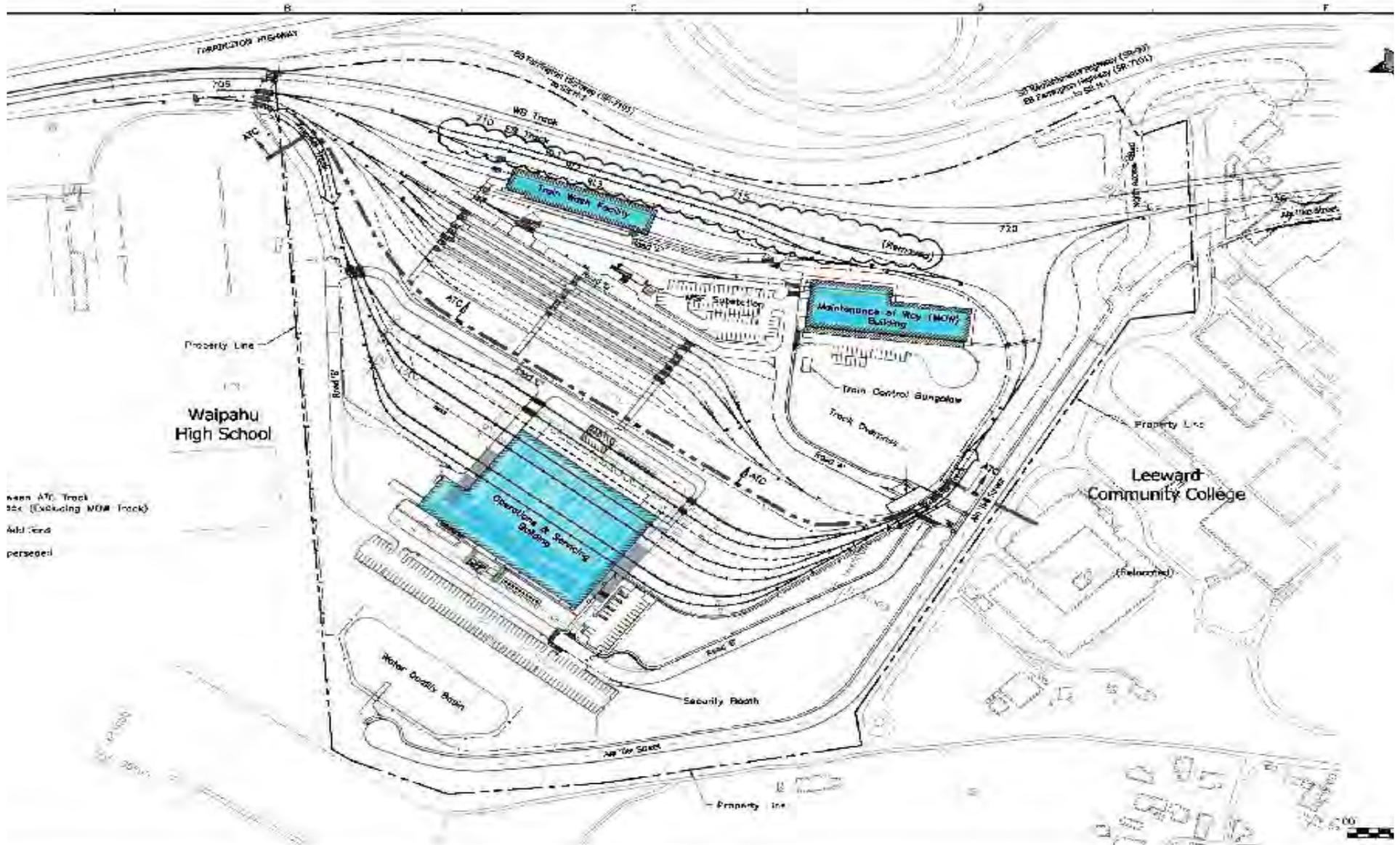
- Inspection of girder box and soffits
- Verification of the proper seating of guideway beam expansion joints
- Inspection, maintenance, and repair of the guideway structure
- Monitoring of cracks in the concrete deck



SHOP & YARD FACILITIES

- 43-acre MSF site
- Storage capacity: 124 vehicles
- Washing and cleaning facility
- Wheel truing
- Parking areas
- Maintenance-of-Way facility

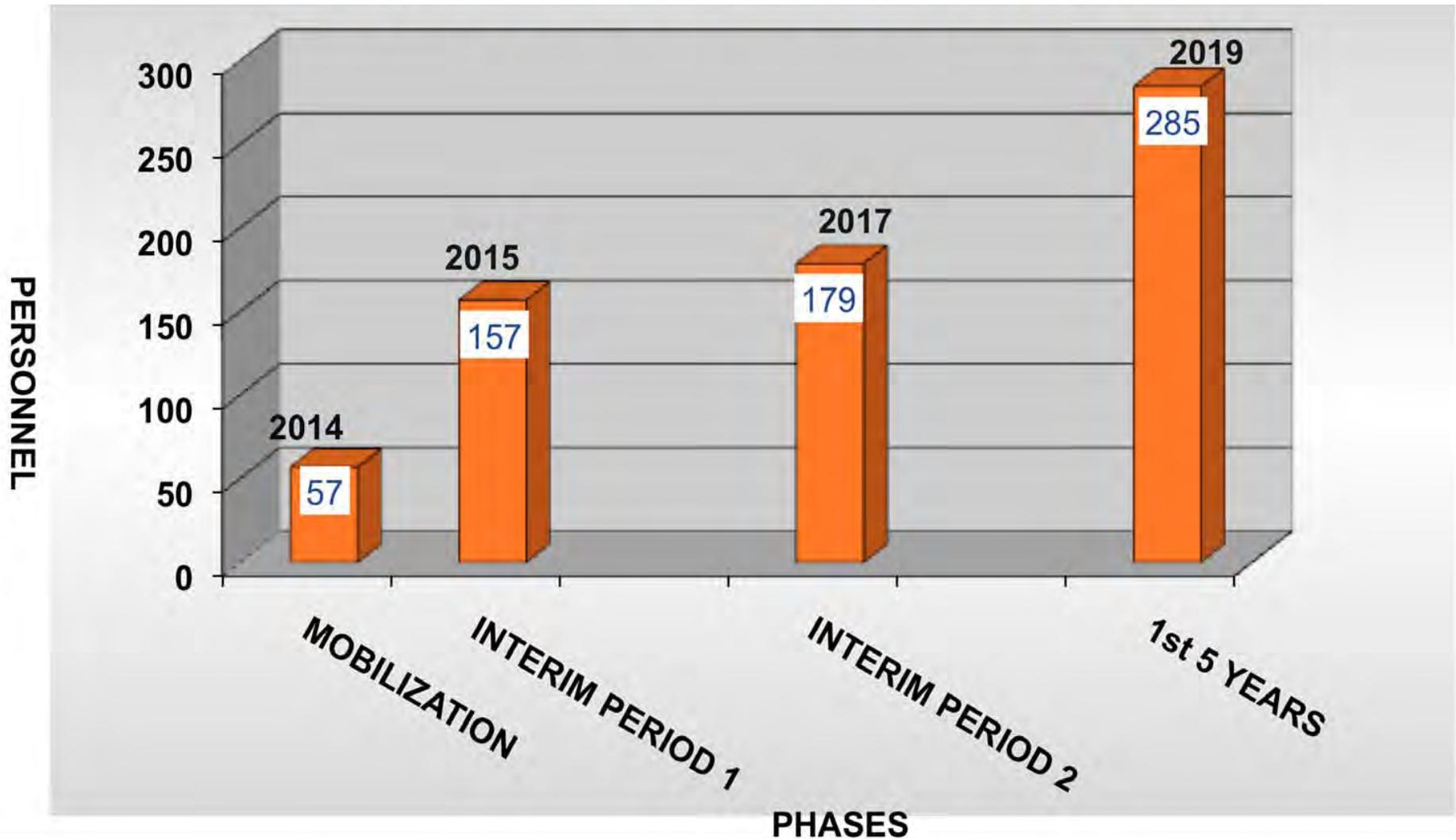
MSF YARD CONFIGURATION



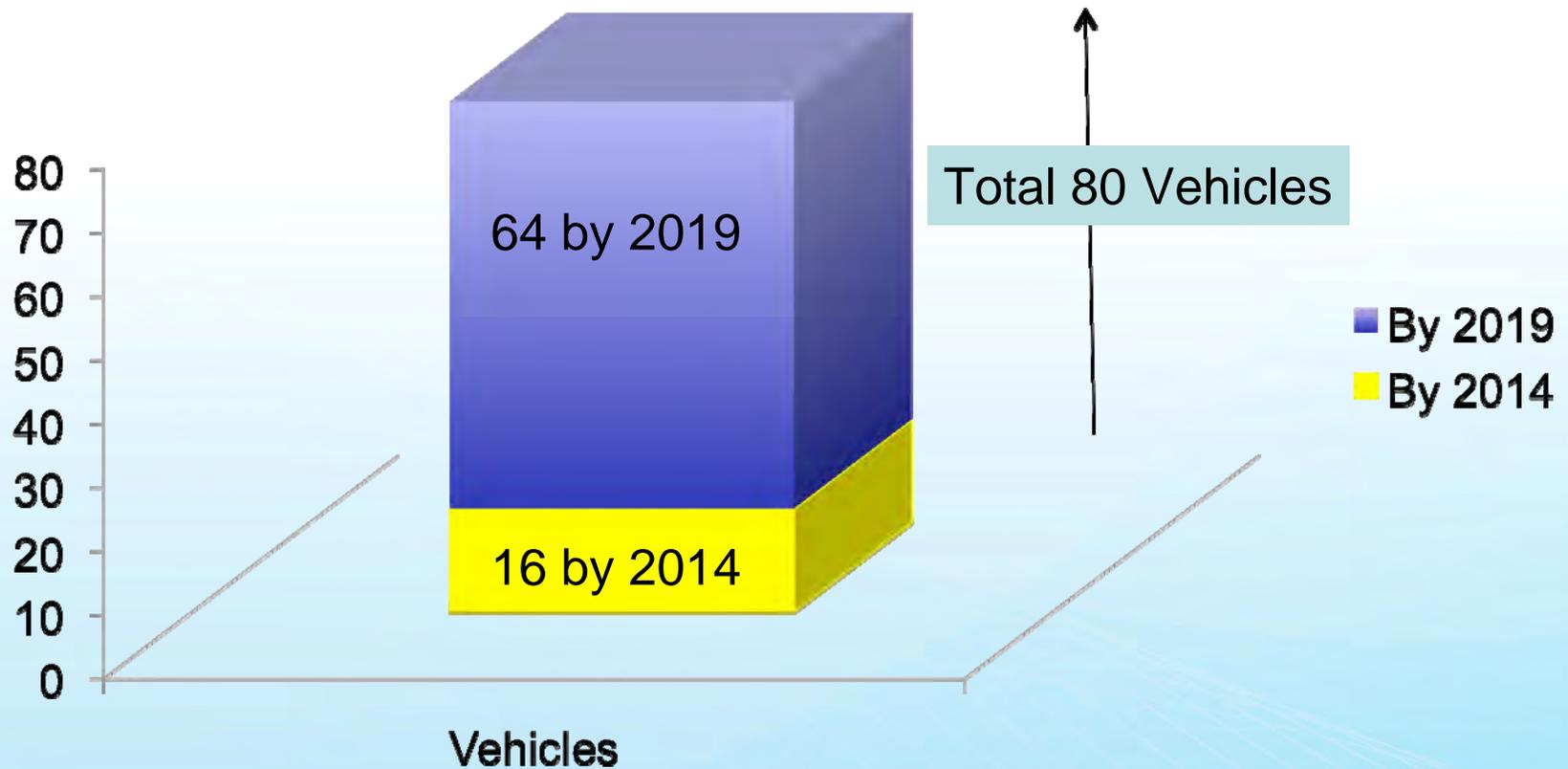
COMMUNICATIONS SYSTEMS

- Fiber Optics Cabling Network
- Supervisory Control and Data Acquisition
- Telephone system
- CCTV systems Variable Message Sign
- Public Address system
- Intrusion Detection and Access Control systems
- Maintenance Management Information system
- Wireless Communications

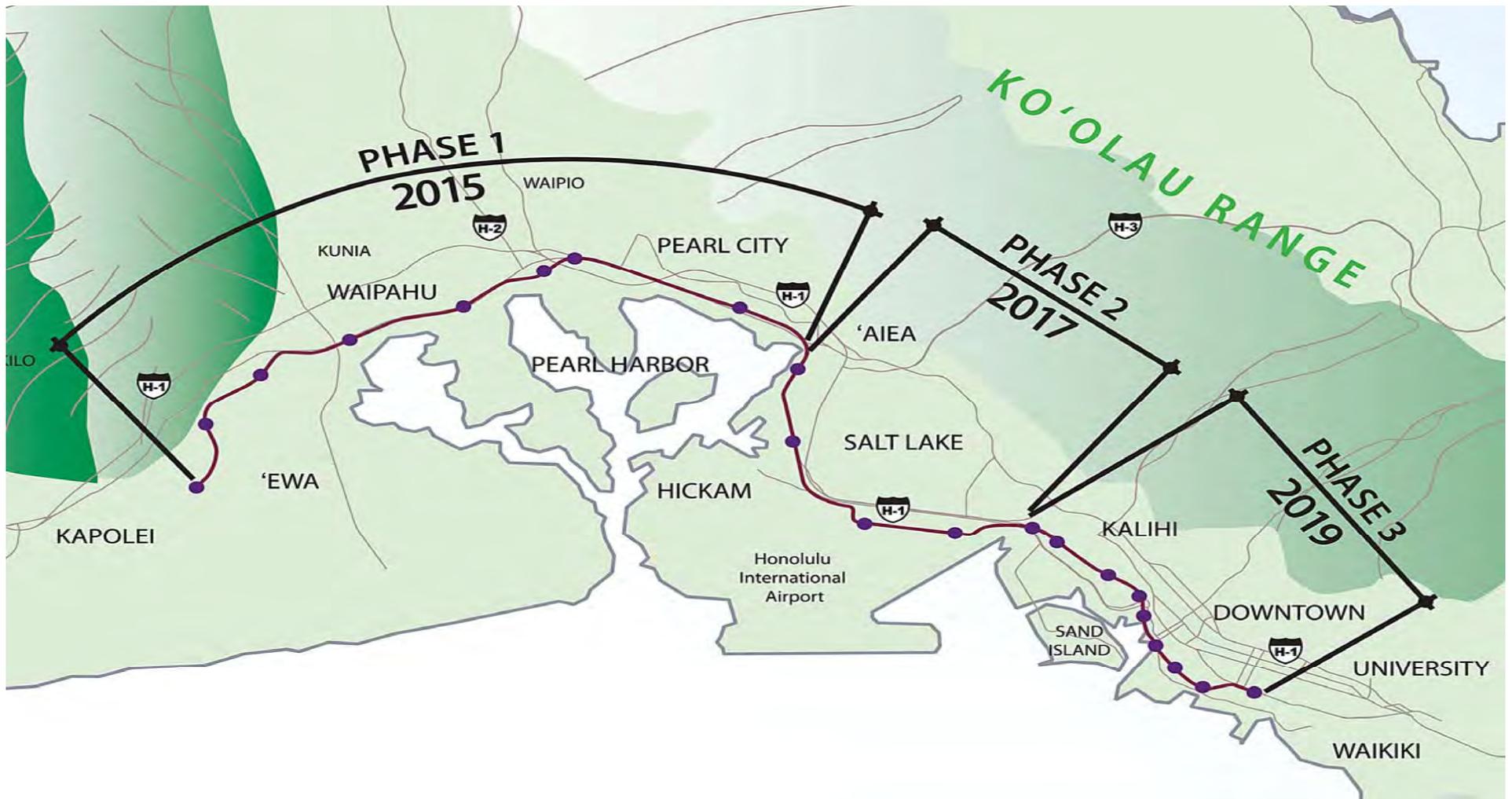
O&M PERSONNEL



VEHICLE DELIVERY SCHEDULE



SYSTEM OPENING DATES



H O N O L U L U R A I L T R A N S I T P R O J E C T

www.honolulustransit.org

HART

HONOLULU AUTHORITY FOR RAPID TRANSPORTATION

Mahalo!



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HART

HONOLULU AUTHORITY for RAPID TRANSPORTATION

[ATTACHMENT B]

**Honolulu Authority for Rapid Transportation
Interim Executive Director & CEO's Report
December 1, 2011**

Construction Activities

- Contractor Kiewit Pacific worked in the utility corridor and in the intersection of East-West Road and Kualakai Parkway to relocate a Board of Water Supply line. The contractor also conducted soil borings in the Banana Patch area, installed fencing for erosion and sediment control and trimmed trees near Waipahu High School in advance of AT&T utility relocation work.
- Contractor Kiewit Kobayashi Joint Venture completed its soil testing and borings at the Maintenance and Storage Facility site off of Kamehameha Highway near Leeward Community College.
- In the City Center area, Archaeological Inventory Survey (AIS) work during the Thanksgiving holiday on Dillingham Boulevard fronting a local bakery was rescheduled to minimize the impact on the business, which draws a significant portion of its sales during that holiday week. The owner contacted HART, and the contractor was able to adjust the work schedule with no adverse impact to the project. Workers completed the survey work in the area this week. The business owner expressed his gratitude --- and provided the construction workers with a dozen doughnuts. This is an example of how effective business mitigation can work.

Next week, the AIS survey work will move further along Dillingham Boulevard between Waiakamilo and Alakawa. Public Involvement will be in the area this week to inform businesses that work will soon begin. A dozen of the 232 trenches have been completed to date.

General Update

- A meeting with the leadership of the State House of Representatives to provide lawmakers with an update on the status of the project's GET revenues and contracts has been confirmed for 10 a.m. on December 16. House Speaker Say, Vice Speaker Joey Manahan, Speaker Emeritus and Transportation Committee Chair Joe Souki, Finance Committee Chair Marcus Oshiro, Finance Committee Vice Chair Marilyn Lee and HART Board Member Bobby Bunda are scheduled to attend the meeting. A similar meeting with the Senate leadership is pending.

- As I reported to the Board in the past, \$510 million in the New Starts funding for FY2012 had been appropriated. The announcement of this funding was issued by Sen. Inouye this week. I understand that this is to be shared with several projects with a similar standing as Honolulu. Our financial plan assumes \$125 million as Honolulu's share. This appropriation comes with a proviso that we must have a signed Full Funding Grant Agreement (FFGA) by the end of 2012 to receive it. Our plan is to be in FFGA in September 2012.
- The Outdoor Circle recently voiced opposition to the project, citing the project's visual impact and its impact on trees. This is disappointing particularly since HART's Planning staff has been meeting regularly with the group and working diligently to accommodate their numerous requests, including conducting site tours for the group of our work areas and of the nursery where the trees are housed prior to replanting.
- HART's public involvement staff participated in several presentations and events during the last two weeks, including a stakeholders' community meeting regarding the Archaeological Inventory Survey work, four neighborhood board meetings and a presentation for the City's Transportation Commission.