



HONOLULU AUTHORITY for RAPID TRANSPORTATION

MINUTES

**Board of Directors Meeting
December 29, 2011, 10:00 A.M.
Conference Room A, Kapolei Hale
1000 Uluohia Street, Kapolei, Hawaii**

PRESENT:

Carrie Okinaga
Ivan Lui-Kwan
Damien Kim
Glenn Okimoto

William "Buzz" Hong
Robert "Bobby" Bunda
Wayne Yoshioka
Don Horner

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

Toru Hamayasu
Joyce Oliveira
Don Kitaoka
Darin Mar
Faith Miyamoto
Maurice Morita
Paul Migliorato

Tom Coffman
Russell Honma
Geoffrey Paterson
Joe Magaldi
Cliff Slater
Juanita Kawamoto Brown
Lisa Hirahara
Jeanne Mariani-Belding

EXCUSED:

David Tanoue

Keslie Hui

I. Call to Order by Committee Chair

At 10:02 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.

Jeffrey Paterson offered testimony expressing concerns about several aspects of the project, such as the financial plan, entry into final design, receipt of LONP, receipt of FFGA, and the pending *HonoluluTraffic.com* lawsuit.

Tom Coffman offered testimony warning the Board to proceed slowly to ensure that a number of pending issues are resolved. Mr. Coffman also spoke on the history of the development of Ewa Plain, and stated that he worked with Oswald Stender and others on the initial plans for the "second city."

Board Member Buzz Hong thanked Mr. Coffman for his testimony, and suggested that Mr. Coffman discuss these issues with Interim Executive Director Toru Hamayasu after the meeting. Board Vice Chair Ivan Lui-Kwan noted that he worked with Mr. Stender on the development of the “second city” in Kapolei, and stated that Mr. Stender and Mr. Coffman may have different perspectives on the development of the “second city.”

Maurice Morita offered testimony in support of the project, noting the importance of the rail project for Hawaii’s laborers and working families. Mr. Morita stated that he was impressed by the financial plan, and urged the City to demonstrate its commitment to the project so the Federal Government will issue a FFGA. Mr. Morita also urged HART to consider constructing a spur or extension to UH Mānoa.

Cliff Slater offered testimony in which he posed several questions to the Board on topics including the land swap for the MSF, zoning at Ho‘opili, the availability of federal funding, receipt of a LONP, and the *HonoluluTraffic.com* lawsuit. Board Member Don Horner thanked Mr. Slater for his professionalism in expressing opposition to the project, and noted that civil disagreement is a reflection of good government.

Juanita Kawamoto Brown offered testimony on behalf of the Environmental Caucus of the Democratic Party of Hawaii expressing concerns about the loss of agricultural lands as a result of the planned Ho‘opili development. Mr. Horner asked how much land HART would require for the Ho‘opili Station. Mr. Hamayasu indicated that HART would only require land for the station and columns, which would total less than a quarter of an acre. Ms. Brown indicated that she was concerned about the precedent the Rail would set, regardless of the acreage.

Copies of the written testimony submitted by Mr. Paterson, Mr. Coffman, Mr. Slater, and Ms. Brown are attached hereto as Attachment A of these minutes.

III. Approval of Minutes of December 1, 2011 Board Meeting

Ms. Okinaga requested that approval of the minutes of the December 1, 2011 Board meeting be deferred. There being no objections, this agenda item was deferred to the next Board meeting.

IV. Report of Committee Meetings

A. Report of December 8, 2011 Finance Committee Meeting

Mr. Horner stated he had nothing additional to report beyond what was reflected in the minutes of the meeting.

1. Approval of Six Year Capital Program by Board (Resolution 2011-8)

Mr. Horner moved that the Board approve Resolution 2011-8, adopting a six-year capital program for FY 2013-2018. Board Member Damien Kim seconded the motion. The

motion carried with eight votes in the affirmative and none in the negative; thus, Resolution 2011-8, adopting a six-year capital program for FY 2013-2018, was approved. A copy of Resolution 2011-8 is attached hereto as Attachment B of these minutes.

B. Report of December 8, 2011 Project Oversight Committee Meeting

Mr. Kim reported that the Project Oversight Committee met on December 8, 2011. The committee heard a presentation from Deputy Project Officer Frank Doyle and Project Controls Manager John Burns on the Balanced Scorecard and a presentation by Procurement and Contracts Manager Wes Mott on the status of the 13 contracts that have been awarded to date.

V. Amendments to the Board's Rules and Operating Procedures (Resolution 2011-9)

Mr. Horner moved that the Board approve Resolution 2011-9, amending the Rules and Operating Procedures of the Board of Directors of the Honolulu Authority for Rapid Transportation. Board Member Wayne Yoshioka seconded the motion.

The motion carried with eight votes in the affirmative and none in the negative; thus, Resolution 2011-9, amending the Rules and Operating Procedures of the Board of Directors of the Honolulu Authority for Rapid Transportation, was approved. A copy of Resolution 2011-9 is attached hereto as Attachment C of these minutes.

VI. Amendments to HART Ethics Policy (Resolution 2011-10)

Board Member Keslie Hui expressed concerns about the restrictions on Board members speaking before City agencies. Ms. Okinaga recommended that Board members consult with Corporation Counsel and the Ethics Commission before speaking before an agency. Deputy Corporation Counsel Don Kitaoka stated that Board members often do speak before City agencies, and that the Office of the Corporation Counsel often fields questions on this topic. Mr. Kitaoka also clarified that the restriction applies to Board members representing private interests before City agencies; it may not apply to Board members' personal interests that are not financial in nature. Mr. Kitaoka also encouraged Board members to consult with the Corporation Counsel and/or the Ethics Commission before speaking before a City agency.

Ms. Okinaga moved that the Board amend Resolution 2011-10 so that the phrase "staff of the Board and HART" in Section 3 instead read "staff of HART and the Board," and then approve Resolution 2011-10, as amended. Mr. Horner seconded the motion to amend and then adopt Resolution 2011-10.

The motion to amend and then adopt Resolution 2011-10 carried with eight votes in the affirmative and none in the negative; thus, Resolution 2011-10, amending the Ethics Policy for the Board of the Honolulu Authority for Rapid Transportation, was amended and approved. A final copy of Resolution 2011-10 is attached hereto as Attachment D of these minutes.

VII. Amendments to HART Financial Policies (Resolution 2011-11)

Mr. Lui-Kwan expressed reservations about Resolution 2011-11, specifically because the Resolution might be construed to delegate review of the budgets to the Finance Committee. Ms. Okinaga noted that the resolution keeps the existing language that makes clear that the Board adopts the budget. Mr. Yoshioka stated that while the resolution would streamline the process, the budgets would still come back to the full Board. Mr. Horner noted that the resolution was drafted carefully to ensure that the Council and Mayor still can provide input even though the Board has the ability to review, revise, and adopt the budget. Mr. Lui-Kwan stated that with those clarifications, the resolution is acceptable, but noted that it is very important that the budget process remain transparent.

Mr. Horner moved that the Board adopt Resolution 2011-11, amending the Financial Policies of the Board of Directors of the Honolulu Authority for Rapid Transportation. Mr. Yoshioka seconded the motion.

The motion carried with eight votes in the affirmative and none in the negative; thus, Resolution 2011-11, amending the Financial Policies of the Board of Directors of the Honolulu Authority for Rapid Transportation, was approved. A copy of Resolution 2011-11 is attached hereto as Attachment E of these minutes.

VIII. Presentation on Agreements with and Involvement of the State

Transit Project Coordinator Darin Mar introduced himself to the Board and delivered a presentation on the HDOT Master Agreement, which provided a summary of the eleven articles and six exhibits contained in the agreement. A copy of the presentation is attached hereto as Attachment F of these minutes.

Ms. Okinaga asked why Exhibit B of the agreement has not yet been signed. Board Member Glenn Okimoto indicated that Exhibit B is under review by the State's lawyers. Ms. Okinaga asked whether the agreement has been assigned to HART. Mr. Mar replied that the agreement has been assigned to HART. Ms. Okinaga asked about the scope of work and timeframe for the design and management consultant. Mr. Mar replied that the consultant will work on the entire 20-mile alignment. Ms. Okinaga asked whether the City will take care of HDOT functions during guideway construction. Mr. Mar replied that the City will address maintenance and upkeep of roads during the construction phase.

IX. Presentation on Programmatic Agreement

Planning and Environmental Manager Faith Miyamoto delivered a slide presentation on the Programmatic Agreement. The slide presentation is attached hereto as Attachment G of these minutes.

Mr. Horner asked about the membership of the Historic Preservation Committee. Ms. Miyamoto explained who sits on the committee. Mr. Horner requested a report on how the monies associated with this effort have been distributed, and added that he would like to allow the public to know what the committee is doing. Ms. Okinaga asked whether the committee is subject to the Sunshine Law, and Ms. Miyamoto answered in the negative.

Mr. Okimoto asked whether the list of consulting parties outlined in the Programmatic Agreement is set in stone, or whether other parties may come forward later. Ms. Miyamoto replied that the FTA determines who the consulting parties are.

Referencing Mr. Coffman's testimony from the beginning of the meeting, Mr. Lui-Kwan asked whether the Programmatic Agreement is the document that links the construction approaches and the archaeological analysis. Ms. Miyamoto replied that the Programmatic Agreement does set forth the plans for completing archaeological surveys before construction, and noted that the survey for Phase IV was accelerated as a result of concerns regarding potential archaeological finds in that area.

Mr. Hong thanked both Mr. Mar and Ms. Miyamoto for their presentations before the Board.

X. Report of the Interim Executive Director

Mr. Hamayasu presented a report of recent project activities. A copy of his report is attached hereto as Attachment H of these minutes.

Mr. Hamayasu stated that he wanted to address some of the concerns raised by the testifiers, specifically whether HART is proceeding correctly. He reminded the Board that Secretary Ray LaHood said that Honolulu is doing everything "by the book." Mr. Hong requested that a copy of Secretary LaHood's statement be sent to Mr. Slater.

Mr. Lui-Kwan stated that he appreciated receiving a briefing on OCIP. Board Member Bobby Bunda agreed, and requested that HART staff brief the full Board on OCIP at some point in the future.

Mr. Hui asked whether there is any intent to commence other construction activities without first receiving a Letter of No Prejudice. Mr. Hamayasu stated that he does not intend to do so, but noted that work has started on permissible activities such as utility relocation and right-of-way acquisition.

Mr. Horner noted that HART has already entered into several construction contracts, and asked exactly what HART is or is not allowed to do based on where HART is in the approval process. Mr. Hamayasu replied that the contractors are limited by the issuance of Notices to Proceed, and stated that Kiewit has received notices to proceed for certain activities. After entry into final design and receipt of a Letter of No Prejudice, further Notices to Proceed will be issued to the contractors.

Mr. Hong asked how long it might take to get a FFGA after receiving a Letter of No Prejudice. Mr. Hamayasu stated that the current planning schedule estimates that it will take nine months to achieve a FFGA after receiving a LONP.

XI. Adjournment

Ms. Okinaga stated that she and Mr. Hamayasu had tried to identify the critical project agreements and documents to present to the Board, and that the Programmatic Agreement and the agreement with the State were the last two in this category. Thanking the board members for their hard work and diligence, she noted how much ground had been covered in the first six months. She announced that in the future, the Board will be meeting only once a month unless the need for a second Board meeting arises.

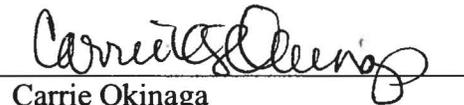
Having no other pending business, Mr. Hong moved that the meeting be adjourned. There being no objections, the motion passed unanimously and Ms. Okinaga adjourned the meeting at 11:48 a.m.

Respectfully Submitted,



Tyler Dos Santos-Tam
Board Administrator

Approved:



Carrie Okinaga
HART Board Chair

JAN 26 2012

Date

[ATTACHMENT A]

Testimony from Geoffrey Paterson AIA Emeritus at the HART meeting on Thursday December 29th 2011

GOOD MORNING TO YOU ALL. I APPRECIATE THE OPPORTUNITY TO EXPRESS MY CONCERNS ABOUT THE RAIL PROJECT. MY TESTIMONY ADDRESSES MOSTLY AGENDA ITEM SEVEN FINANCIAL POLICIES.

I HAD MY OWN ARCHITECTURAL FIRM HERE FOR FORTY YEARS AND I NEVER STARTED CONSTRUCTION ON A PROJECT UNTIL ALL PERMITS WERE ISSUED, APPROVALS GIVEN AND FINANCING WAS GUARANTEED . I AM PROUD TO SAY THAT MY FIRM WAS NEVER A DEFENDANT IN A LAWSUIT.

I FIND IT IRRESPONSIBLE FOR THE CITY TO CONTINUE TO AWARD CONTRACTS WHEN THERE EXISTS THE FOLLOWING UNRESOLVED ISSUES OR APPROVALS.

1. The city's latest financial plan has not been approved by the FTA
2. Permission has not even been given by the FTA to start final design drawings.
3. It is highly doubtful that the City 's hoped for 1.5 billion dollars will be forthcoming.
4. The City is still awaiting the letter of no prejudice (LONP) from the FTA
5. There is still no Full Funding Grant Agreement (FFGA) from the FTA
6. The City is facing a major lawsuit that could very well shut down the project.

IT SEEMS THAT EVERY WEEK THERE IS FRESH NEWS OF INCOMPETENCE. A WEEK AFTER THE ANSALDO CONTRACT WAS SIGNED IT WAS REVEALED THAT WE MIGHT NOT NEED ALL THOSE RAIL CARS. THEN THERE WAS THE CONCERN THAT PERHAPS WE SHOULD HAVE BARRIERS AFTER ALL, ADDING MILLIONS TO THE COST.

THESE DIGRESSIONS WILL PALE IN COMPARISON WITH THE HUGE OBSTACLES THAT LIE AHEAD. THESE INCLUDE BAD SOIL CONDITIONS, THE POSSIBILITY OF HAWAIIAN BURIAL SITES, MASSIVE SEWER RELOCATION, LAND ACQUISITION COSTS, ADDITIONAL LAWSUITS, DISRUPTION OF BUSINESS AND TRAFFIC CONGESTION ALONG THE ROUTE

THE BOTTON LINE IS THAT THE ACTUAL COST OF THIS PROJECT CANNOT BE
DETERMINED UNTIL FINAL CONSTRUCTION DOCUMENTS ARE COMPLETED AND EVEN
THEN HISTORICALLY COSTS FOR PROJECTS OF THIS MAGNITUDE HAVE EXPERIENCED
OVERRUNS OF UP TO FORTY PERCENT.

Geoffrey Paterson
AIA Emeritus
1015 Aoloa Place #442
Kailua Hawaii 96734
Tel 256 4713
Email:ggp@hawaii.rr.com

Aloha HART:

My testimony goes generally to the six year budget that is before you, that if adopted and implemented will essentially seal the fate of this project. I am one of the many who has gone from supporting rail mass transit to questioning this elevated steel on steel project beginning in East Kapolei and, if finished, ending at Ala Moana Center. My testimony in brief is: even if you actually are comfortable with this project as configured, you need to slow down long enough to do as follows:

- Thoroughly analyze what we have gotten for our several hundred million dollars spent and convey these findings to the public in a coherent, transparent way.
- Await the Federal Court's ruling on our EIS/FTA case.
- See whether the State Land Use Commission will rezone the prime agricultural land to the east and, if not, what agricultural zoning means to the development of the rail and a rail station.
- Settle the plan down. Only recently we learned the number of cars may be reduced, stations downsized and a leeward turnaround added.
- Figure out whether the construction approaches (described in Appendix E of the EIS) fit with the archaeological analysis program as described in your November briefing (the question I raised at your last meeting).
- Complete the preliminary engineering.
- Do the detailed engineering, because the present \$160 million investment is indeed preliminary in nature.
- Do the detailed design, the point at which most construction projects are actually budgeted.
- Get the \$1.55 billion in Federal money in hand as promised.
- Make sure that the City Council will issue general obligation bonds under the strictures of Acts 33 and 34.
- Determine if you then can, in a timely manner, conclude a Final Financial Agreement with the Federal government.

The setting of Kapolei dramatizes why this particular rail concept is inherently flawed. When Ewa was a sugar field, I worked with Oz Stender at Campbell Estate and such reputable trustees as Herb Cornuelle and Fred Trotter on communicating the plan for the Second City. Beginning in the early 1990s I produced multiple generations of presentations, all based on the Second City concept of encouraging an integrated and relatively self-contained city that would relieve growth pressure from Honolulu. The words, "Live, work and play," were my script, which I believed in because of the careful planning that went back decades to 1955. I interviewed the original planner, Donald Wolbrink, who integrated the pieces with a real urban plan. All plans and presentations -- made to thousands of people, day in and day out -- included a large green belt of prime agricultural land buffering the Honolulu metropolitan area from the Second City. I participated in the naming process: the demi-goddess Kapo -- lesser known sister of Pele and Hiiaka -- was believed in ancient time to reside in the pu'u west of here, and to guard the trails the Hawaiians traversed to and from their leeward fishing camps. The surrounding area became the lei of Kapo, hence the name Kapolei.

Those who envisioned a real Second City are sadly gone and the concept has been essentially abandoned in favor of subdividing the land. You must have noticed that Campbell Estate owns only a small part of the Ewa plain today. This rail, as configured, is either consciously or unconsciously an integral part of an unstated plan to subdivide all of leeward Oahu. Ridership figures and operating costs rely on massive residential development, and more and more we hear arguments that if all else fails, the tax base created by TOD will bail us out financially.

The Second City is not even connected to the rail, nor are the job centers of Campbell Industrial Park, Ko Olina Resort and Kapolei Business Park. "East Kapolei (Station)" is a fiction of naming as is Ho'opili (Station).

From this Kapolei perspective, please consider that the more that is learned about the rail project, the greater the number of people who are opposed to it. I conjecture, you can feel it. In an act of political foresight of sorts, the former mayor realized that he could never build a steel on steel elevated rail project from the areas of greatest need to areas of greatest need, serving the density of the city and then building leeward and to the Manoa campus, so he pushed through the novel idea of starting in an abandoned field. Conscientious individuals that you are, you may begin to wonder if you have been left holding the o'o stick, by which I mean attempting to execute on a fundamentally flawed idea.

Please slow down to do your work right, and to consult with your deepest convictions about what will be best for our long term future. Thank you and best wishes for the new year.

Tom Coffman
Board Member
Hawai'i Thousand Friends

HONOLULUTRAFFIC.COM

A COMMUNITY WIDE EFFORT TO KEEP ELEVATED RAIL OUT OF OUR CITY

December 29, 2011.

Testimony of Honolulutraffic.com's Chair before the Honolulu Authority for Rapid Transportation.

The city tells us that they will start construction of the rail line this coming February — just 35 days from now. We have some questions for HART:

1. As the Star Advertiser implied yesterday, the land swap resulting in the City getting title to the land for the rail maintenance facility is a little iffy. Is it wise, or even legal, for the City to build this facility on land that it does not own?
2. The Ho'opili property across which rail would run is zoned agricultural. Is it wise or even legal, to build on that land before a change in zoning?
3. It now appears impossible for Congress to pass a new transportation bill before March at the earliest. Given the Congressional Republican opposition to New Starts funding, is it wise to start rail construction before we have some assurance of federal funding for rail?
4. If Congress approves a transportation bill with New Starts funding, there would be substantial political competition among potential recipients for those funds. This would limit FTA's ability to provide all the funds the city is banking on. Is it wise to proceed with construction until such time as the funding issue is settled with a signed Full Funding Grant Agreement?
5. We understand that the city has yet to receive FTA approval for its financial plan for entry into the Final Design phase. This must precede the FTA issuance of a Letter of No Prejudice allowing the city to start construction. Is it wise to start construction prior to receiving a Letter of No Prejudice?
6. The City's recent motion to dismiss elements of the Honolulutraffic.com et al. lawsuit was denied on all counts by Federal Judge Tashima. Is it wise to start construction in the face of a lawsuit result that may well be resolved against the city?

Lastly, the aggregate amount of risk enumerated here would at least temporarily halt further spending by anyone risking their own money on such an adventure. Is it wise to do otherwise with taxpayers' money?

Environmental Caucus of the Democratic Party of Hawaii

Honolulu Authority for Rapid Transportation
Board of Directors Meeting
Conference Room A, Kapolei Hale
1000 Uluohia Street, Kapolei, Hawaii
Thursday, December 29, 2011, 10:00AM

Re: Public testimony on behalf of the Environmental Caucus of the Democratic Party of Hawaii, as the Subcommittee Chair for Food and Farm Sustainability and the serious concerns impacting agricultural lands in the Ho`opili / Kapolei district

Aloha Mai Kakou esteemed Chair and board members of HART,

My name is Juanita Kawamoto Brown I am the subcommittee chair for Food and Farm Sustainability of the Environmental Caucus of the Democratic Party of Hawaii. ECDPH is an autonomous caucus of the Democratic Party of Hawaii and we are speaking solely on behalf of the Environmental caucus.

My testimony today was voted on unanimously by the executive board of the ECDPH , and my purpose is to alert the entire HART Board of directors of our serious concerns about the displacement and rezoning of prime grade A agricultural lands proposed by the development of the Ho`opili farmlands. The loss of these irreplaceable food farmlands will greatly impact food security for all the people of the State of Hawaii. We the people are facing very difficult times where the need to define Food security will depend on how much precious food farm lands are still available to sustain our growing population.

The State of Hawaii, the Department of Agriculture, the USDA and the FDA have not clearly defined or provided any current information that would clearly stipulate how much agricultural land will be needed to feed all the people of Hawaii. ECDPH believes until that determination has been made absolutely clear, the displacement and rezoning of prime grade food farm lands would be completely irresponsible and create a severely negative economic and food security impact for the community and greatly diminish the future of Hawaii's food survival and sustainability.

Please consider the actions and decisions this board is proposing regarding the unnecessary development on prime agricultural lands. I believe it's not too late to find a better plan for environmentally correct mass transit for Hawaii that does not have to take away one good thing for another. The people of Hawaii will be in dire need if we cannot properly plan for food security. Once we have lost the proper use of Ho`opili and its valued agricultural resources we have eliminated our options for true local food farm security. The decisions made here will have put into place a very bad precedence that will stipulate all food farm lands are expendable and the people's need to sustain ourselves will have suffered too great a loss.

Mahalo for your attention to these matters

Sincerely,

Juanita Kawamoto Brown
Sub Committee Chair for Food and Farm Sustainability
Executive Board Member at Large
Environmental Caucus of the Democratic Party of Hawaii

[ATTACHMENT B]

Honolulu Authority for Rapid Transportation

RESOLUTION NO. 2011- 8

ADOPTING A SIX-YEAR CAPITAL PROGRAM FOR FY 2013-2018

WHEREAS, the Honolulu Authority for Rapid Transportation (HART) has been established pursuant to Article XVII of the Revised Charter of the City and County of Honolulu 1973, as amended (Charter); and

WHEREAS, Section 17-104(i) of the Charter directs the executive director to prepare and maintain a six-year capital program for the authority; and

WHEREAS, Section 17-103(3)(e) of the Charter directs the Board to review, modify as necessary, and adopt a six-year capital program within six months of the creation of the authority and annually update the six-year capital program, provided that such capital programs shall be submitted by the executive director; and

WHEREAS, a six-year capital program has been submitted by the interim executive director to the Board; and

WHEREAS, the Finance Committee and the Board have reviewed said six-year capital program for the Authority;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of HART as follows:

1. That the six-year capital program, shown in Exhibit A attached hereto and made a part hereof by reference, be and hereby is, adopted as the six-year capital program of HART for FY 2013-2018; and
2. That this Resolution shall take effect immediately upon its adoption.

ADOPTED by the Board of the Honolulu Authority for Rapid Transportation on
DEC 29 2011.

Exhibit A - SIX-YEAR CIP AND BUDGET FY 2013 - 2018


Board Chair

ATTEST:


Board Administrator

EXHIBIT A

Honolulu Authority for Rapid Transportation
Six-Year CIP and Budget FY 2013 - 2018

Phase	Appropriated 2010	Appropriated 2011	Appropriated 2012	2013	2014	2015	2016	2017	2018	Total 6 Years	Future Years
LAND	\$ 31,280,000	\$ 41,322,000	\$ 63,546,105	\$ 34,651,200	\$ 86,029,400	\$ 34,573,800	\$ -	\$ -	\$ -	\$ 155,254,400	
PLAN	\$ 20,002,000	\$ 3,751,000	\$ 6,906,800	\$ 8,054,800	\$ 847,800	\$ 547,800	\$ 547,800	\$ 100,000	\$ 100,000	\$ 10,198,200	\$ 300,000
DGN	\$ 186,037,000	\$ 77,774,000	\$ 117,093,904	\$ 113,395,885	\$ 42,960,400	\$ 12,927,800	\$ 11,404,300	\$ 5,803,100	\$ 5,803,100	\$ 192,294,585	
CONST	\$ 769,074,000	\$ 673,795,000	\$ 135,177,953	\$ 225,981,770	\$ 671,011,600	\$ 651,114,700	\$ 255,320,400	\$ 15,137,500	\$ 15,137,500	\$ 1,833,703,470	\$ 116,000,000
INSP	\$ 56,966,000	\$ 13,170,000	\$ 19,101,000	\$ 50,647,920	\$ 28,059,400	\$ 6,771,100	\$ 19,062,300	\$ -	\$ -	\$ 104,540,720	
EQUIP	\$ 10,487,000	\$ 501,680,000	\$ 10,558,000	\$ 55,556,510	\$ 129,906,800	\$ 97,763,300	\$ 66,397,100	\$ 66,397,100	\$ 66,397,100	\$ 482,417,910	
RELOC	\$ 3,477,000	\$ 4,592,000	\$ 2,352,518	\$ 3,296,869	\$ 1,233,200	\$ 4,241,500	\$ 500,000	\$ -	\$ -	\$ 9,271,569	
TOTAL	\$ 1,077,323,000	\$ 1,316,084,000	\$ 354,736,280	\$ 491,584,954	\$ 960,048,600	\$ 807,940,000	\$ 353,231,900	\$ 87,437,700	\$ 87,437,700	\$ 2,787,680,854	\$ 116,300,000

[ATTACHMENT C]

Honolulu Authority for Rapid Transportation

RESOLUTION NO. 2011 - 9

AMENDING THE RULES AND OPERATING PROCEDURES OF THE BOARD OF DIRECTORS OF THE HONOLULU AUTHORITY FOR RAPID TRANSPORTATION

WHEREAS, the Honolulu Authority for Rapid Transportation (HART) has been established pursuant to Article XVII of the Revised Charter of the City and County of Honolulu 1973, as amended (Charter); and

WHEREAS, Article XI of the Charter establishes Standards of Conduct for elected and appointed officers and employees of the City and County of Honolulu; and

WHEREAS, pursuant to Section 17-118 of the Charter, Article XI of the Charter is applicable to HART; and

WHEREAS, the Board believes that the proper development, operation, maintenance, and expansion of the Honolulu Rail Transit Project require that HART Board members be independent, impartial, and responsible only to the citizens of the City and County of Honolulu; and

WHEREAS, on July 1, 2011, the Board approved Resolution 2011-1, establishing Rules and Operating Procedures of the Board of Directors of the Honolulu Authority for Rapid Transportation; and

WHEREAS, from time to time the Board may find it necessary to amend its Rules and Operating Procedures; and

WHEREAS, the Corporation Counsel has recommended certain revisions be made to the Rules and Operating Procedures to correct an inadvertent error to conform with the Board's Ethics Policy, as amended, and Article XI of the Charter; and

WHEREAS, Rule 10 of the Rules and Operating Procedures allow for amendment of said Rules and Operating Procedures by an affirmative vote of at least seven (7) Board members;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of HART as follows:

1. Rule 6.2 of the Rules and Operating Procedures of the Board of Directors of the Honolulu Authority for Rapid Transportation shall be amended to read:

"Section 6.2 Voting.

- (a) A Board Member having a direct personal financial interest in the subject matter of the motion ~~may~~ shall abstain, ~~but only~~ by performing both of the following:

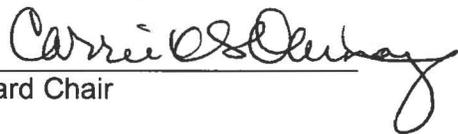
- (a) By responding, "I abstain due to conflict of interest;" and

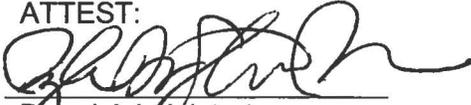
(b) By having filed in accordance with Section 6.3 a written disclosure of interest on the subject matter of the measure. ~~This Section 6.2(a) shall not be construed as imposing a duty or requirement on a Board Member to abstain from voting on a matter on which the Board Member has filed a written disclosure.~~

(b). There shall be no voting by proxy.”

2. This Resolution shall take effect immediately upon its adoption.

ADOPTED by the Board of the Honolulu Authority for Rapid Transportation on
DEC 29 2011.


Board Chair

ATTEST:

Board Administrator

[ATTACHMENT D]

Honolulu Authority for Rapid Transportation

RESOLUTION NO. 2011 - 10

AMENDING THE ETHICS POLICY FOR THE BOARD OF THE HONOLULU AUTHORITY FOR RAPID TRANSPORTATION

WHEREAS, the Honolulu Authority for Rapid Transportation (HART) has been established pursuant to Article XVII of the Revised Charter of the City and County of Honolulu 1973, as amended (Charter); and

WHEREAS, Section 11-102(c) of the Charter provides that no elected or appointed officer or employee shall "engage in any business transaction or activity or have a financial interest, direct or indirect, which is incompatible with the proper discharge of such person's official duties or which may tend to impair the independence of judgment in the performance of such person's official duties"; and

WHEREAS, Section 11-102(e) of the Charter provides that no elected or appointed officer or employee shall "Represent private interests in any action or proceeding against the interests of the city or appear in behalf of private interests before any agency, except as otherwise provided by law"; and

WHEREAS, pursuant to Section 17-118 of the Charter, the provisions of Section 11-102(c) and Section 11-102(e) of the Charter are applicable to HART; and

WHEREAS, the Board established an Ethics Policy on July 1, 2011 by adopting Resolution No. 2011-4; and

WHEREAS, from time to time, the Board may find it desirable to amend its Ethics Policy so the public may be further assured that the actions of the Board and HART staff serve only the public's best interests; and

WHEREAS, the Corporation Counsel has reviewed Resolution No. 2011-4 and has recommended certain revisions be made to correct inadvertent omissions; and

WHEREAS, Interim Executive Director Toru Hamayasu and the Board, believing that public trust in the contracting for and management of the Rail Transit Project is critical and that ethics training is a key component of maintaining that trust, propose a new provision on training in the Policy;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of HART as follows:

1. Item 5 of Resolution 2011-4 shall be amended to read:

"5. Board Members shall not engage in any business transaction or activity or have a financial interest which is incompatible with the proper discharge of their duties as a Member of the Board or which may tend to impair their independence of judgment in the performance of their official duties; and"

2. Item 7 of Resolution 2011-4 shall be amended to read:

“7. Board Members shall not represent private interests in any action or proceeding against the interests of HART or appear on behalf of private interests before HART or a City agency except as otherwise provided by law; and”

3. A new Item 10 shall be inserted into Resolution 2011-4 to read:

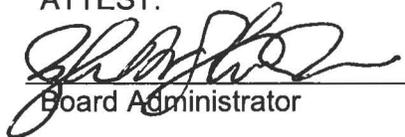
“10. All Board members shall receive training on the standards of conduct applicable to their position as members of the Board of Directors as soon as practicable upon assuming office, and retraining at periodic intervals thereafter, and the Executive Director of HART shall ensure that all staff of HART and the Board shall also receive such training as soon as practicable upon commencement of their employment or appointment and retraining periodically thereafter.”

4. The previous Item 10 of Resolution 2011-4 shall be renumbered as Item 11.

5. This Resolution shall take effect immediately upon its adoption.

ADOPTED by the Board of the Honolulu Authority for Rapid Transportation on
DEC 29 2011.


Board Chair

ATTEST:

Board Administrator

[ATTACHMENT E]

Honolulu Authority for Rapid Transportation

RESOLUTION NO. 2011 - 11

AMENDING THE FINANCIAL POLICIES OF THE BOARD OF DIRECTORS OF THE HONOLULU AUTHORITY FOR RAPID TRANSPORTATION

WHEREAS, the Honolulu Authority for Rapid Transportation (HART) has been established pursuant to Article XVII of the Revised Charter of the City and County of Honolulu 1973, as amended (Charter); and

WHEREAS, on July 1, 2011 the Board adopted Resolution No. 2011-2, establishing the Financial Policies of the Board of Directors of the Honolulu Authority for Rapid Transportation; and

WHEREAS, on August 25, 2011, the Board adopted amendments to its Financial Policies; and

WHEREAS, the Board desires to further amend and/or clarify its Financial Policies;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of HART as follows:

1. Section III (C) of the Financial Policies shall be amended to read:

"C. Operating Budget

The Director shall prepare and submit to the Board by September 15th a proposed Operating Budget for the upcoming fiscal year. The proposed Operating Budget will include all operating expenses and non-capital expenditures listed by organizational unit as well as sources of income to cover these expenses. The proposed Operating Budget will include income and expense information including actual information for the preceding fiscal year; projections for the current year; the proposal for the budget year; and projections for following two years. It will also delineate the number of FTEs proposed for the budget year in comparison to the current approved staffing level. The Board by its Finance Committee will review this submission, make modifications as it deems appropriate after a public hearing, and transmit through the Director the proposed Operating Budget as approved by the Finance Committee to the Mayor and the City Council by December 1st for their review and recommendations. ~~approve a proposed Operating Budget by November 1st.~~ If the Board Finance Committee-approved proposed Operating Budget includes revenues from the City and County of Honolulu, the transmittal from the Director shall submit include a line-item appropriation request, in the amount of such revenues, for the upcoming fiscal year to the City Council through the office of the Mayor of the City and County of Honolulu by December 1st. The Board will review, and if necessary, revise, the proposed Operating Budget and, following a public hearing, shall adopt a final Operating Budget for the upcoming fiscal year by June 30th."

2. Section III (D) of the Financial Policies shall be amended to read:

"D. Capital Budget and Six-Year Capital Program

The Director shall prepare and submit to the Board by September 15th a proposed six-year Capital Program and a proposed Capital Budget for the upcoming fiscal year. The proposed Capital Program will include a projection of all capital projects and contractual obligations for the ensuing six year period. The proposed Capital Budget will include all capital expenses and sources of income to cover these expenses in the upcoming fiscal year. The proposed Capital Budget will include at minimum information on the status of the budget for all capital projects being implemented by HART reflecting expenditures to date, contractual obligations outstanding, remaining budget, percent of project completion and schedule information. The Board by its Finance Committee will review this submission, make modifications as it deems appropriate after a public hearing, and transmit the proposed Capital Budget as approved by the Finance Committee to the Mayor and the City Council by December 1st for their review and recommendations. ~~approve a proposed Capital Budget by November 1st.~~ If the ~~Board~~ Finance Committee -approved proposed Capital Budget includes revenues from the City and County of Honolulu, the transmittal from the Director shall submit include a line-item appropriation request, in the amount of such revenues, for the upcoming fiscal year to the City Council through the office of the Mayor ~~of the City and County of Honolulu by December 1st.~~ The Board will review, and if necessary, revise, the proposed Capital Budget and, following a public hearing, shall adopt a final Capital Budget for the upcoming fiscal year by June 30th."

3. This Resolution shall take effect immediately upon its adoption.

ADOPTED by the Board of the Honolulu Authority for Rapid Transportation on
DEC 29 2011.


Board Chair

ATTEST:


Board Administrator

[ATTACHMENT F]

HDOT Master Agreement

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

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HONOLULU AUTHORITY FOR RAPID TRANSPORTATION

Agreement

- Article I – Project Description (pg 2/3)
- Article II – Purpose of the Agreement (pg 4)
- Article III – Operation and Management Responsibilities (pg 4)
- Article IV – Design and Construction Management Consultant (pg 6)
- Article V – Design (pg 7)

Agreement

- Article VI – Construction (pg 9)
- Article VII – Betterments (pg 10)
- Article VIII – Traffic Management Consultant (pg 10)
- Article IX – Public Outreach (pg 11)
- Article X – Joint Use and Occupancy (pg 11)
- Article XI – Misc (pg 11)

Exhibits

- Exhibit “A” – WOFH Project Map
- Exhibit “B” – Joint Use and Occupancy (JUO)
- Exhibit “C” – Boundary Map of City Maintained State Highway
- Exhibit “D” – Warranty Provision for HDOT
- Exhibit “E” – HDOT’s Consent Decree
- Exhibit “F” – National Pollutant Discharge Elimination System Permit (NPDES permit)

[ATTACHMENT G]

Honolulu Rail Transit Project Section 106 Programmatic Agreement

Presentation to HART Board
December 29, 2011

Section 106 PA

- Result of Federal Transit Administration's responsibility to comply with Section 106 of the National Historic Preservation Act

- Four signatory parties

Federal Transit Administration

Hawaii State Historic Preservation Officer

U.S. Navy

Advisory Council on Historic Preservation

General Overview

- Includes fourteen (14) individual stipulations
- Provides for mitigation to address impacts to archaeological and historic resources
- Requires specialized expertise to address state and federal cultural requirements

Roles and Responsibilities

- Kako‘o (PA Project Manager)
To support consulting parties review of project’s compliance with PA
Completing final review of proposals
- Architectural Historian
To coordinate Section 106 project activities
GEC currently fulfilling this oversight role

Historic Hawaiian Studies

- **Study of previously unidentified TCPs w/n APE**
- **Development of AIS plans and protocols**
- **Curation**
- Conducting additional studies of Native Hawaiian text and research of storied places
- Archaeological surveys underway
- Established temporary facility in Iwilei area



Design Standards

- Provided preliminary design plans for built components for review in February 2011; comments/responses posted on website
- Final Design review of stations near historic resources
- Neighborhood design workshops for the stations to be scheduled

Historic Recordation and Documentation

- Historic Context Study – Two year study of multiple topics focused on features related to each moku and ahupuaa crossed
- Cultural Landscape Reports – Reports to be prepared for Mother Waldron Park and Irwin Park
- Historic Property Documentation – National Register documentation to be completed just prior to construction

Education and Interpretive Programs

- Interpretive Plan
 - To include signage and brochures
- Humanities Program
 - \$100,000 set aside for implementation
 - Initial workshops held to overview options

Mitigation and Monitoring for Specific Properties

- Specific Mitigation
 - Lava Rock Curbstones
 - Kapalama Canal Bridge Rails
 - True Kamani Trees
 - Chinatown and Merchant Street Districts
- Demolition monitoring to examine project impacts related to development
- \$750,000 Parks Improvement Plan
- Established Historic Preservation Committee to manage \$2 million fund for exterior improvements to historic properties within APE

Construction Protection Plans and Training

- Construction Mitigation Plans
Includes noise and vibration mitigation plan
- Historic preservation and cultural awareness training
Historic training module being developed
Cultural awareness training has been conducted with employees performing WOFH and AIS work

Updating PA compliance and public information

- Web site information and interactive historic database and map
- Quarterly meetings for first 24 months, followed by Annual meetings with Consulting Parties
- Semi-Annual Reports to Signatories
- Process for Post-Review Discoveries

Mahalo!



HONOLULU RAIL TRANSIT

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HONOLULU AUTHORITY FOR RAPID TRANSPORTATION

[ATTACHMENT H]

**Honolulu Authority for Rapid Transportation
Interim Executive Director & CEO's Report
December 29, 2011**

Construction Activities

- Meetings in preparation for construction of the guideway and stations continue with many of the project's stakeholders. HART staff met with the Navy and other historic preservation partners earlier this month and discussed preliminary engineering station drawings and concepts, and the process for refining those plans.
- HART staff also met with D.R. Horton to discuss the station within their property and the possibility of shifting the station site to improve integration with the area's master development plan. Discussions are still in progress and I will continue to update the Board with any new developments.
- Most of our Archaeological Inventory Survey (AIS) work in the City Center area was placed on hold during the Christmas holidays and work is scheduled to begin again in early 2012. Approximately two dozen trenches have been completed thus far, and no iwi have been found.

General Update

- We expect to receive the green light to enter into the Final Design phase of the project shortly. Once we receive that notification, we expect to receive a Letter of No Prejudice, which completes the approvals needed to issue a Notice to Proceed to our contractor so that we can begin construction of the elevated guideway. Work on the guideway is expected to begin in February or March, depending on the timing of these federal approvals. We remain on track to secure the Full Funding Grant Agreement in the fall of 2012.
- HART staff and Board Member Bobby Bunda met with state house and senate lawmakers to provide project updates and to address questions regarding the project or work in their specific districts. At this time, it does not appear that any legislation regarding the project will be part of the 2012 state legislative session.

- HART teams have been established to work one-on-one with the HART Board in their areas of interest. I will continue to work directly with Board Chair Carrie Okinaga, and board members Glenn Okimoto, David Tanoue and Wayne Yoshioka. Other teams include: Project Controls Manager John Burns with Vice Chairman Ivan Lui-Kwan; Joyce Oliveira from Government Relations with Board Member Robert Bunda; Frank Doyle, our Deputy Project Officer of Administration & Controls with Transit-Oriented Development Committee Chairman William “Buzz” Hong; Grants/Financial Manager Phyllis Kurio with Board Finance Chairman Don Horner; Bob Sumitomo from our Agency Coordination team with Human Resources Committee Chairman Keslie Hui; and Core Systems Engineer Jurgen Sumann with Project Oversight Committee Chairman Damien Kim.
- HART also earned three first-place honors at the recent Honolulu City Lights Employee Christmas Tree Display at Honolulu Hale, which was more than any City department in this year’s competition. Our tree reflected both the theme (Holoholo – Just Have Fun) and the rail project, earning top honors in the categories of “The Mayor’s Choice,” “Most Creative” and “Holiday Spirit.” HART also took second-place honors for “Best in Show.” The display included interactive buttons, representing several key station locations. This year’s tree decorating team along with the numerous others involved did an excellent job.
- HART’s Public Involvement Team continues to expand its outreach efforts, with the addition of two ongoing radio appearances on KHPI and KNDI. In addition, HART also participated in the Kapolei City Lights event with an informational booth and staff on hand to answer questions. Support for the project remains strong in Kapolei, and we were pleased to participate in this year’s event.