HONOLULU AUTHORITY for RAPID TRANSPORTATION

Daniel A. Grabauskas
EXECUTIVE DIRECTOR AND CEO

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Board of Directors Meeting
Kapolei Hale, Conference Room B
1000 Uluohia Street, Kapolei, Hawaii
Thursday, May 16, 2013, 9:00 A.M.

Agenda

I. Call to Order by Chair

II. Public Testimony on All Agenda Items

III. Approval of Minutes of the April 11, 2013 Board of Directors Meeting

IV. Report on the May 2, 2013 Joint Meeting of the Finance and Project Oversight Committee

V. Presentation on Fiscal Year 2014 Capital Budget – Art in Transit

VI. Presentation on Public Involvement Outreach

VII. FY2014 Business Plan

VIII. Appointment of 9th Voting Board Member

IX. Discussion of the Addition of HART's Executive Director & CEO to the Policy Committee of Oahu Metropolitan Planning Organization

X. Presentation by State Department of Taxation on General Excise Tax Revenues

XI. Litigation Update

XII. Executive Director and CEO's Report

XIII. Executive Session
Pursuant to Hawaii Revised Statutes Section 92-4 and Subsections 92-5(a)(2) and 92-5(a)(4), the Board may enter into Executive Session to consider the Annual Evaluation of the Executive Director and CEO where consideration of matters affecting privacy will be involved, and to consult with its attorneys on questions and issues pertaining to the Board's powers, duties, privileges, immunities and liabilities with regard to these matters.

XIV. Executive Director & CEO's Annual Performance Evaluation Report and Objectives

XV. Adjournment

Note: Persons wishing to testify on items listed on the agenda are requested to register by completing a speaker registration form at the meeting or online on the HART section of the www.honolulutransit.org website. Each speaker is limited to a **two-minute** presentation.

Persons who have not registered to speak in advance should raise their hands at the time designated for public testimony and they will be given an opportunity to speak following oral testimonies of the registered speakers.

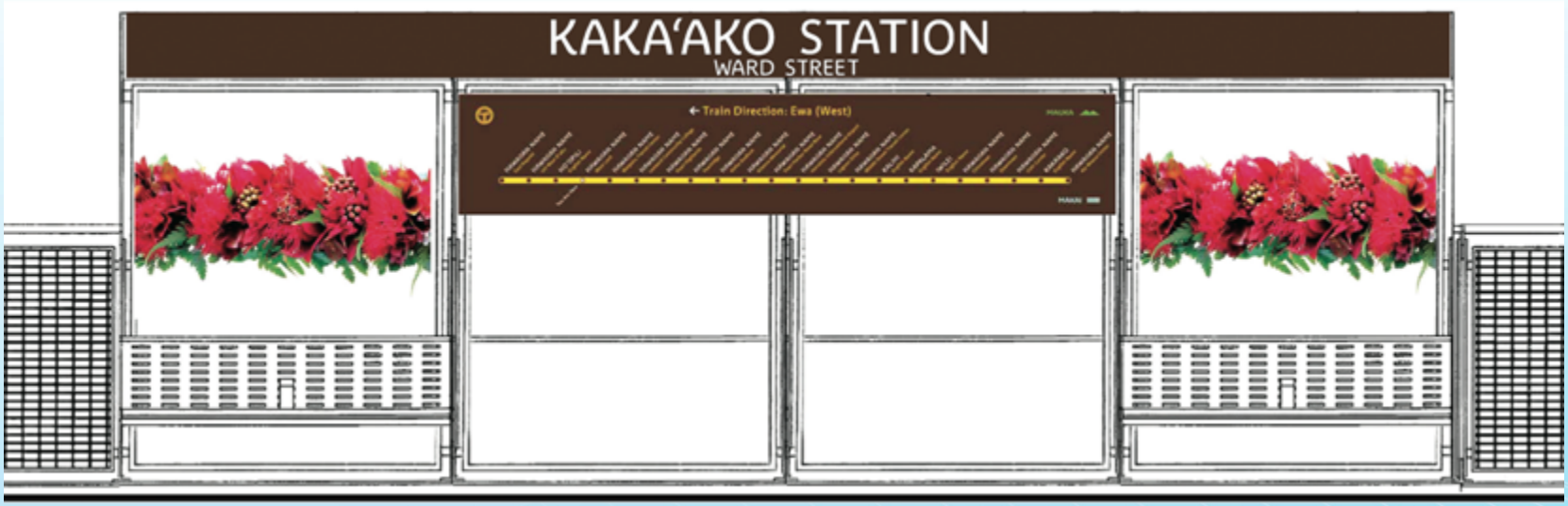
Any physically challenged person requiring special assistance should call (808) 768-6258 for details at least three days prior to the meeting date.

Honolulu Authority for Rapid Transportation

Art-In-Transit Program

Art-in-Transit Program

Farrington Highway Station Group	**$ 694,371**
Maintenance & Storage Facility (OSB)	**$ 150,000**
West Oahu Station Group	**$ 598,991**
Kamehameha Highway Station Group	**$ 872,925**



Art-in-Transit Program

Airport Station Group	**$ 888,559**
Dillingham Station Group	**$ 705,989**
Kaka‘ako Station Group	**$ 1,089,165**

- **Total** **$ 5,000,000**
- **Estimated # of artist contracts 23 to 25**

Julie Chang, Transbay Joint Powers Authority, San Francisco

Doug & Mike Starn, MTA, New York City Transit

Art-in-Transit Program - Call For Artists

Online application system

www.callforentry.org

Submittal Deadline: Thursday, June 20, 2013,
7:59 p.m. Hawaii Standard Time or (11:59 p.m. Mountain Standard Time)

Pre-Submittal Workshop: Saturday, June 1, 2013
9:00 a.m. to 11:00 a.m. Hawaiian Standard Time
Honolulu Authority for Rapid Transportation
Ali‘i Place, 1099 Alakea Street, Suite 150
Honolulu, Hawai’i 96813

Download application requirements, project information
http://www.honolulu.gov/pur or **www.callforentry.org**.

PUBLIC OUTREACH UPDATE
May 16, 2013

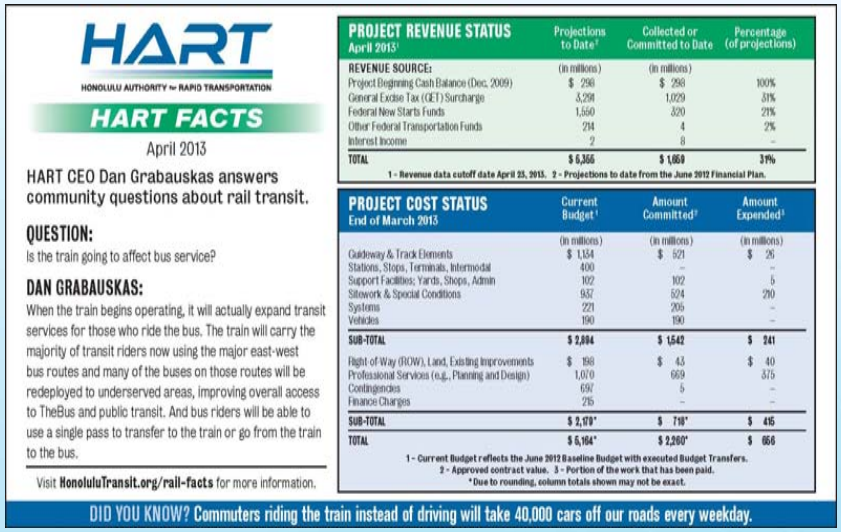
Public Outreach

Engage, educate and inform the public about the rail project and its progress.

	Apr. 2012 – Apr. 2013	Total Since 2005
Community Workshops, Presentations, Informational and Community Meetings, Events	343	1,429
Neighborhood Board Meetings	111	750
HART Board Public Meetings	49	100 ***Since 2011***

Public Outreach: Education and Awareness

- Monthly HART Facts Ad
- Public Access Television Program
- Newsletter ➔ Weekly eBlast
- Weekly Traffic Advisories
- Website and Social Media



HART

HONOLULU AUTHORITY for RAPID TRANSPORTATION

HART FACTS

April 2013

HART CEO Dan Grabauskas answers community questions about rail transit.

QUESTION:

Is the train going to affect bus service?

DAN GRABAUSKAS:

When the train begins operating, it will actually expand transit services for those who ride the bus. The train will carry the majority of transit riders now using the major east-west bus routes and many of the buses on those routes will be redeployed to underserved areas, improving overall access to TheBus and public transit. And bus riders will be able to use a single pass to transfer to the train or go from the train to the bus.

Visit **HonoluluTransit.org/rail-facts** for more information.

PROJECT REVENUE STATUS
April 2013[1]

REVENUE SOURCE:	Projections to Date[2] (in millions)	Collected or Committed to Date (in millions)	Percentage (of projections)
Project Beginning Cash Balance (Dec. 2009)	$ 298	$ 298	100%
General Excise Tax (GET) Surcharge	3,291	1,029	31%
Federal New Starts Funds	1,550	320	21%
Other Federal Transportation Funds	214	4	2%
Interest Income	2	8	–
TOTAL	**$ 5,355**	**$ 1,659**	**31%**

1 - Revenue data cutoff date April 25, 2013. 2 - Projections to date from the June 2012 Financial Plan.

PROJECT COST STATUS
End of March 2013

	Current Budget[1] (in millions)	Amount Committed[2] (in millions)	Amount Expended[3] (in millions)
Guideway & Track Elements	$ 1,154	$ 521	$ 26
Stations, Stops, Terminals, Intermodal	400	–	–
Support Facilities; Yards, Shops, Admin	102	102	5
Sitework & Special Conditions	957	574	210
Systems	221	205	–
Vehicles	190	190	–
SUB-TOTAL	**$ 2,004**	**$ 1,542**	**$ 241**
Right of Way (ROW), Land, Existing Improvements	$ 198	$ 43	$ 40
Professional Services (e.g., Planning and Design)	1,070	669	375
Contingencies	697	5	–
Finance Charges	215	–	–
SUB-TOTAL	**$ 2,179***	**$ 718***	**$ 415**
TOTAL	**$ 5,164***	**$ 2,260***	**$ 656**

1 - Current Budget reflects the June 2012 Baseline Budget with executed Budget Transfers.
2 - Approved contract value. 3 - Portion of the work that has been paid.
* Due to rounding, column totals shown may not be exact.

DID YOU KNOW? Commuters riding the train instead of driving will take 40,000 cars off our roads every weekday.

Rapid Response:

- 24-Hour Project Hotline
- Email Inquiries
- Website Inquiries

Public Outreach: Media

Keep the public informed about the project and key issues:

- News Conferences
- Morning Show Appearances
- Editorial Boards
- News Releases
- Op-Eds
- Ethnic Media
- Trade Publications

Public Outreach: HART Programs

- Art-in-Transit Workshop
- Station Design Informational Community Meetings
- Consulting Party and Traditional Cultural Properties Meetings
- Programmatic Agreement Compliance

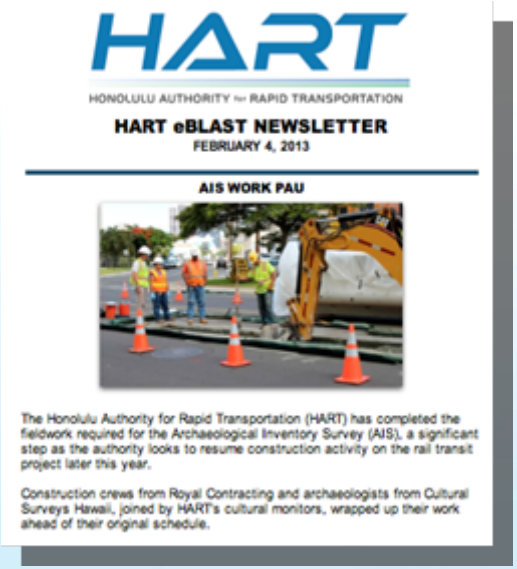
Public Outreach: Looking Ahead

Construction Outreach:

- Community Canvassing
- Business and Community Meetings/Presentations
- Keeping Key Partners Informed

Staying Connected

24-HOUR PROJECT HOTLINE: (808) 566-2299
EMAIL: info@HonoluluTransit.org



HONOLULU AUTHORITY for RAPID TRANSPORTATION

HART eBLAST NEWSLETTER

FEBRUARY 4, 2013

AIS WORK PAU

The Honolulu Authority for Rapid Transportation (HART) has completed the fieldwork required for the Archaeological Inventory Survey (AIS), a significant step as the authority looks to resume construction activity on the rail transit project later this year.

Construction crews from Royal Contracting and archaeologists from Cultural Surveys Hawaii, joined by HART's cultural monitors, wrapped up their work ahead of their original schedule.

eNewsletter

Channel 54

Sundays at 4:30

HonoluluTransit.org

HONOLULU AUTHORITY for RAPID TRANSPORTATION

HONOLULU AUTHORITY FOR RAPID TRANSPORTATION

BUSINESS PLAN
for
FY2014

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May 2013

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HART Business Plan

INTRODUCTION

This document provides a third year Business Plan for the Honolulu Authority for Rapid Transportation (HART) covering fiscal year 2014 (July 1, 2013, through June 30, 2014). It is designed to describe HART's business activities and resource allocations during the agency's third year of operations in accordance with its responsibility for building and ultimately operating the Honolulu Rail Transit Project (HRTP), from East Kapolei in West O'ahu to Ala Moana Center (HRTP).

The FY2014 HART Business Plan describes why HART exists as an organization, the goals and performance measures the agency has established, what it will seek to accomplish during the third year of operations, and how it will go about performing its responsibilities. The HART Board of Directors (BOD) will review and approve the FY2014 Business Plan in conjunction with its review and final approval of a FY2014 Budget. In the future, it is envisioned that HART will prepare an annual Business Plan with a multi-year moving timeframe. The annual Business Plan will provide historical information and a projection of key operating and financial information for at least one year beyond the fiscal year which is the focal point of the Plan to provide a look-ahead for management planning and performance trend oversight purposes.

Summary of FY2013 Highlights and Progress

FY2013 was HART's second year of existence. During the year, the HART BOD, staff, and consultant team made progress toward achieving the vision of bringing rapid transportation to O'ahu despite major challenges presented by litigation. Shown below is a brief summary of major events and accomplishments during HART's second year:

Project Delivery:

- Construction was started on the West Oahu/Farrington Highway guideway section and 16 columns were completed. Three full properties needed for the HRTP were acquired and eminent domain proceedings were started on two additional properties.
- Construction activities on the West Oahu/Farrington Highway guideway section were suspended as a result of a Hawaii Supreme Court ruling (*Kaleikini v. Yoshioka, et al.)* mandating that HART complete an Archaeological Inventory Survey (AIS) on all four sections of the alignment. Steps were taken to perform the necessary AIS work which was completed two months ahead of schedule. During the AIS work, a first-of-its-kind cultural monitoring program was developed. This program will serve as a model for the remainder of construction on the HRTP. The results of the AIS were submitted to the State Historic Preservation Division (SHPD) for review and approval for the entire alignment. The resumption of construction awaits SHPD action.
- 8,735 tons of running rail (all the rail needed for the project) was rolled, shipped and received by HART. The power contact rail is in the process of being delivered.

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- In response to public input and other comments, the HART BOD approved funding for additional seats on the HRTP railcars to be provided by Ansaldo Honolulu JV. As a result, seating capacity will be increased by 25%.
- An agreement was reached with the Hawaii Department of Transportation (HDOT) on funding for the State Rail Safety Oversight Program required by federal law. HART and HDOT worked cooperatively to hire a nationally recognized consultant who will assist in implementing and managing this program.
- The HART Transit Oriented Development (TOD) Committee formed a TOD Stakeholders Group to help promote TOD. The group, which will consist of various government and private sector stakeholders, will focus on providing and sharing information to facilitate TOD.

Finances:

- Successfully completed the required steps to receive a Federal Full Funding Grant Agreement (FFGA) from the Federal Transit Administration. The FFGA was executed on December 19, 2012. A key step in this major accomplishment was City Council action to approve a $450 million "line of credit" for the HRTP to be used only if absolutely necessary for future funding shortfalls.
- As a result of the FFGA, HART received $67.5 million in March 2013 bringing total federal funding received to date for the HRTP to $132 million.
- Reduced the FY13 Operating Budget by $1.5M and three staff positions.
- Completed the agency's first annual financial audit cycle, which yielded overall favorable conclusions and findings related to the transition from DTS to HART. Issued first annual financial statement for HART since becoming a semi-autonomous unit.
- General Excise Tax Surcharge (GET) collections to date total $651million which is $33 million more than forecast in the June 2012 Financial Plan.
- Took aggressive action to keep the cost impact of the construction suspension below the estimated $7-10 million per month.

Other Litigation Matters:

- In the case of *Honolulutraffic.com et al. v. FTA, et al.*the U.S. District Court ruled in favor of the City and FTA on a vast majority of the plaintiff's claims. However, the Court did rule that the City and FTA (1) had failed to adequately identify Traditional Cultural Properties (TCP) prior to the issuance of the Record of Decision on the project, (2) failed to adequately consider the Beretania Street Tunnel alternative, and (3) failed to consider whether the project would constructively "use" Mother Waldron Park. The decision resulted in additional analyses and a suspension of construction and real estate acquisition activities in section four (City Center Section) of the alignment. A revised TCP report was prepared and transmitted to SHPD in compliance with the ruling. In addition, a draft Supplemental EIS was prepared and filed with the FTA which addressed the Beretania Street alignment and Mother Waldron Park issues. The TCP reports for Phase 4 and a Supplemental EIS have been prepared and further activities will be undertaken to seek approval of these additional analyses.
- In the case of *Bombardier Transportation (Holdings) USA, Inc.v. Director, Dept. of Budget and Fiscal Services, et al.*, the State of Hawaii Intermediate Court of Appeals denied the appeal and upheld the City's decision to disqualify Bombardier's proposal for

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the core systems contract solicitation. The ruling affirmed that the City's procurement process was done properly and in accordance with state law.

Organizational Development:

- Significant organizational and staffing changes occurred in FY2013, all designed to improve the effectiveness and efficiency of the organization. Key changes included:
  - ✓ Hiring of a Deputy Executive Director from the local community with considerable transportation, construction and public sector experience.
  - ✓ Hiring of an experienced Chief Financial Officer and staff to improve fiscal processes, accounting, financial analysis and reporting.
  - ✓ Two senior management positions were eliminated to flatten the organization and the area of public involvement was streamlined by eliminating positions and external contractors, all of which saved money.
  - ✓ A senior level Director of Operations and Maintenance position was established in recognition of HART becoming an operating organization in the future.
  - ✓ Changes in the Engineering and Construction area included consolidation of responsibilities and the internal promotion of three staff members to key positions within the restructured area. In addition, a new Manager of Project Controls was hired and now reports to the Deputy Executive Director. Also, the Core Systems Manager and the Risk Manager were replaced with experienced personnel.

- Finally, a working group was established with Oahu Transit Services (OTS) to explore how best to integrate bus and rail services, as well as opportunities for consolidating administrative functions between HART and OTS to improve efficiency and customer service.

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HART Business Strategy

Public transportation is a service business that utilizes both human and physical assets to deliver its product in the marketplace. A transit agency is in competition with the automobile to increase its share of the travel market. Success in achieving a greater market share requires that a transit agency have a clear and understandable strategy for how it will go about delivering its product to prospective consumers. As a public agency, HART's business strategy must not only be easily understandable to the agency's employees and contractors but must also be understandable to the general public.

This section of the FY2014 HART Business Plan describes the basic elements of the business strategy for the agency. These elements are described below and include statements on why the agency exists and what it is trying to achieve, as well as a framework for how HART will go about accomplishing what the public has asked it to do. This framework includes Goals and a "Balanced Scorecard" (BSC) for measuring and tracking over time how well HART is doing its job. (Note: A later section of the FY2014 Business Plan describes the organizational development strategy HART is utilizing to achieve its Mission and Vision and accomplish the Goals the BOD has established.)

Mission Statement *(why the agency exists)*

HART's Mission is to plan, design, construct, operate and maintain Honolulu's high-capacity, fixed guideway rapid transit system.

Vision Statement *(what HART is trying to achieve)*

In accomplishing its Mission, HART will contribute to the quality of life on O'ahu by:

- Mobility: Improving mobility for all residents, visitors, and businesses on O'ahu particularly in the densely populated and congested corridor along the urbanized southern shore of the island.

- Reliability: Improving the reliability of travel in the corridor by offering a travel choice that will not be subject to at-grade level traffic congestion.

- Land Use: Supporting the City's land development policy by providing access to an area targeted for development of a new urban center and helping create transit-oriented development along the rail line.

- Equity: Providing people who are dependent on public transportation with an improved means of accessing economic and social opportunities and activities.

- Sustainability: Protecting the environment and lessening dependence on non-renewable fossil fuels.

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(Note: The above Vision Statement is based in part on the Environmental Impact Statement prepared for the HRTP.)

Goals *(how HART will go about accomplishing the Vision and fulfilling its Mission)*

In order to accomplish its Mission and realize the benefits described in the Vision, HART must accomplish the following goals:

1. Project Delivery: Complete the project on time and within budget while:

    - Ensuring the safety and security of the public, HART employees, and construction workers;
    - Minimizing the impacts on adjacent natural, cultural, and built environments and communities; and
    - Fulfilling environmental mitigation commitments.

2. Service Delivery: Ensure that the design and actual construction of the project will facilitate the delivery of safe, high quality, and cost-efficient service in the future.

3. Stewardship of Resources: Maintain public trust through the prudent and transparent use of financial, human, and environmental resources.

4. Livability: Support the creation of mixed use, pedestrian-friendly, compact development along the rail line.

5. Partnerships: Pursue partnerships with the private sector to create economic opportunities and generate income and cost savings for the rail transit system.

6. Agency Culture: Foster an organization that is open, accountable, inclusive, and delivers better than promised results.

Performance Metrics

Performance expectations and metrics flow out of the Vision and Goals for the agency and are intended to help an organization measure its progress toward achieving the Vision and Goals. Performance metrics for HART will help the BOD and agency management, as well as the Authority's stakeholders and the general public, measure and evaluate the agency's progress and will aid in maintaining transparency on what HART is doing with taxpayer money. Management staff will compile and provide periodic reports to the BOD on the performance metrics. The information will also be reported to the City Council and the community in an annual report.

Performance metrics for HART have been incorporated into a BSC for the agency. The BSC establishes and will track over time metrics that measure performance in achieving the Goals which the BOD has established for the agency. The proposed HART BSC is shown in Appendix A to the Business Plan.

As shown in Appendix A, the HART BSC is structured to provide performance measures and metrics for each of the six Goals the BOD has approved. The BSC establishes the fiscal year

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objectives for each measure. Space is provided for HART management to provide information on actual results or status for each of the performance measures and metrics delineated in the BSC during quarterly reports to the HART BOD. These reports will include a summary of any material changes in the status of performance measures as well as a separate summary of the status of "mission critical" performance measures to enhance the transparency of the progress being made on implementing the HRTP.

In FY2014 and for the next several years HART will be engaged in completing the design and construction of the HRTP. Actual operation of rail service will not occur until 2017. As such, the BSC shown in Appendix A is heavily oriented toward project implementation. The BSC does include some measures dealing with Service Delivery as it relates to the current project implementation stage of the project. Additional metrics will become meaningful when actual revenue service begins; illustrative examples of such metrics include:

- Ridership level.

- Reliability measures including:
  - On-time departures/arrivals.
  - Miles between mechanical failures.
  - Elevator and escalator availability (% of time available during operating hours).
  - Fare collection equipment availability (% of time available during operating hours).

- Safety and Security measures including:
  - Accidents per 100,000 passengers.
  - Security incidents per 100,000 passengers.
  - Employee on-the-job injuries.

- Financial measures including:
  - Operating Ratio.
  - Cost per vehicle hour and vehicle mile.
  - Cost per passenger.
  - Accident Claims received/closed/outstanding.

Given the current project implementation of HART's business activities, it is envisioned that HART management will provide quarterly updates of the HART BSC in reports to the BOD and the public. When actual revenue service begins on the rail line, monthly BSC reports will become relevant.

Using a BSC which ties to the Goals that HART has established will enable the agency to evaluate its progress on achieving the agency's Mission and Vision and to report to its stakeholders and to the community.

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FY2014 Work Program

Agency Business Operations

HART came into existence July 1, 2011, and has functioned to date as a semi-autonomous agency of the City & County of Honolulu government. During FY2014, HART will continue to use various City business systems and administrative practices as appropriate when conducting the agency's business activities (e.g. Department of Transportation Services (DTS) procedures for Transportation Improvement Program (TIP) modifications and EEO reporting; the City's accounting and payroll systems; and the city's Enterprise Resource Planning (ERP) systems for both financial and Human Resources applications). In addition, HART will continue to receive services provided by other City Departments (e.g. Budget and Fiscal Services, Corporation Counsel, and Design and Construction). Individual agreements with City Departments set forth the scope and terms of the services to be provided. This support from the City enables the agency to continue concentrating its resources on the implementation of the HRTP. During FY2014 and beyond, HART will evaluate the extent to which it should develop its own business systems to improve efficiency and delivery of needed business services.

HART will need to complete a number of steps during FY2014 to further develop the organizational capacity and capability to fulfill its Mission as described in the preceding section. Several of the actions that will be taken are designed to ensure that HART will maintain eligibility to receive Federal funding for the HRTP. A preliminary listing of the tasks that will be undertaken in FY2014 is as follows:

- Continue to update BOD operating procedures and practices.
- Develop new agency operating procedures and practices as needed.
- Complete agency reorganization and recruit and hire key management, technical, and support staff.
- As required, adopt or modify BOD and HART policies guiding the agency business activities (e.g. financial policy and procurement policy).
- Continue to add and modify administrative procedures and practices that are specific to a transit agency in areas such as procurement and contract administration, safety and security, employee relations, and management reporting.
- Maintain a management reporting system on key performance metrics and financial information including:
    - Continue to develop internal processes that will enhance the control over fiscal processes while increasing processing efficiencies.
    - Achieve zero findings in the Authority's second annual audit, specifically addressing deficiencies identified in 2012's audit report.
    - Continue to build finance, accounting and internal controls capability.

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- Continue development of a brand identity for HART.

- Regularly update and communicate with stakeholders, including the Mayor and City Council, state officials and the Oahu Metropolitan Planning Organization Policy Committee to ensure a flow of information regarding the progress of the project.

- Continue the creation of an organizational structure and culture that will enable the fulfillment of the agency's Mission and Vision.

EEO and Disadvantaged Business Enterprise (DBE) Programs:

In accordance with federal and state laws and requirements, HART maintains active programs to ensure equal employment opportunities and to foster the involvement of disadvantaged and small businesses in HART's business activities. The EEO Program is coordinated with the City's EEO Office and with DTS. Oahu Transit Services as the area's bus operator maintains its own FTA approved EEO Program. HART staff prepares combined reports for both the rail and DTS programs which DTS submits to the FTA for review and approval. The FTA has approved the combined EEO program for HART/DTS for the next three years.

HART manages its own DBE Program utilizing the State of Hawaii's Unified Certification Program to identify DBE firms and works with HDOT to reach out to these firms. HART has an FTA authorized 13% goal for DBE participation in the overall HRTP and does not set annual goals. Contract specific goals are established when or if appropriate. Program staff will be working to gain increased DBE participation in upcoming construction contracts whenever possible.

HRTP Project Implementation

Project Description:

The HRTP is a proposed 20-mile light metro rail line in an exclusive right-of-way with fully automatic (driverless) train operation. All of the alignment, with the exception of the access and egress from the Maintenance and Storage Facility and the Leeward Community College Station, is elevated above existing highways and arterial roadways. The rail line includes 21 stations from East Kapolei, in West O'ahu, to Ala Moana Center. Initial service is scheduled to start in 2017 from the western end of the alignment at the East Kapolei Station to the Aloha Stadium Station with full service operations to Ala Moana Center starting in 2019. Full service is anticipated to operate 20 hours per day, with 3-minute headways during peak periods and 6-minute headways in the midday. End-to-end travel time is estimated to be 42 minutes. Service will be provided by 2-car trains. Average weekday rail boardings in 2030 are projected to be about 116,000 passengers. A peak hour directional maximum load of about 8,000 passengers per hour is anticipated in 2030.

Appendix C provides a more detailed description of the project along with background on the planning for the project.

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Project Status and FY2014 Work Activity:

- Overall, the HRTP is currently in final design phase of project development with construction work programmed to re-start and continue on two Design-Build contracts for guideway sections and the Maintenance and Storage Facility.

- Contracts for a Program Management Support consultant (PMC) and General Engineering consultant (GEC) services will be continuing. The HART Operating Budget provides funding for 139 positions for the project which includes positions provided by the PMC.

- During Q1 of FY2014, efforts will continue to resolve and satisfy both the Hawaii Supreme Court and U.S. District Court decisions which have caused construction work to be suspended including:.
    - Assisting SHPD in completing its AIS review and issuance of the necessary authorizations.
    - Completing the FTA and federal court reviews of the Supplemental EIS.
    - The objective is to restart construction by the end of Q1 to minimize delay claims and protect the project schedule from further delay.

- In preparation for the restart of construction, during Q1 of FY2014:
    - Complete negotiations on outstanding delay claims arising out of the suspension of construction work.
    - Work towards a "clean slate" with contractors by negotiating settlement of all outstanding notice to proceed (NTP) delay claims arising out of the start of the project.
    - To the extent possible, utilize the period to acquire old and new permits, rights of entry, land acquisition, and other agreements necessary to limit or eliminate exposure to future delays and delay claims.

- In FY2014, for the Design-Build (DB) contracts:
  At the end of FY2014, overall construction of the West Oahu/Farrington Highway Guideway is expected to be 30% complete. The Kamehameha Highway Guideway contract design will be completed by the end of FY2014 with construction scheduled to be 20% complete. The Maintenance and Storage Facility design will be completed and construction is scheduled to be 40% complete at the end of FY2014.

- The Design-Build-Operate-Maintain (DBOM) Core Systems contract for train control, communications, operations and maintenance, and revenue vehicles, will be in the design phase and this effort will continue throughout FY2014 with contract completion at that time estimated at 10%.

- For the Design-Bid-Build (DBB) contracts:
    - The Airport Guideway and Utilities design will be completed by FY2014, with construction on the Airport Utilities expected to be 10% complete by the end of FY2014. Construction on the Airport Guideway will not begin until FY2015.

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- The City Center Guideway and Utilities design will be completed by FY2014. Construction on the City Center Guideway and Utilities will not begin until FY2015.
- The Farrington Highway Station Group design will be completed by the end of FY2013, and construction will be 20% complete at the end of FY2014.
- The West O‘ahu Station Group design will be completed in the beginning of FY2014, and construction will be 5% complete at the close of FY2014.
- The Kamehameha Highway Stations design will be completed by the beginning of mid-FY2014, and construction will be 5% complete by the end of FY2014.
- The Airport Stations design will be completed by FY2014, with construction starting in FY2015.

- Continue to develop Native Hawaiian community and other key stakeholder relationships.
  - Refine the model Cultural Monitoring Program for implementation during the period of construction.

- During FY2014, advance planning for future operations on the rail system:
  - Establish more robust DTS-OTS-HART-Ansaldo cooperation on fare media/collections system; budget synergies; operational intersects and coordination; customer services; management structures; etc.
  - Decision on final fare collection system and fare policy
  - Consider additional customer service features such as WiFi.

- Implement the project’s Public Art Program to incorporate public art into various design elements of the HRTP.

- Deliver significant contract milestones, and major contract awards expected over the next 12 months, to keep the project on schedule.

<u>Land Use Connection: Transit-Oriented Development</u>

The Revised Charter of Honolulu (Charter or RCH) authorizes HART “to promote, create and assist transit oriented development projects near fixed guideway system stations that promote transit ridership, and are consistent with the intent of the adopted community plans and zoning.” RCH 17-103.2(n). Likewise, the Charter mandates that the Executive Director “administer programs promoting appropriate developments near transit stations, including compilation of city incentive programs,” and “review development projects having significant impact on the operation of the fixed guideway system.” RCH 17-104(m) and (n).

HART is the steward of a large-scale public investment. Federal, State, and City policy direction to concentrate growth around transit stations further enhances the value of real property adjacent to transit stations. By promoting high quality, more intensive development on or near properties adjacent to transit stations, the agency can increase ridership, support long-term system capacity and generate additional revenues for transit, such as increased fare collection from increased ridership and changes in the fare policy, and joint development (JD) opportunities, not anticipated during project planning. Also, such development creates

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attractive investment opportunities for the private sector and facilitates local economic development goals.

The State and City along with the federal government control the planning and permitting authority for all of the land along the 20-mile corridor. Coordination of these activities between the respective agencies is necessary to successfully leverage public and private investment in the corridor. In coordination with HART, both the State and City are preparing neighborhood TOD plans for transit station areas and investigating revisions to the land use regulatory requirements, which will provide the policy framework for private development. The neighborhood TOD plans will support the creation of vibrant mixed-use neighborhoods consisting of workforce and affordable housing, retail shopping locations, and other infrastructure improvements necessary to improve safety, promote healthy lifestyle habits such as walking and biking, and increase rail ridership.

For the City, DPP is responsible for developing transit-oriented development (TOD) neighborhood plans and zoning regulations for station TOD areas for the eventual adoption by the City Council. During FY2014, HART TOD – land use planning staff will continue to provide technical support in areas such as system description, modal connectivity, station access, parking and safety and security to DPP in its planning efforts, which will include coordination with other cognizant City and State agencies, special interest groups (e.g. disabled, and elderly), the private sector, and the public at community meetings to develop the TOD plans for the areas surrounding the transit stations.

During FY2014, HART staff will actively pursue, develop, and execute MOUs and MOAs with public and/or private owners of land within close proximity of each planned transit station to directly access the station from their proposed development. Collaboration is already underway with the Navy, UH, DHHL, DLNR, HDOT, DAGs, and a variety of private landowners.

HART, in collaboration with the State and City planning offices, recognizes transit oriented development is a tool that can assist in implementing Smart Growth (focus on compact, mixed-use, transit-linked, and walkable communities), and Complete Streets (focus on safe and efficient access for all users while encouraging street connectivity and creation of a comprehensive, integrated, connected network for all modes) in proximity to the HRTP guideway and rail stations. These tools all are consistent with HART's commitment to incorporation of sustainability practices throughout its planning practices.

To assist in the collaboration efforts, the HART BOD has approved the creation of a Transit Oriented Development Stakeholders Advisory Group consisting of representatives from HART, the City, the State and private sector representatives from various organizations and groups. HART will be working to get the Stakeholders Group in place and functioning during FY2014.

Finally, HART staff will keep track of new TOD programs and opportunities developing at the federal level as a result of the implementation of the new surface transportation law MAP-21 as well as potentially at HUD or thru other federal programs or initiatives.

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Procurement Plan

Agency Business Operations

HART will conduct routine procurements for needed services, equipment, and supplies related to support the conduct of agency business operations utilizing City procedures and group discount opportunities.

Project Implementation

The table below lists the HRTP contracting actions that were in process in the 4th quarter of FY2013 and those that will be active during each quarter of FY2014:

Qtr	Section	Type	Status	Description	Ad Date	NTP Date
2013 4Q	PW	DFIM	Active	Elevators & Escalators	8/17/2012	6/15/2013
		Services	Active	Federal Government Liaison	11/30/2012	6/15/2013
	PW	Pro Svcs	Active	Historic Architectural Design Consultant	3/15/2013	6/15/2013
	PW	Pro Svcs	Future	Professional Recruiting Services	4/10/2013	5/30/2013
	PW	Services	Future	OCIP Brokerage Services	12/14/2012	6/29/2013
2014 1Q	City Cen	Design	Active	Dillingham Station Group/Kaka'ako Station Group	11/16/2012	8/15/2013
	PW	Services	Future	On-Call Construction Contractor	3/15/2013	8/27/2013
	PW	Prof Svcs	Future	General Engineering Consultant Re-compete	5/31/2013	9/1/2013
	PW	Art	Future	Art-in-Transit (Call for Artists)	4/30/2013	9/30/2013
2014 2Q	Airport	CE&I	Active	Airport and City Center Utilities CE&I	12/21/2012	10/2/2013
	WOFH/KHG	CE&I	Active	West Oahu / Farrington Highway and Kamehameha Station Groups (includes H2/R2 Ramp)	1/23/2013	12/2/2013
	KHG	Design	Future	Pearl Highlands Parking Structure/Bus Transit Center	4/15/2013	12/21/2013
2014 3Q	Airport	Construction	Future	Airport Section Utilities	11/1/2013	3/5/2014
2014 4Q	Airport	CE&I	Future	Airport and City Center Guideway CE&I	7/5/2013	4/1/2014
	WOFH/KHG	Construction	Future	West Oahu / Farrington Highway and Kamehameha Station Groups Construction	1/15/2014	4/15/2014
	City Cen	Construction	Future	City Center Section Utilities	3/15/2014	6/15/2014

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HART Organizational Development Strategy

Background

Planning and development of the HRTP was the responsibility of DTS for six years. The HRTP was managed through DTS' Rapid Transit Division (RTD). DTS/RTD managed the completion of the required planning, economic, engineering, and environmental studies needed to advance the project through the stages of the FTA's New Starts project development process including: analysis of alternatives; technology and alignment selection; conceptual and preliminary engineering (PE) work; the preparation of a Final Environmental Impact Statement (FEIS); and the development of a contracting strategy for actually constructing the project.

Because of the uncertainty surrounding whether the City would receive the funding and approvals needed to advance the project, the strategy DTS/RTD employed was to maintain a relatively small staff and hire consultants to provide the expertise necessary to perform various aspects of the required work. The City project staff was supplemented by a Program Management Support Consultant (PMC) that has provided experienced and technically proficient personnel to fill key positions and roles in the project organization. PMC provided services have included professional, technical, managerial and other support services to initiate and complete the PE/EIS phase of the project and initiation of final design and construction. PMC personnel have functioned as staff embedded within the DTS/RTD assisting City employees in managing and overseeing the work.

In addition, DTS/RTD retained the services of a General Engineering Consultant (GEC) to undertake the planning, economic, engineering, and environmental work that was required to advance the project through FTA's New Starts process. As part of this effort, the GEC conducted engineering and technical studies, including conceptual engineering, to support the preparation of the EIS, and PE work to support the City's request to advance to final design. The GEC assisted the DTS/RTD with preparing competitive procurement documents for the various DB contracts and the Core Systems DBOM contract.

The project has passed the critical milestone of completing the FEIS and obtaining a Record of Decision (ROD) issued by the U.S. Department of Transportation in accordance with the National Environmental Policy Act (NEPA) and Hawai'i State law. With the issuance of the ROD, FTA provided authority to begin property acquisition and undertake utility relocation work. As noted in the FY2013 Work Program section, DB contracts for initial phases of the project have already been awarded and construction work has started on the initial phases. HART has now begun final design on other elements of the project.

With the start-up of HART on July 1, 2011, RTD ceased to exist and the RTD staff, including the embedded PMC staff, was transitioned to become the core staff of HART. In addition, the GEC continued to perform its scope of work under the auspices of HART.

FTA Requirements

Because the HRTP will be funded in part with Federal dollars through the FTA, HART must demonstrate that it meets FTA requirements for grantees pursuing a major investment project

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like the HRTP. Principal among these requirements is that the grantee must exhibit the "technical capacity and capability to efficiently and effectively" carry out the project. The FTA conducts an assessment of a grantee's technical capacity and capability by looking at a number of things including the following:

- Organizational structure.
- Staff qualifications and experience.
- Roles, responsibilities, and interfaces among key project team members laid out in a responsibility matrix.
- Staffing plan showing labor distribution over the life of a project.
- Copies of various key procurement documents.
- Description of management processes and procedures including the division of decision-making authority between the BOD and management staff; financial and procurement policies and procedures; and community outreach and relations efforts.
- Resumes of project team members.

The above information is embodied in a Project Management Plan (PMP). The PMP is periodically updated as a project moves through the various stages of project development. The current PMP for the HRTP is in the process of being updated for the next project milestone, the FFGA. With each successive update of the PMP, the expectations for the technical capacity and capability of the grantee increases. In other words, the grantee must demonstrate a growing capacity and capability to match the increasing scope, complexity, and magnitude of the work to be performed in the next project phase in order to receive FTA approval to proceed. HART is scheduled to be in position to receive an FFGA in the second quarter of FY2013 assuming everything is in order.

As a result, ensuring that HART will meet the FTA's technical capacity and capability requirements is a major factor in the formulation of the organizational development strategy embodied in the PMP and described herein.

HART Organization

Work on the project is now in the final design phase of FTA's New Starts process. Work continues on property acquisitions and owner/tenant relocations and utility relocation. Limited construction work on DB portions of the project has begun.

The organizational approach embodied in the PMP for the final design and construction phases requires a staff of 139 positions and continues the role of the PMC as providing embedded staff within HART. **Appendix B** contains a series of organizational charts that depict the Authority's functional structure and show the placement of the positions that make up the proposed FY2014 HART staff. Of these positions, 24 or roughly 17% of them are expected to be PMC provided staff.

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The GEC's role has evolved to reflect the start of final design and construction work. The GEC will oversee final design efforts and provide construction management and oversight services including resident engineering, office engineering, and inspection. This includes performing quality assurance inspections of all contractor activities; reviewing all contract document submittals including shop drawings and specifications; reviewing contractor invoices; reviewing requests for information; reviewing requests for change; conducting inspections, value engineering, and reviewing change order estimates. The GEC will provide Construction Engineering and Inspection services for HART's DB contracts.

The PMP calls for retaining the services of engineering design consultants (EDCs) to develop final detailed designs of the remaining project elements that will be procured through open competitive bidding. This does not include the three DB contracts or the Core Systems and Vehicles contract since final design is a function within the scope of those contracts. This does include stations, the Airport and City Center guideway phases and various fixed facilities. Fixed facilities design includes the design of civil and structural facilities, trackwork, utilities, the Pearl Highlands parking structure and access ramps, landscaping and some systemwide elements. The GEC will oversee the final design work of the EDCs. The GEC also continues to provide technical studies and management support for implementation of the Section 106 Programmatic Agreement 2nd Mitigation Support for the ROD.

Future Organizational Development

At present and for the next three to four years, HART is a project development agency with no daily operating or service delivery responsibilities. This, of course, will change as the rail transit project gets completed and actual revenue service begins operating initially in 2017 with full service along the entire alignment starting in 2019. The staffing needs and business systems needs of the agency will evolve over time as the change from project development to operations and service delivery occurs. How well this transformation is accomplished will be important to the success of the agency in accomplishing its Mission and Vision. The strategy for managing this evolution is outlined below:

- Phase out use of PMC and build HART staff capability.
  - Identify those positions that HART will need long term for operations and the planning of extensions and seek to fill these positions with direct hires.
    - Examples: Deputy CEO, Chief Operating Officer, Chief Engineer, Internal Audit, Marketing, Planning, Property Management.
    - Use PMC to temporarily fill these roles when recruitment is unsuccessful or cannot be completed in a timely fashion.
    - PMC employees will mentor and help train HART staff and new hires; this may require some overlapping of positions.
  - Utilize the services of the City's Department of Human Resources for assistance on organizational development including a classification and compensation structure, and recruitment and employee development strategies.
  - Current PMC contract expires in February 2015; the contract may need to be extended for an additional period depending on HART's success in staff recruitment.

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- GEC and EDCs will continue their roles/scope until the project construction, system integration and testing, and start-up work is completed.

- Develop internal business processes and systems that fit the needs of the transit system. Move away from using City processes and systems wherever it makes the most sense for HART to achieve its Mission, Vision, and Goals.

- Develop a seamless multi-modal (bus and rail) transit system.
  - Engage in joint planning with DTS and "TheBus" management (O'ahu Transit Services) for reconfiguration of the bus system to complement rail.
  - Establish a joint bus-rail fare collection system (hardware and software) and a revenue processing set-up to reduce interface problems and achieve economy of scale cost savings.
  - Encourage DTS to update /improve the bus fare collection system prior to the start of rail operations.

- Future issues that will need to be addressed:
  - Programming of bus fare collection system improvements to interface with rail fare collection needs to be pursued in the very near future.
  - The process for setting fares between the HART BOD and City Council will need to be addressed.
  - Operating support from the City for the rapid transit operation will be required as delineated in the Financial Plan.
  - Development of operating policies and rules and the identification of any implications for project design and the operating and capital improvement budget.
  - Pursuing opportunities for concessions and possible joint use of transit facilities and assets to generate income.

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HART Financial Strategy, Plans and Budgets

Financial Overview

HART has prepared a detailed 20-year financial plan in accordance with the requirements of the Federal Transit Administration to receive federal funding for the HRTP. The financial plan provides a summary of the capital costs and funding sources associated with both the HRTP and the City's ongoing operating and capital needs for its existing public transportation system. It also includes a plan to fund the operations and maintenance (O&M) costs associated with the project, TheBus, and Handi-Van services. The current HART Financial Plan was prepared in June 2012 in preparation for receiving the FFGA from the FTA that was executed in December 2012. **Appendix D** contains a summary of revenues and expenses as shown in the approved HART Financial Plan for completing the HRTP and for operating the City's integrated public transportation system over the period covered by the Plan (FY2010 – FY2030).

The financial strategy reflected in the approved HART Financial Plan can be summarized as follows:

- Implementation of the HRTP will be funded primarily by revenues from a one-half percent (0.5%) surcharge on the State's General Excise Tax (GET) and grants from the federal government provided by the Federal Transit Administration. The 0.5% GET tax expires in 2022.
- Short and medium term debt financing will be used to help manage cash flows during construction of the HRTP. However, all such debt will be retired by the time the GET tax expires.
- Ongoing funding for operation of the integrated bus and rail public transportation will be provided through a combination of fare revenues from passengers, City general funds and some Federal Transit Administration grant programs.

FY2014 Operating and Capital Expense Budgets

HART staff prepared and submitted preliminary FY2014 Operating and Capital Budgets to the HART BOD Finance Committee in November 2012. On November 30, 2012, the HART Executive Director/Chief Executive Officer transmitted the proposed FY2014 Budgets to the Mayor and the City Council. This section of the FY2014 Business Plan describes in summary form the Operating and Capital Budgets. City Council requested further detailed information of the HART proposed budget during the spring of 2013, and will include it in the City's budget bills anticipated to be approved on June 6, 2013. The HART Board is scheduled to discuss and adopt the FY14 Operating and Capital budgets by June 30, 2013.The final version of the FY2014 Business Plan will reflect the final FY2014 Operating and Capital Budgets adopted by the HART BOD. The total budget request for FY2014 was as follows:

Operating Budget	$ 20,917,259
Capital Improvements	1,340,438,300
Total FY 2014 Budget Request	$1,361,355,559

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Appendix D includes a summary table which provides operating and capital expense historical information for FY2012 (Note: a detailed breakdown of actual costs for all line items is not available) and FY2013 (Projected) as well as the FY2014 Budget described in the sections below.

FY2014 Operating Budget

The HART Operating Budget includes expenses for HART staff and administrative expenses (i.e. office and equipment rent and supplies, legal services, telecommunications and various administrative services). It also includes expenses related to the support HART receives from other City departments as well as a contribution to City overhead expenses. The Operating Budget has three major expense categories as shown in the table below. The table provides a breakdown of these three cost components for FY2014 and a comparison against the budgeted projected actual amounts for FY2013. The FY2013 projected amounts shown in the table are preliminary; there will be adjustments made through August 2013 to record payable amounts.

Expense Category	FY2013 Budget	FY2013 Projected	FY2014 Budget
Personnel	$12,971,682	$ 10,406,533	$13,030,366
Current Expenses	8,081,511	6,370,244	7,880,893
Equipment & Software	16,000	--	6,000
TOTAL	$21,069,193	$16,776,777	$20,917,259

The Personnel category of the FY2014 Operating Budget includes funding for 139 full-time equivalent (FTE) positions, then same level as FY2013. This compares to 136 FTEs authorized in the FY2012 Budget and 110 FTEs in 2011. As described in the Organizational Development Strategy section, the staffing level proposed is designed to ensure that HART has the technical capacity and capability to manage the implementation of the HRTP and meet the requirements of the FTA. The following chart provides a summary breakdown of the number of positions included in the FY2014 staffing plan by major functional category and includes PMC provided positions funded by the Capital Budget. See **Appendix B** for detailed organizational charts.

Functional Category	Positions
Executive Management (CEO, Deputy CEO, Board Administrator, RTSA, EEO & Admin. Support)	8
Project Controls & Change Management	15
Budget & Finance (CFO, Procurement, Grants, Budget, Accounting, Risk Management & Internal Control)	24
Planning, Utilities, Permits & Right-of-Way	29
Engineering & Construction Management	37
Other Professional (Legal, Operations, Safety & Security, Quality & Assurance, Government Relations, & Public Involvement)	23
Administrative Services	9

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The following table provides a breakdown of the reimbursements to other City departments included in the proposed FY2014 Budget:

City Department/Purpose	Amount
Corporation Counsel – Staff Salaries	$ 552,482
Corporation Counsel – Current Expenses	37,500
Design & Construction – Staff Salaries	50,000
Budget & Financial Services – Staff Salaries	61,946
Fringe Benefits Associated with Above Salary Items	284,043
5% Reduction to Salaries and Fringe Benefits	0
CASE – Central Administrative Services Expenditure	996,060
TOTAL	**$ 1,982,031**

FY2014 Capital Budget

The FY2013 Capital Budget is made up primarily of expenses related to the design and construction of the HRTP consistent with the work planned for the year as described in the Work Program section of this Business Plan. The table below provides a summary comparison of the FY2014 planned expenditures by project budget component against the FY2013 budget. The FY2013 projected amounts presented in the table are preliminary; there will be adjustments made through August 2013 to record payable amounts.

Capital Budget Elements	FY2013 Budget	FY2013 Projected	FY2014 Budget
Consultant Services	$ 64,593,540	$ 10,365,120	$19,731,900
Design Services	72,673,230	111,560,542	39,867,500
Programmatic Agreement	100,000		1,950,000
Utility Relocation	17,342,190		134,500,000
Construction, Const. Mgmt. & Insp.	243,966,420	90,187,459	304,466,100
Core Systems & Equipment	55,556,510	32,250,852	425,907,000
Land Acquisition & Relocation	37,353,070	23,777,549	86,570,000
Public Art	0	2,042	1,975,000
Contingency & Recertification	0	0	325,470,800
TOTAL	**$ 491,584,960**	**$268,143,564**	**1,340,438,300**

While the purposes of most of the elements listed in the above table are generally self-explanatory, several are further described below:

- The Consultant Services expense category includes funding for: the Project Management Consultant providing experienced personnel in various specialized and technical areas to augment agency staff ($3.0 million); consultants supporting the agency in the areas of real estate acquisition and relocation ($0.2 million) and owner-controlled insurance program ($0.2 million); and consultant services supporting the Hawaii Department of Transportation (HDOT) in the areas of traffic management, design review, state safety oversight, as well as HDOT labor costs ($1.6 million total).

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- The Design Services line item is for final design services related to various DBB contracts including the station groups for West O‘ahu /Farrington Highway, Airport, and Kaka‘ako; Airport Guideway; City Center Guideway; Quality Audit Expenses; and allocated contingency for the three DB contracts.

- The Programmatic Agreement (PA) category covers funding for the Kako’o (independent PA project manager).

- The Public Art category provides funding for the start-up of the Public Art Program.

- The Contingency & Recertification line item category has been added as a result of the update of the Risk and Contingency Management Plan done in conjunction with the FTA. The line item provides allowances for Contingency drawdowns ($225,470,800) and Contract Recertifications ($100,000,000) during FY2014. Contract Recertifications occur on occasion to help manage cash flow during the fiscal year when invoices need to be paid prior to receiving debt proceeds and do not change the total contract value.

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Appendix A

HART Balanced Scorecard

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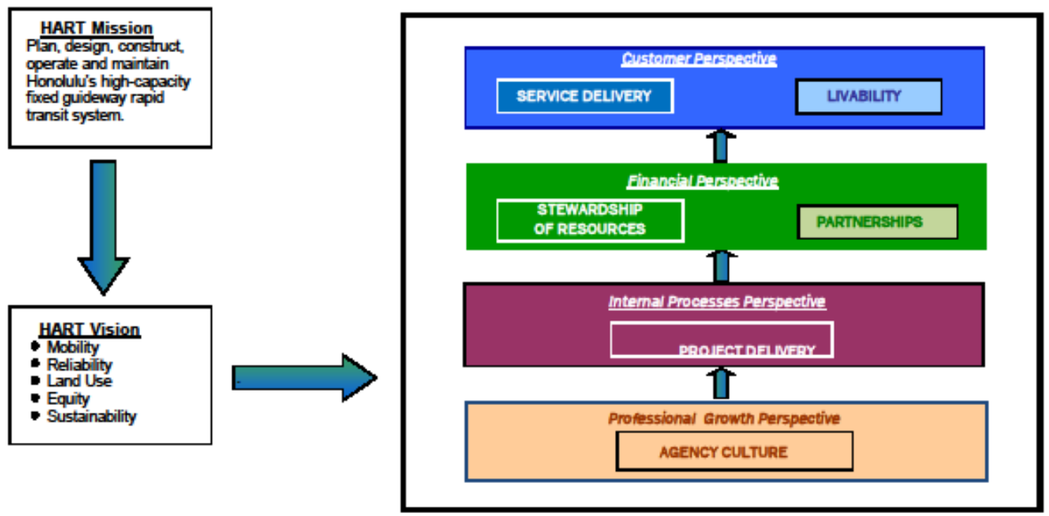
Business Strategy Map



HART
HONOLULU AUTHORITY FOR RAPID TRANSPORTATION

BALANCED SCORECARD

Project Implementation/Pre-Revenue Operation

APPENDIX A
Q3 FY13
Data Date: March 29, 2013

	Goal	Current Quarter (Q3 FY13)				Inception to Date				Comments and Legend
		January, February, March 2013				October 2009 - March 2013				On track or ahead of plan. Immediate attention needed; Requires recovery/resolution. Monitoring. No current target/activity to date; Action pending. Monitoring; Requires special attention. N/A Not Applicable. TBD To be determined.
		Actual	Plan	Variance	Status	Actual	Plan	Variance	Status	
Customer Perspective	**SERVICE DELIVERY**									
	Platform Gates				○				○	Submittal anticipated during FY14.
	Fare Collection System				○				○	TBD in FY14.
	Bus-Rail Integration Plan				○				○	TBD
	HART Operating Organization Plan				○				○	TBD
	HART Service Policy/Standards				○				○	TBD
	LIVABILITY									
	HART Sustainability Policy				○				○	TBD in FY13.
	Transit-Oriented Development (TOD) Policy				○				○	TOD stakeholders group in development.
Financial Perspective	**STEWARDSHIP OF RESOURCES**									
	Programmatic Agreement (PA) (Positive = # above or added to Plan; Negative = # remaining)									
	Traditional Cultural Property (TCP) Studies	0	0	-0-	●	3	4	(1)	●	# Guideway Sections with TCP studies completed vs. planned. Sections 1-3 completed - State Historic Preservation Division (SHPD) approved TCP studies; Section 4 studies completion expected April 2013, with Consulting Party Review and Consultation in early May (completion of the City Center TCP work is also a condition of the pending federal lawsuit).
	Section I (WOFH) Archaeological Inventory Survey (AIS)	0	0	-0-	●	92	92	-0-	●	# trenches completed vs. planned. Section I AIS completed - SHPD accepted AIS Report April 19, 2010.
	Section II (KHG) AIS	0	0	-0-	●	37	31	+6	●	# trenches completed vs. planned. Section II AIS completed - SHPD accepted AIS Report on May 23, 2012. Additional trenches were added in collaboration with SHPD to provide additional data at those locations.
	Section III (Airport) AIS	0	0	-0-	●	47	40	+7	●	# trenches completed vs. planned. Sections III completed - AIS Report in SHPD Review starting March 4, 2013. Comments returned March 29, 2013. Revision in progress. Additional trenches were added in collaboration with SHPD to provide additional data at those locations. *These figures represent an adjustment to numbers previously reported.*
	Section IV (City Center) AIS	18	18	-0-	●	250	232	+18	●	# trenches completed vs. planned. Section IV completed - AIS Report submitted to HART April 1, 2013. On April 8, 2013, HART submitted the report to SHPD for review. 18 additional trenches beyond the original plan were added in January in collaboration with SHPD to provide additional data at those locations. *These figures represent an adjustment to numbers previously reported.*
	Overall AIS Completion (#)	----	----	N/A	●	426	395	+31	●	# trenches completed vs. planned.
	Overall AIS Completion (%)	----	----	N/A	●	108%	----	N/A	●	% trenches completed vs. planned.
	'Iwi kūpuna finds (bone fragments or full burials) only	2	----	N/A	●	7	----	N/A	○	# 'Iwi kūpuna finds. A total of 7 finds have been identified through January 2013. None have been found since. These finds are only associated with the AIS work for the project. Additional finds are possible during utilities relocation and construction. There are 5 finds of human skeletal fragments and 2 human burials. No determinations have been made on the status of any of these finds as burials by SHPD or OIBC at this time. Consultation is in progress with cultural and lineal descendants and these agencies.
	Operating Budget (Negative = below Plan)									
	Operating Expenditures	3.8	5.3	(1.5)	●	40	55	(15.0)	●	$M in Q3 FY13 Expenditures/Encumbrances vs. Inception to Date Operating Budget. For Current Quarter monitoring purposes: $21M Total Budget/4 quarters = $5.3M. *Current information includes Inception to Date figures.*
	Staffing Level	4	6	(2)	●	126	137	(11.0)	●	# Current HART Full-Time Equivalents (FTEs) vs. planned positions in the FY13 Operating Budget. 126 current FTEs
	Capital Budget (Negative = below Plan)									
	Capital Expenditures/Encumbrances	$56	$92	(36)	●	$578	$642	N/A	●	$M in Q3 FY13 Expenditures/Encumbrances in Current Quarter vs. Total Inception to Date Capital Budget of $642M. HART is monitoring the capital expenditures each quarter. The capital expenditures are less than planned due to the litigation causing delays. *Current information includes the Inception to Date figures.*

HART
HONOLULU AUTHORITY for RAPID TRANSPORTATION

BALANCED SCORECARD

Project Implementation/Pre-Revenue Operation

APPENDIX A
Q3 FY13
Data Date: March 29, 2013

	Goal	Current Quarter (Q3 FY13)				Inception to Date				Comments and Legend
		January, February, March 2013				October 2009 - March 2013				On track or ahead of plan. Immediate attention needed; Requires recovery/resolution. Monitoring. No current target/activity to date; Action pending. Monitoring; Requires special attention. N/A Not Applicable. TBD To be determined.
		Actual	Plan	Variance	Status	Actual	Plan	Variance	Status	
Financial Perspective (Continued)	**Revenues** (Negative = below Plan)									
	Net GET Surcharge Receipts	$42	$51	(9)		$596	$633	($38)		* $974M = Actual Net GET Surcharge received since inception of the surcharge on 1/1/07 * $M Net GET Surcharge Cash Receipts vs. projected FYs 2010-2013 revenue in FFGA Financial Plan Table A-1, Capital Plan Cash Flows. Receipt amounts exclude Starting Cash Balance of $298M. * $3,291M = Total Net GET Surcharge revenue forecast for FYs 2010-2023 * $51M = Forecast quarterly amount on a cash basis through March 2013 = one-fourth of the $203M FY 2013 amount * Project Inception-to-Date (10/2009 to 3/2013) $633M = Forecast amount through March 2013 (on a cash basis) The status for the Current Quarter and the Inception to Date has changed from yellow to orange.
	Federal Grant Funds (New Starts)	$68	$65	+3		$132	$314	($182)		The variance indicates the available amount of funds. HART has not yet applied for these funds and will apply for them in early FY2014. * FTA New Starts receipts vs. projected FYs 2010-2013 per Table A-1 of the FFGA Financial Plan. * $1,550M = Total §5309 New Starts funds; The first increment under the FFGA is $255M. * $65M = Forecast quarter amount = one-fourth of the $258M FY 2013 amount * Project Inception-to-Date (10/2009 to 3/2013) $314M = Forecast amount = three-fourths of $258M (FY 2013 forecast amount) plus amounts for FYs 2011 ($21M) & 2012 ($99M).
	Federal Grant Funds (ARRA)	----	----	N/A		$4	$4	$0		$214M FTA funds = $210M §5307 + $4M ARRA (American Recovery and Reinvestment Act). No §5307 funds are planned to be used in FY 2013. This source of funding has been completed.
	PARTNERSHIPS									
	Total Stations with Approved Transit-Oriented Development Plans (as shown below)	0	2	N/A		0	21	N/A		TOD plans are being created for 21 stations.
	City Department of Planning and Permitting Transit-Oriented Development Plans	0	2	N/A		0	19	N/A		City Department of Planning and Permitting (DPP) has responsibility for TOD plans for 19 of the 21 stations. A total of 13 stations have final draft TOD neighborhood plans at this time.
	Hawaii Community Development Authority Transit-Oriented Development Plans	0	0	N/A		0	2	N/A		Two additional stations are in HCDA and not part of the DPP planning.
Internal Processes Perspective	**PROJECT DELIVERY - OVERALL**									
	Project Budget									
	FFGA Baseline Project Budget	----	----	N/A		$5,122	$5,122			$M FFGA Baseline Project Budget (including contingencies and FTA-eligible finance charges), in accordance with FTA New Starts project guidelines.
	Committed ($)	$34	----	----		$2,260	$4,251	(1,991)		$M Total Committed (awarded Contract Values + approved Change Orders) this quarter and to date vs. the current Total FTA Project Budget, excluding remaining contingencies and finance charges. The contract awards have been shifted to future years due to AIS delays and the repackaging of contracts.
	Committed (%)	1.5%	----	----		53.2%	----	N/A		% $M Committed of the committed Baseline FFGA Project Budget.
	Incurred ($M)	$63	----	----		$656	$4,251	(3,595)		$M Incurred (Expenditures + approved Requests for Payment) this quarter and to date vs. the current Total FTA Project Budget, excluding remaining contingencies and finance charges. The plan is based on the original program cost curve issued in 2009 and will be re-baselined in September 2013 once construction resumes.
	Incurred (%)	1%	----	----		15%	----	----		% $M Incurred (Expenditures + approved Requests for Payment) of the current Total FTA Project Budget, excluding remaining contingencies and finance charges.
	Estimate at Completion (EAC)	----	----	----		$5,122	$5,122			$M current vs. planned Estimate at Completion (EAC = contract values as budgeted or awarded + executed change orders + pending and potential changes).

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Project Implementation/Pre-Revenue Operation

APPENDIX A
Q3 FY13
Data Date: March 29, 2013

	Goal	Current Quarter (Q3 FY13)				Inception to Date				Comments and Legend
		January, February, March 2013				October 2009 - March 2013				On track or ahead of plan. Immediate attention needed; Requires recovery/resolution. Monitoring. No current target/activity to date; Action pending. Monitoring; Requires special attention. N/A Not Applicable. TBD To be determined.
		Actual	Plan	Variance	Status	Actual	Plan	Variance	Status	
Internal Processes Perspective (Continued)	**Project Progress** [Positive = ahead of Late Plan; Negative = behind Late Plan]									
	Overall Project Progress	1.3%	2.2%	(0.9%)	Monitoring	11.9%	13.2%	(1.3%)	Monitoring	% Complete of Final Design and Construction contracts (FD, DBB-DBOM design levels of effort and DB, DBB, DBOM and E/E construction) actual vs. late plan.
	Overall Design Progress	4.3%	2.1%	+2.2%	On track or ahead of plan	42.0%	36.8%	+5.2%	On track or ahead of plan	% Complete of Final Design contracts & DB-DBOM design levels-of-effort actual vs. late plan. During the partial temporary suspension of work on ground-disturbing activities, HART is proceeding with final design and engineering activities on awarded contracts to position the project to continue construction once the suspension is lifted following AIS completion. Design is progressing satisfactorily in support of the planned bid dates. The status for the Current Quarter and the Inception to Date has changed from yellow to green.
	Overall Construction Progress	1.9%	3.1%	(1.2%)	Immediate attention needed; Requires recovery/resolution	7.8%	10.1%	(2.3%)	Immediate attention needed; Requires recovery/resolution	% Completion of Construction (DB, DBB, DBOM & E/E) contracts vs. planned. On 8/24, HART issued a partial temporary suspension of work for all ground-disturbing activities. HART is evaluating the cost (including equipment, overhead and personnel costs) and schedule impacts of the work suspension with Design-Build Contractor Kiewit Infrastructure West Co. (KIWC) to develop and implement mitigation strategies. KIWC has released field personnel and reassigned staff to other projects.
	Contingency									
	Cost Contingency	$644	$644	-0-	On track or ahead of plan	$644	$644	-0-	On track or ahead of plan	$M Total Project Cost Contingency vs. the FFGA Baseline Total Project Contingency Budget.
	Schedule Contingency	20	20	-0-	On track or ahead of plan	20	20	-0-	On track or ahead of plan	# Months Total Buffer Float used vs. planned in the Draft FFGA Risk and Contingency Management Plan [RCMP], June 2012 (Table 6-2).
	PROJECT DELIVERY - SPECIFICS									
	Contracting - Construction (DB, DBOM and Elevators/Escalators) [Negative = below plan/budget]									
	Contracts Awarded	0	0	N/A	On track or ahead of plan	4	4	0	On track or ahead of plan	# Contracts awarded vs. planned. Elevator/Escalator (E/E) contract award is expected in Q4 FY13.
	Committed (Contract Values + Executed Changes)	2%	---	N/A	No current target/activity to date; Action pending	96%	100%	(4%)	On track or ahead of plan	% $M Committed ($1,703 M) of baseline budget ($1,771 M) not including contingencies. (Due to increased committed amount)
	Contracts Completed	0	0	N/A	No current target/activity to date; Action pending	0	0	-0-	No current target/activity to date; Action pending	# Contracts completed vs. planned.
	Contracting - Construction (DBB) [Negative = below plan/budget]									
	Contracts Awarded	0	0	N/A	No current target/activity to date; Action pending	0	0	-0-	No current target/activity to date; Action pending	# Contracts awarded vs. planned. The first of 8 planned DBB construction contracts is scheduled to be awarded in Q2 FY14. (Re-packaged; reduce to 8 from 11.)
	Committed (Contract Values + Executed Changes)	---	---	N/A	No current target/activity to date; Action pending	0%	0%	-0-	No current target/activity to date; Action pending	% $M Committed ($0 M) vs. baseline budget ($1,237 M) not including contingencies.
	Contracts Completed	0	0	N/A	No current target/activity to date; Action pending	0	0	-0-	No current target/activity to date; Action pending	# Contracts completed vs. planned.
	Contracting - Final Design Consultants [Negative = below plan/budget]									
	Contracts Awarded	0	0	N/A	On track or ahead of plan	6	6	-0-	On track or ahead of plan	# Contracts awarded vs. planned. The seventh of 9 planned Final Design contracts is scheduled to be awarded by Q1 FY14. (Re-packaged; reduce to 9 from 10.)
	Committed (Contract Values + Executed Changes)		---	N/A	No current target/activity to date; Action pending	73%	100%	(27%)	On track or ahead of plan	% $M Committed ($118M) vs. baseline budget ($162M) not including contingencies. *Excluded changes in the numbers were reviewed and the current percentage complete reflects the current project status.*
	Contracts Completed	0	0	N/A	No current target/activity to date; Action pending	0	0	N/A	No current target/activity to date; Action pending	# Contracts completed vs. planned.
	Contracting - Other Consultants [Negative = below plan/budget]									
	Contracts Awarded	0	0	-0-	On track or ahead of plan	12	12	-0-	On track or ahead of plan	# Contracts for Consultant Services other than for final design, construction or insurance awarded this quarter and to date vs. planned, including: 6 for Construction Engineering and Inspection Services, 4 for Project Management (2 Program Management Oversight Consultant + 2 General Engineering Consultant), 4 for Specialty Consulting (Real Estate, Kako'o, Owner-Controlled Insurance Program [OCIP] and LEED MSF Commissioning Consultants), 4 for HDOT Consultant Services and 2 for On-Call for Construction and HazMat Removal consulting. The first CE&I contract will not be awarded until Sept 2013. (Re-packaged; reduce to 20 from 23.) *The Inception to Date numbers were updated to reflect the current contract mix.*
	Committed (Contract Values + Executed Changes)	---	---	N/A	On track or ahead of plan	58%	100%	(42%)	On track or ahead of plan	% $M Committed ($333M) vs. baseline budget ($573M). Due to the construction delay, the contract amounts awarded are less than expected. Once construction resumes, the amount committed will increase. *The numbers were reviewed and the current percentage complete reflects the current project status.*
	Contracts Completed	0	0	-0-	On track or ahead of plan	2	2	-0-	On track or ahead of plan	# Contracts completed vs. planned. PMSC-1 and GEC-1 have been completed and are being closed out.

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		Actual	Plan	Variance	Status	Actual	Plan	Variance	Status	
Internal Processes Perspective (Continued)	**Change Orders and Claims**									
	Change Orders (#)	13	----	N/A		61	----	N/A		# Change Orders executed this quarter (10 Construction, 1 Final Design, 1 UTIL, 1 Specialty Consultant) These change orders are reducing our unallocated contingency.
	Change Orders ($)	$79.7	----	N/A		$161.2	----	N/A		$M Change Orders executed this quarter ($25.1M Construction, $.6M Specialty Consultant, $.2M UTIL and others) These change orders reflect the Notice to Proceed and AIS delays.
	Claims Filed	0	0	N/A		0	0	N/A		# Claims filed vs. anticipated.
	Claims Resolved	0	0	N/A		0	0	N/A		# Claims resolved vs. filed.
	Utility & HDOT Agreements [Negative = # remaining]									
	Utility Agreements	2	----	N/A		27	29	(2)		# Utility Agreements completed vs. required. The Interim Bridging Agreement for Airport was executed in February and the City Center Interim Bridging Agreement was executed in March. HART needs to sign a utility agreement for the City Center and Airport. HART is internally reviewing the two remaining agreements. Completion of 29 agreements by the end of Q3 FY13 is planned. *The numbers were reviewed and the current figures reflect the current project status. Numbers for the calendar year were utilized earlier, and fiscal year numbers are now utilized.*
	HART-HDOT Agreements	----	----	N/A		2	8	(6)		# HDOT Agreements completed vs. required. Of the 4 Master Agreements required, 1 (WOFH) has been completed. Of the 4 Joint Use and Occupancy (JU&O) Agreements required, 1 (WOFH) has been completed. The KHG Master and JU&O Agreements remain to be executed, pending meeting with HDOT & HART Attorneys, and possibly elevating subject matter between Mayor and Governor.
	Real Estate/Right-of-Way (ROW) [Negative = # remaining]									
	Full Acquisitions	0	0	0		21	38	(17)		# Properties fully acquired ready for construction this quarter and to date vs. planned. Due to acquisition difficulties in securing the Lee property in the WOFH section, the final design is impacted. One property remaining in the Kamehameha section is in escrow. One full take is in escrow and 3 remaining full takes are in negotiations at the Airport section. The remaining City Center full takes are on hold due to the federal court case. The status for the Current Quarter changed from green to yellow.
	Expenditures for Full Acquisitions	$0	$0	$0		$36	$37	($1)		$M in expenditures recorded for full acquisitions vs. planned in the FFGA Budget.
	Partial Acquisitions	0	0	0		7	133	(126)		# Properties partially acquired ready for construction this quarter and to date vs. planned. Most of the partial acquisitions are located in the City Center section and are on hold pending resolution in the federal court case.
	Safety [lower Actual = favorable vs. Hawaii standard]									
	Performance against Standard	0	0	0		0.2	4.3	----		Incidence rate of Recordable Injuries and Illnesses vs. the Hawaii 2010 Total Recordable Incidence Rate (TRIR). Federal regulations define the Incidence Rate as the # of recordable injuries and illnesses occurring amongst a given # of full-time workers (usually 100) over a given period of time (usually 1 year). A Recordable Incident is a work-related injury or illness that results in: death, loss of consciousness, days away from work, restricted work activity or job transfer, or medical treatment beyond first aid. (29 CFR 1904).
	OSHA Recordable Injuries	0	0	0		4	0	----		# Occupational Safety and Health Agency (OSHA) Recordable Injuries to date.
	OSHA Violations	0	0	0		0	0	----		# OSHA violations to date.
	Safety Certification Checklists	----	----	N/A		----	----	----		# Safety Certification Checklists completed vs. planned.
	Quality Assurance (QA)									
	QA Audits	3	3	-0-		15	15	-0-		# QA Audits of HART, GEC, contractors and suppliers completed vs. planned.
	Design NCRs	7	7	0		20	21	(1)		# Design Non-Conformance Reports (NCRs) closed vs. issued.
	Construction NCRs	----	----	N/A		----	----	N/A		# Construction NCRs closed vs. issued.

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		Actual	Plan	Variance	Status	Actual	Plan	Variance	Status	
Internal Processes Perspective (Continued)	**Economic Multipliers** [Negative = below plan]									
	DBE Participation	0.014%	13%	-12.986%		0.35%	13%	-12.65%		Actual vs. target participation rate of Disadvantaged Business Enterprises (DBE). The planned DBE participation rate is an overall project goal. *The rate has been adjusted to more accurately reflect performance to date.*
	Direct Jobs Created	----	----	----		----	----	----		# Direct jobs created. Projections and criteria to be developed.
	Public Outreach									
	Neighborhood Board Meetings	24	----	N/A		742	----	N/A		# Neighborhood Board Meetings in which HART has participated to date.
	Presentations/ Events	29	----	N/A		1,393	----	N/A		# Events in which HART has participated to date.
Professional Growth Perspective	**AGENCY CULTURE**									
	Staff Training and Career Development Program									
	Training Opportunities									# Training opportunities provided to HART staff vs. planned. Annual Training Plan to be developed.
	Employees Trained									# HART Employees (including PMSC) who have received professional training. Objective to be established.
	Internal Promotions									
	Internally-Filled Positions	2	0	+2		4	0	+4		% of positions filled that have been filled internally. Objective to be established.
	PMSC/GEC Phase-Out									
	Positions Transitioned to HART	0	0	-0-		3	0	+3		# Positions transitioned from PMSC to HART vs. planned in the HART Business Plan. TBD.
	Employee Satisfaction									
	Surveys	0	0	N/A		0	0	N/A		# Employee surveys conducted to date vs. planned. Plan to be developed.

Appendix B

HART Organizational Charts

DRAFT

Prepared by:

Administrative Specialist — Date 4/2/2013

Concur:

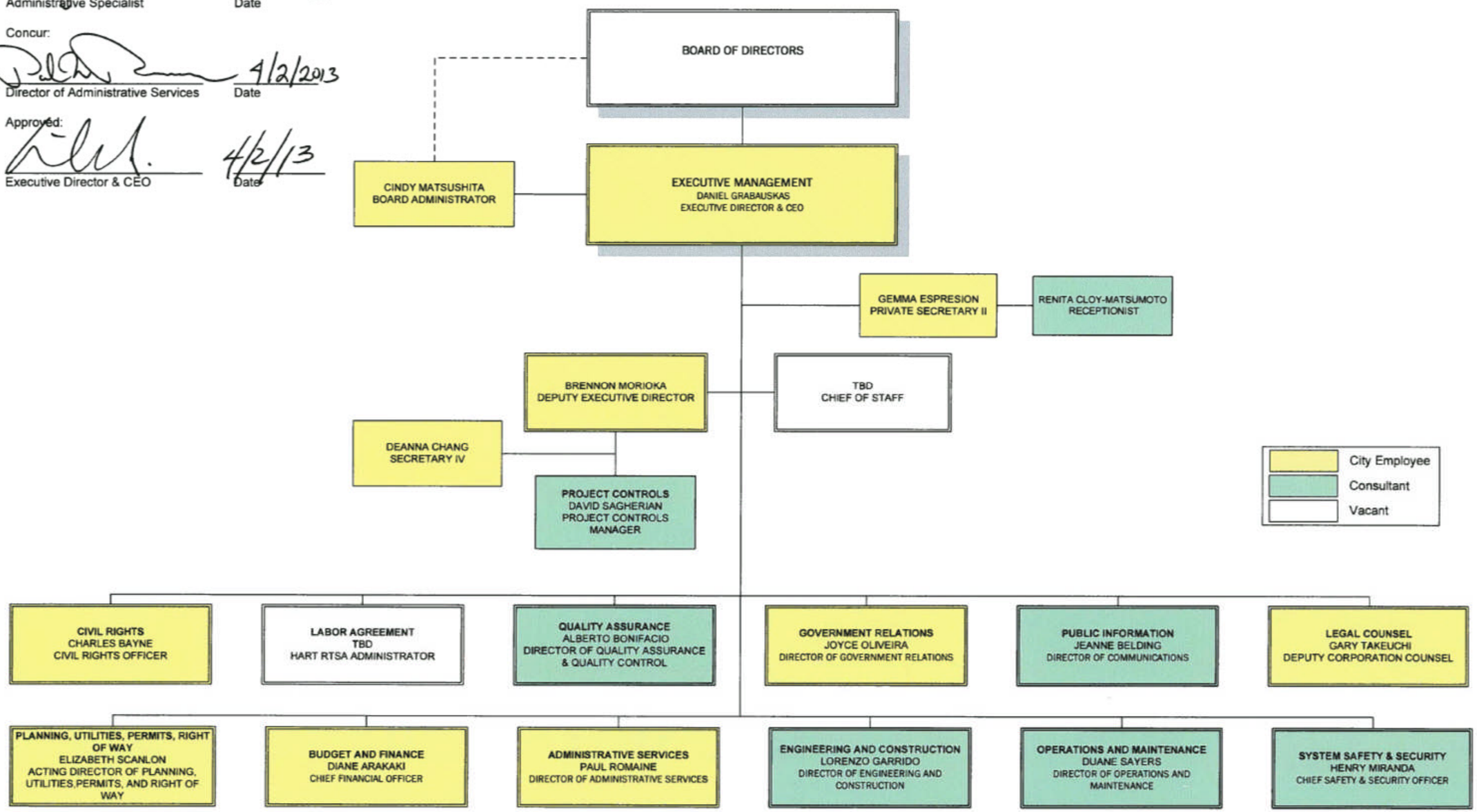
Director of Administrative Services — Date 4/2/2013

Approved:

Executive Director & CEO — Date 4/2/13

HONOLULU AUTHORITY FOR RAPID TRANSPORTATION

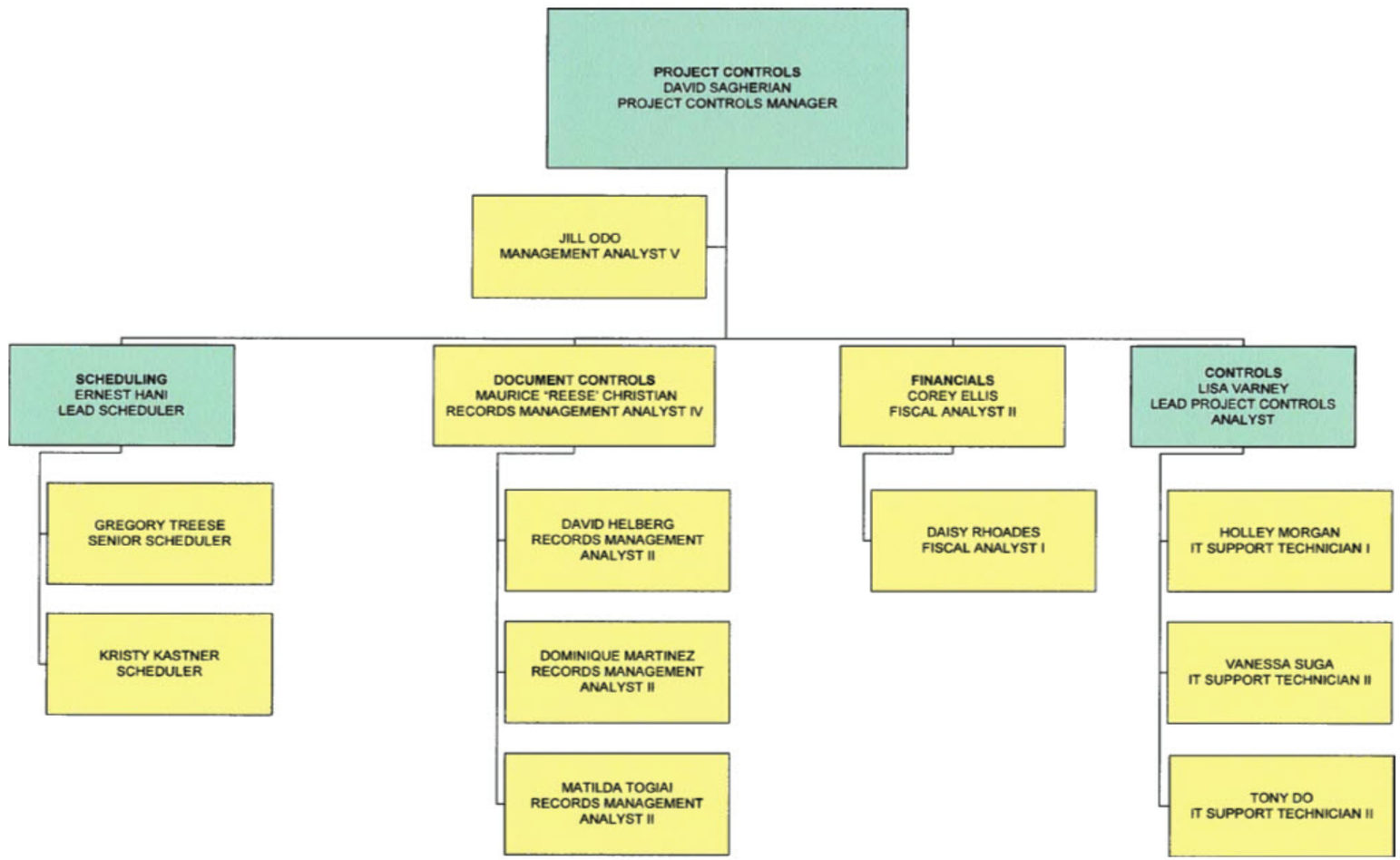
APRIL 2, 2013



1

HONOLULU AUTHORITY FOR RAPID TRANSPORTATION
PROJECT MANAGEMENT

APRIL 2, 2013



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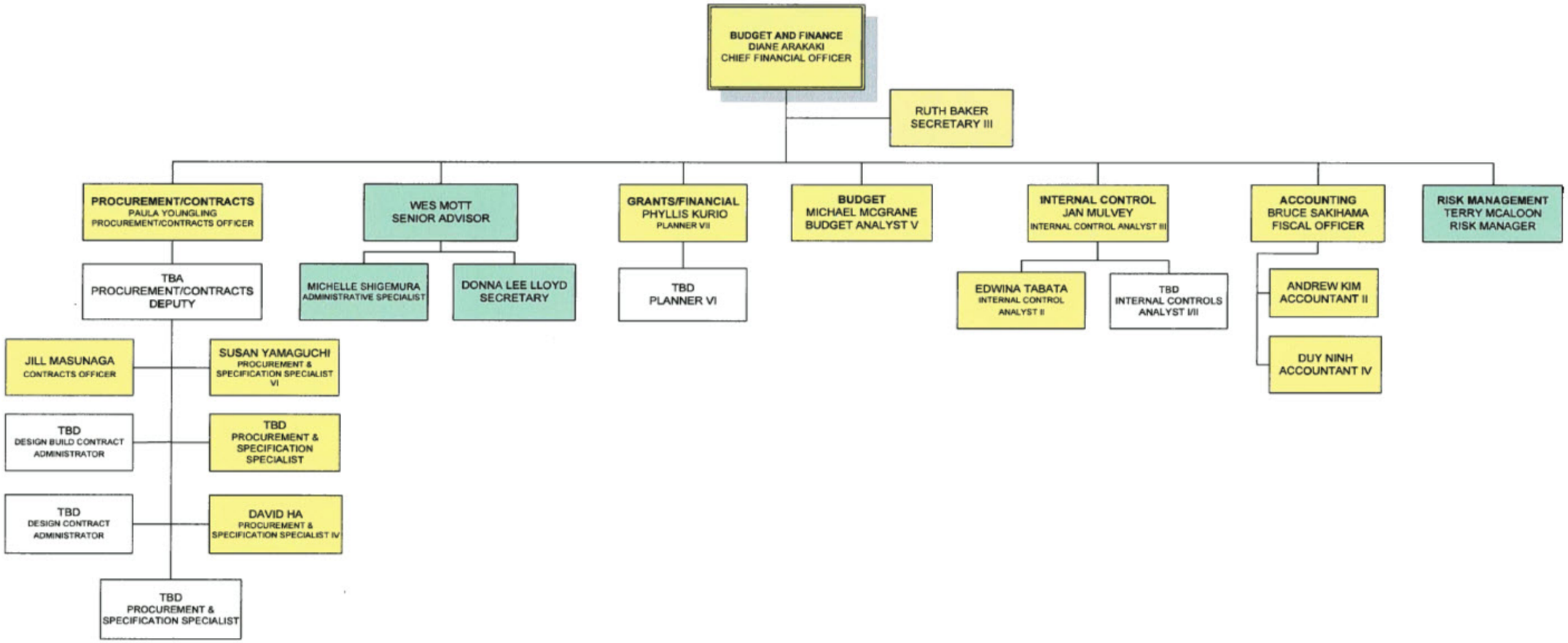
HONOLULU AUTHORITY FOR RAPID TRANSPORTATION
BUDGET AND FINANCE

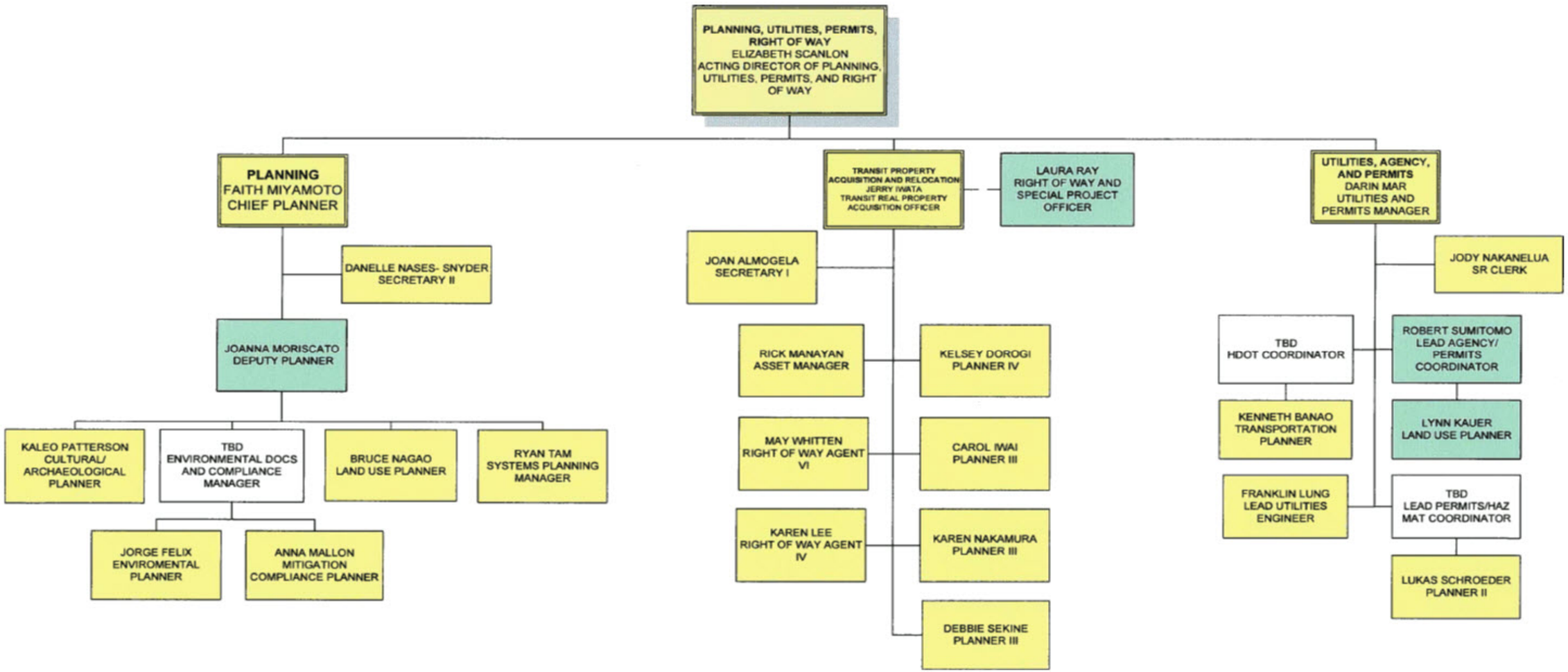
APRIL 2, 2013



3

HONOLULU AUTHORITY FOR RAPID TRANSPORTATION
PLANNING, UTILITIES, PERMITS, RIGHT OF WAY

APRIL 2, 2013



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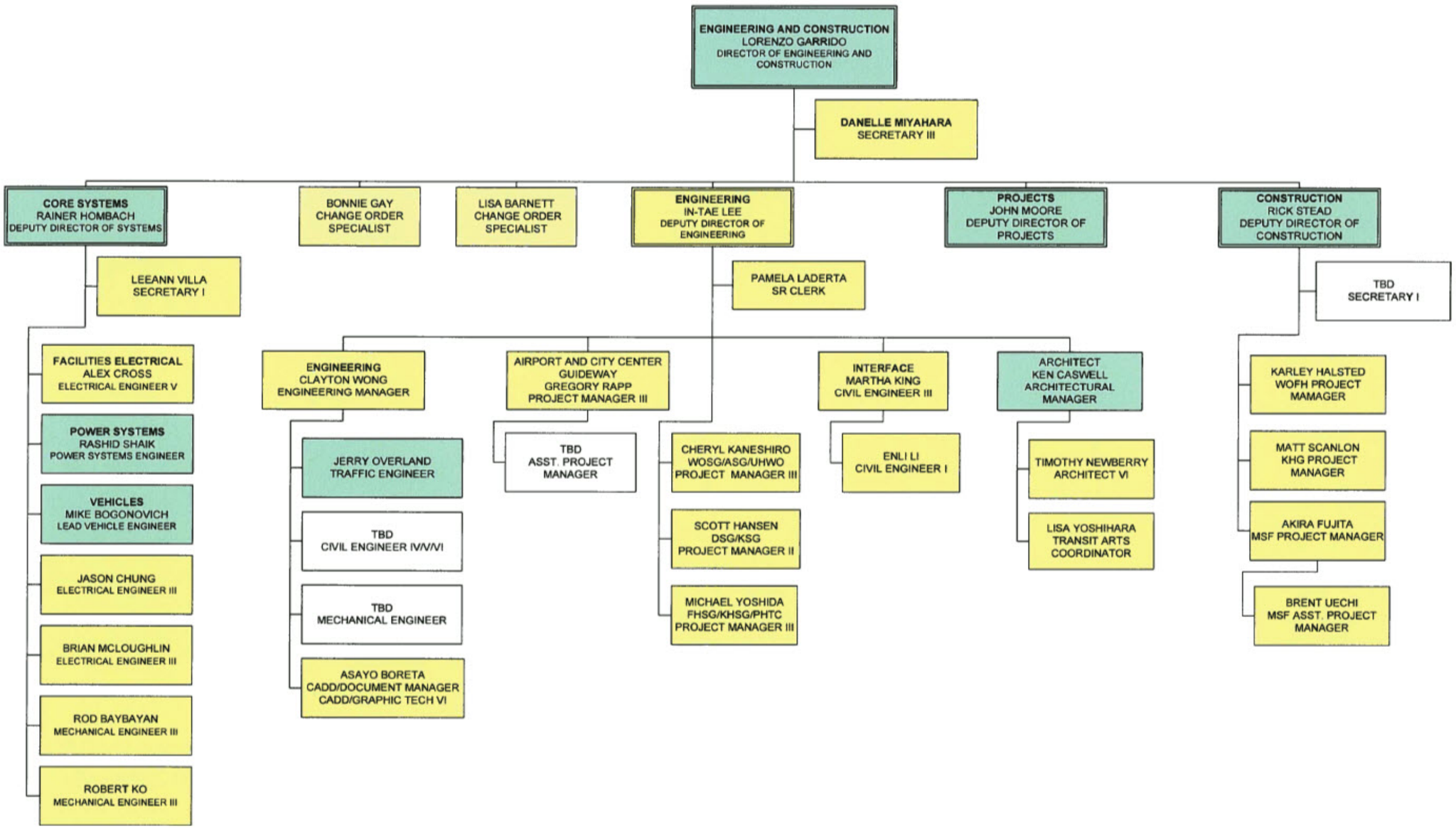
HONOLULU AUTHORITY FOR RAPID TRANSPORTATION
ENGINEERING AND CONSTRUCTION

APRIL 2, 2013

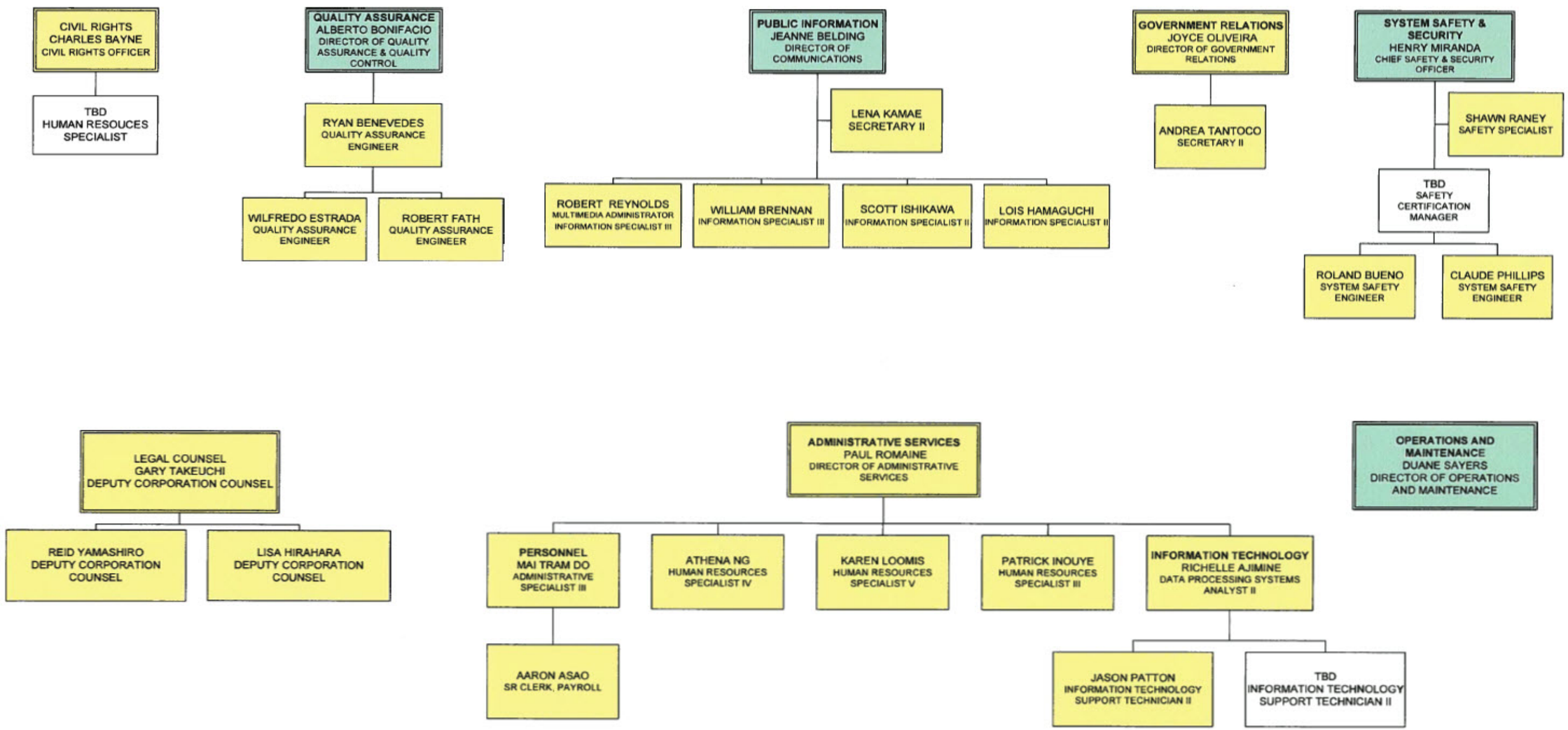


5

HONOLULU AUTHORITY FOR RAPID TRANSPORTATION

CIVIL RIGHTS, QUALITY ASSURANCE, PUBLIC INFORMATION, GOVERNMENT RELATIONS, SYSTEM SAFETY & SECURITY, LEGAL COUNSEL, ADMINISTRATIVE SERVICES, AND OPERATIONS AND MAINTENANCE

APRIL 2, 2013



6

Appendix C

Project Background and Planning

The Alternatives Analysis (AA) for the project was initiated in August 2005 and the *Honolulu High-Capacity Transit Corridor Project Alternatives Analysis Report* was presented to the Honolulu City Council in November 2006. The purpose of the report was to provide the City Council with the information necessary to select a mode and general alignment for high-capacity transit service on Oʻahu. The report summarized the results of the AA that was conducted following the FTA's planning guidance. It also provided information on the costs, benefits, and impacts of four alternatives: No Build Alternative, Transportation System Management Alternative, Managed Lane Alternative, and Fixed Guideway Alternative.

During November and December 2006, public meetings were held on the AA. On December 22, 2006, the Honolulu City Council enacted Ordinance No. 07-001, which selected a fixed guideway alternative from Kapolei to the University of Hawaiʻi at Mānoa with a connection to Waikīkī as the Locally Preferred Alternative (LPA) for the project. Ordinance 07-001 identified a specific alignment for the majority of the corridor but left options open in two locations. At the western end of the corridor, the LPA selection identified two alignments (described in the AA Report as Section I – Saratoga Avenue/North-South Road and Kamokila Boulevard/Farrington Highway), with the notation *"as determined by the city administration before or during preliminary engineering."* In the center of the corridor, the LPA selection also identified two alignments (described in the AA Report as Section III – Salt Lake Boulevard and Aolele Street), also with the notation *"as determined by the city administration before or during preliminary engineering."*

The LPA selection was made recognizing that the then-identified revenue sources, including revenues from the 0.5 percent county GET surcharge in place from January 1, 2007, through December 31, 2022, and a reasonable expectation of FTA New Starts funds, would not be sufficient to fund the capital cost of the LPA. Thus, a financially feasible project needed to be identified. On February 27, 2007, the Honolulu City Council initially selected a segment of the LPA from East Kapolei to Ala Moana Center, via Salt Lake Boulevard (Resolution 07-039, FD1(c)). However, on January 28, 2009, the Honolulu City Council, under Resolution 08-261, recommended replacing the Salt Lake portion of this initial alignment with a route that includes direct service to Pearl Harbor and the Airport. This section of the LPA, from East Kapolei to Ala Moana Center, which serves the Airport is referred to as "the project" and is shown in **Figure 1** and described in Project Description, both following.

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Figure 1: The Project

Project Description

Alignment

The project is an approximately 20-mile portion of the LPA extending from East Kapolei in the west to Ala Moana Center in the east (**Figure 1**). The alignment is elevated, with the exception of 3,175 linear feet (0.6 mile) that is at-grade near the Leeward Community College Station.

The project is planned to be delivered in four design and construction sections, as described below.

Section I – West O‘ahu /Farrington Highway: East Kapolei to Pearl Highlands

East Kapolei is the western terminus of the project. The alignment begins at Kualaka‘i Parkway (North-South Road) north of Kapolei Parkway. The alignment follows Kualaka‘i Parkway in a northerly direction to the entrance to UH West O‘ahu where it turns east and continues south of Farrington Highway and then onto Farrington Highway and crosses Fort Weaver Road. The alignment is elevated along this length.

The alignment continues in a north-easterly direction following Farrington Highway in an elevated structure. Alongside Waipahu High School, the alignment descends to grade as it enters the Maintenance & Storage Facility (the former Navy Drum site). The alignment continues at grade to Leeward Community College and then returns to an elevated configuration to cross the H-1 Freeway. North of the Freeway, the alignment turns eastward along Kamehameha Highway.

Table 1: Section I Stations – East Kapolei to Pearl Highlands

Station No.	Name/Planned Location	Planned Station Type	Planned Station Features
1.	**East Kapolei:** Kualaka‘i Parkway @ East –West Road	Center Platform Concourse	Park-and-Ride lot: 900 spaces
2.	**UH West O‘ahu :** Kualaka‘i Parkway @ Campus Drive	Side Platform Concourse	Park-and- Ride lot: 1,000 spaces Major bus interface
3.	**Ho‘opili:** Future minor east-west street approximately 300’ south of Farrington Highway	Side Platform No concourse	
4.	**West Loch:** Farrington Highway @ Leoku Street	Side Platform Concourse	Major bus interface with Bus Transit Center
5.	**Waipahu Transit Center:** Farrington Highway @ Mokuola Street	Side Platform Concourse	Major bus interface with Bus Transit Center
6.	**Leeward Community College:** Leeward CC parking lot	Center Platform At grade	Community college interface Access from below platform circulation space

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Section II – Kamehameha Highway: Pearl Highlands to Aloha Stadium (Airport)

The alignment continues in an elevated structure and continues in the median of Kamehameha Highway, crossing H-1 and continuing to where the Moanalua Freeway extension joins Kamehameha Highway at Aiea Stream. The route then crosses the westbound lane of Kamehameha Highway past a section with a pocket track and continues to the Aloha Stadium Station. Section II includes three stations: Pearl Highlands, Pearlridge, and Aloha Stadium, and two park-and-ride lots.

Table 2: Section II Stations – Pearl Highlands to Aloha Stadium

Station No.	Name/Planned Location	Planned Station Type	Planned Station Features
7.	**Pearl Highlands:** Kamehameha Highway @ Kuala Street	Side Platform Concourse	Park-and-Ride multi-level structure: 1,600 spaces Major bus interface
8.	**Pearlridge:** Kamehameha Highway @ Kaonohi Street	Side Platform Concourse	Major bus interface to be provided in the future as a separate project when funds become available
9.	**Aloha Stadium:** Kamehameha Highway @ Salt Lake Boulevard	Side Platform No Concourse	Major bus interface Park-and-Ride lot: 600 spaces

Section III – Airport: Aloha Stadium to Middle Street Transit Center Station

Past Aloha Stadium Station, the elevated route reenters the median of Kamehameha Highway continuing to its intersection with Nimitz Highway. The route then runs along Nimitz Highway turning *makai* into Aolele Street. The route then follows Aolele Street (Koko Head) transitioning to Ualena Street and Waiwai Loop to reconnect to Nimitz Highway along the *makai* frontage road and continues to the Middle Street Transit Center, after crossing Nimitz Highway. Section III includes four stations: Pearl Harbor Naval Base, Honolulu International Airport, Lagoon Drive, and Middle Street Transit Center.

Table 3: Section III Stations – Airport

Station No.	Name/Planned Location	Planned Station Type	Planned Station Features
10.	**Pearl Harbor Naval Base:** Kamehameha Highway @ Radford Drive	Side Platform Concourse	
11.	**Honolulu International Airport:** Aolele Street @ Ala ‘Auana Street	Side Platform No Concourse	Pedestrian walkways to Airport Terminal
12.	**Lagoon Drive:** Ualena Street @ Lagoon Drive	Side Platform No concourse	Two entrances
13.	**Middle Street Transit Center:** Dillingham Boulevard @ Middle Street	Side Platform Concourse	Major bus interface with Bus Transit Center Pedestrian Bridge to Transit Center

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Section IV – City Center: Middle Street Transit Center Station to Ala Moana Center

The elevated alignment continues southeast following Dillingham Boulevard and crosses Kapālama Canal, leaving Dillingham Boulevard at Ka‘aahi Street, and crosses Iwilei Road. After crossing Iwilei Road, the alignment follows Nimitz Highway to Halekauwila Street and continues southeast along Halekauwila Street past Ward Avenue, where it transitions onto Queen Street. At the end of Queen Street, the alignment crosses Waimanu Street and crosses over to Kona Street. The alignment then goes into Ala Moana Center and ends with a tail track along Kona Street.

Section IV includes eight stations: Kalihi, Kapālama, Iwilei, Chinatown, Downtown, Civic Center, Kaka‘ako, and Ala Moana Center. There are no park-and-ride lots planned in this section.

Table 4: Section IV Stations – City Center

Station No.	Name/Planned Location	Planned Station Type	Planned Station Features
14.	**Kalihi:** Dillingham Boulevard @ Mokauea Street	Side Platform Concourse	Two entrances
15.	**Kapālama:** Dillingham Boulevard @ Kokea Street	Side Platform No concourse	Two entrances
16.	**Iwilei:** Ka‘aahi Street @ Dillingham Boulevard	Side Platform Concourse	
17.	**Chinatown:** Nimitz Highway @ Kekaulike Street	Side Platform Concourse	
18.	**Downtown:** Nimitz Highway @ Alakea Street	Side Platform Concourse	Two entrances
19.	**Civic Center:** Halekauwila Street @ South Street	Side Platform No Concourse	Two entrances
20.	**Kaka`ako:** Halekauwila Street @ Ward Avenue	Side Platform No Concourse	
21.	**Ala Moana Center:** Kona Street *mauka* of shopping center	Center/Side Platform Adjacent to shopping center	Major bus interface

System-wide Elements

The selected transit technology is electrically powered, industry-standard steel wheel on steel rail powered from a third-rail system. The selected vehicle is to be capable of a top speed greater than 50 mph. The vehicles will be fully automated and driverless although train attendants are anticipated to be on the train during an initial burn-in period to provide the possibility of manual intervention in response to malfunctions. The driverless option is possible because the fixed guideway will operate in exclusive right-of-way with no automobile or pedestrian crossings. The system is being designed so that vehicles from more than one supplier could operate on the guideway once they are integrated with the train control system. To this degree, it is intended to be a non-proprietary system.

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The traction power distribution system consists of about 14 substations and main line track power distribution facilities. The substations are spaced at approximately one and one-half mile intervals along the alignment. The exact number of substations will be determined during final design.

Train signaling uses automatic train control and automatic train operations technology. The communications and security facilities include emergency phones, closed-circuit television, and public address and information display systems.

There will be 80 guideway vehicles to accommodate 6,280 passengers per hour per direction in the initial years of operations. Additional vehicles will be added to the fleet as passenger demands require in the future.

The Maintenance & Storage Facility will be constructed on 43 acres of land at the former Navy Drum site, *makai* of Farrington Highway to the west of Leeward Community College, to service and store the transit vehicles. Up to 150 vehicles may be accommodated at the Maintenance & Storage Facility.

Fare Collection

A unified fare structure is planned, which will be integrated with the City's existing bus system, TheBus. The HRTP is contemplated to be barrier-free. Fare vending machines are to be placed in all stations and continued use of standard fare boxes is assumed for TheBus. Fare collection for the fixed guideway system involves proof of payment procedures. Under the barrier-free concept, no gate or fare inspection points are to be installed at the stations. Part of the station including the platform is designated by signage and floor markings as a fare paid area. Persons entering fare paid areas will need to have proof of having paid a valid fare. Fare inspectors will ride the system and randomly check to verify that passengers have valid tickets or transfers. Violators will be cited and fined as determined by future policies set by City ordinance. As of January 2012, studies have not been completed to determine whether the fare inspectors will be Honolulu Police, other City employees or contractor employees. These decisions will be made by the City at least 18 months prior to initial operations. Stations are also being designed so that fare gates may be installed in the future with little or no disruption if a different fare collection method is desired at any time after systems operations have begun. Conduits and cable raceways are planned to be installed in the system at this time to cover the possibility of future fare gates and related communications (including additional video monitoring, if deemed necessary).

The following assumptions were made for the fixed guideway system:

- Fares for the fixed guideway system will be consistent with the fare structure for TheBus. Pass products will work interchangeably on both modes and transfers between modes will be seamless and at no additional fare.
- Current City policy requires that the bus fares be adjusted so that the farebox recovery ratio does not fall below 27% or exceed 33%. It is assumed that future fare increases will be consistent with this policy.

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Operating Plan

The Project is planned to operate in revenue service seven days a week. Weekday service will operate between 4 a.m. and midnight. Saturday service will run from 5 a.m. to midnight, and Sunday service will run from 6 a.m. to midnight. Vehicle headways in each direction will range from 3 minutes during peak periods to 10 minutes from 8 p.m. to midnight. A train will arrive in each direction at the station every 6 minutes during base periods. The system is planned to operate with multi-car vehicles at a maximum train length of 240 feet with each train able to carry a minimum of 300 passengers. The peak capacity in the opening year will be 6,280 passengers per hour per direction. The system will be expandable to allow for a 50% increase in capacity.

Ridership Estimates

2030 travel forecasts for the project anticipate about 116,000 daily transit boardings. In the initial year of full operations, the project anticipates approximately 99,800 daily boardings.

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Appendix D

Financial Charts and Tables

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Project and Systemwide Sources and Uses of Funds, FY2010 - FY2030, YOE $millions

SOURCES OF FUNDS	YOE $M
Project Capital Sources of Funds	
Project Beginning Cash Balance	298
Net GET Surcharge Revenues	3,291
FTA Section 5309 New Starts Revenues	1,550
FTA Section 5307 Formula and ARRA Funds Used for the Project 1/	214
Interest Income	3
Transfer from Project Cash Balance to Ongoing Rail Capital and O&M Cost	(193)
Subtotal Project Capital Sources of Funds	**$5,163**
Ongoing Capital Sources of Funds	
FTA Section 5309 Fixed Guideway Modernization	80
FTA Section 5309 Bus Discretionary	116
FTA Section 5307 Formula Funds Used for Ongoing Capital Cost	499
FTA Section 5307 and 5309 Grants Carryover from Prior Years	50
American Recovery and Reinvestment Act	26
FTA Section 5316 (JARC) and 5317 (New Freedom)	0
Transfers to the State's Vanpool Program	(3)
Transfer from Project Cash Balance to Ongoing Rail Capital Cost	54
City General Obligation Bond Proceeds	404
Subtotal Ongoing Capital Sources of Funds	**$1,225**
TOTAL CAPITAL SOURCES OF FUNDS	**$6,388**
Operating Sources of Funds	
Fare Revenues (TheBus and Rail)	2,098
Fare Revenues (TheHandi-Van)	60
Subtotal Fare Revenues	**$2,158**
FTA Section 5307 Formula Funds Used for Preventative Maintenance	247
FTA Section 5316 (JARC) and 5317 (New Freedom)	20
Transfer from Project Cash Balance to Rail O&M Cost	140
City Operating Subsidy	5,871
TOTAL OPERATING SOURCES OF FUNDS	**$8,436**

USES OF FUNDS	YOE $M
Project Capital Uses of Funds	
Project Capital Cost	4,949
Subtotal Project Capital Cost	**$4,949**
Finance Charges	
Interest Payment on GO Bonds Issued for the Project	191
Interest Payment on Tax-Exempt Commercial Paper	10
GO Bond Issuance Cost	13
Subtotal Finance Charges	**$215**
Subtotal Project Capital Uses of Funds	**$5,163**
Ongoing Capital Uses of Funds	
Additional Railcar Acquisitions	35
Project Capital Asset Replacement Program	150
TheBus Vehicle Acqusitions	667
Other Capital Cost	235
TheHandi-Van Vehicle Acquisitions	138
Subtotal Ongoing Capital Uses of Funds	**$1,225**
TOTAL CAPITAL USES OF FUNDS	**$6,388**
Operating Uses of Funds	
TheBus O&M Costs	5,459
Rail O&M Costs	1,613
TheHandi-Van O&M Costs	1,310
Other O&M Costs	55
TOTAL OPERATING USES OF FUNDS	**$8,436**

1/ Includes $4M from American Recovery & Reinvestment Act of 2009

Note: totals may not add due to rounding

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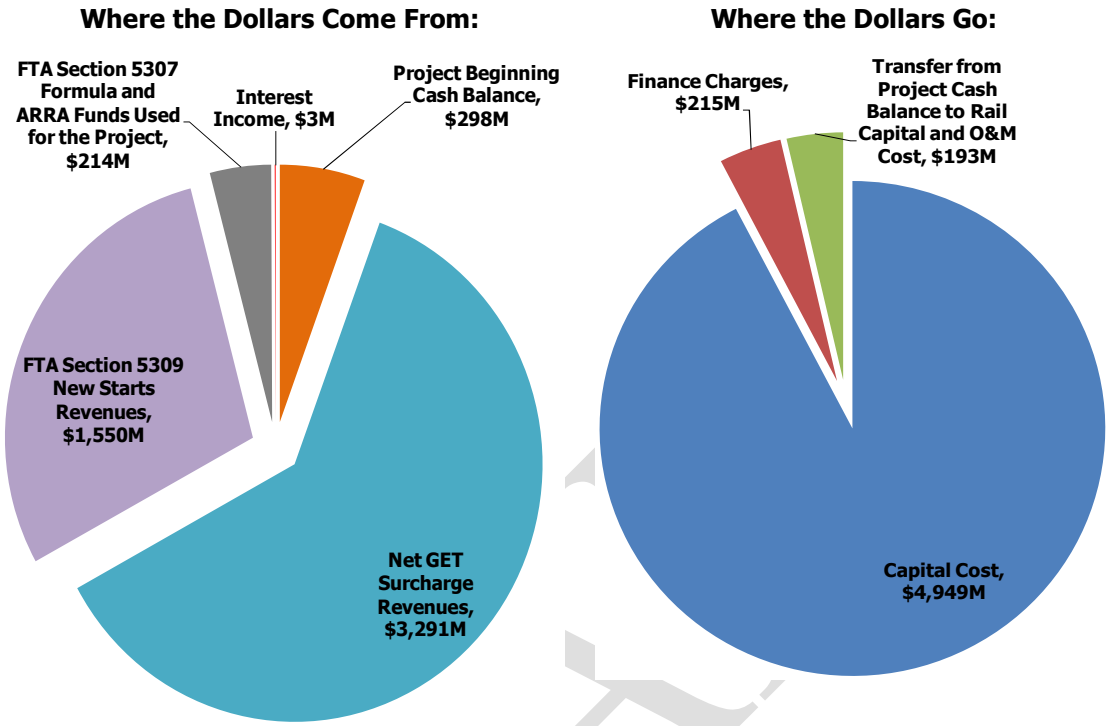
Project Sources and Uses of Funds, YOE $millions



Note: Totals may not add due to rounding
ARRA = American Recovery and Reinvestment Act

Source: Financial Plan, June 2012

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SUMMARY OF HART FINANCIAL INFORMATION - FY2012 to FY2014

(dollars)

	FY2012 Actual	FY2013 Budget	FY2013 Projected	FY2014 Proposed
Total Budget				
Operating Budget	20,582,626	21,069,193		20,917,259
Capital Improvements	354,736,280	491,584,960		1,340,438,300
Total Budget Request	375,318,906	512,654,153		1,361,355,559
Operating Expenses				
Personnel	8,968,714	12,971,682	10,406,533	13,030,366
Current expenses	6,917,651	8,081,511	6,370,244	7,880,893
Equipment & Software/Depreciation	18,069	16,000	0	6,000
HART Operating Total	15,904,434	21,069,193	16,776,777	20,917,259
Reimbursements to Other City Depts.				
Salaries, Fringe Benefits & Current Expenses		1,065,402	452,854	985,971
City Overhead Contribution (CASE)		1,014,467	865,297	996,060
Other City Depts. Reimbursements Total	1,049,544	2,079,869	1,318,151	1,982,031
HRTP Capital Expenses				
Consultant Services		64,593,540	10,365,120	19,731,900
Design Services		72,673,230	111,560,542	39,867,500
Programmatic Agreement		100,000		1,950,000
Utility Relocation		17,342,190		134,500,000
Construction, Construction Mgmt. & Inspection		243,966,420	90,187,459	304,466,100
Core Systems including Equipment		55,556,510	32,250,852	425,907,000
Land Acquisition		34,181,200	23,586,554	85,570,000
Relocation		3,171,870	190,995	1,000,000
Art		0	2,042	1,975,000
Other (Contingency and Recertification)		0	0	325,470,800
HART Capital Program Total	245,259,271	491,584,960	268,143,564	1,340,438,300

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