



HONOLULU AUTHORITY for RAPID TRANSPORTATION

**Board of Directors Meeting
Ali'i Place, Suite 150
1099 Alakea Street
Honolulu, Hawaii 96813
Thursday, November 13, 2014 9:30 am**

MINUTES

PRESENT:

| | |
|------------------|----------------------|
| Ivan Lui-Kwan | William "Buzz" Hong |
| Donald G. Horner | Carrie Okinaga |
| Michael Formby | Robert "Bobby" Bunda |
| George Atta | |

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

| | |
|-------------------|--------------------|
| Daniel Grabauskas | Scott Ishikawa |
| Brennon Morioka | A. Makana Paris |
| Diane Arakaki | Lori Hiraoka |
| Gary Takeuchi | Tom Smyth |
| Joyce Oliveira | Brandon Elefante |
| Russell Honma | Barbara Armentrout |
| Valeria Sadural | Morris Atta |
| Aaron Landry | Elizabeth Scanlon |
| Tom LeBeau | Paul Migliorato |
| Andrea Tantoco | Lorenzo Garrido |
| | Cindy Matsushita |

EXCUSED:

| | |
|--------------|------------|
| Keslie Hui | Damien Kim |
| Ross Higashi | |

I. Call to Order by Chair

HART Board Chair Ivan Lui-Kwan called the meeting to order at 9:47 a.m.

II. Public Testimony on All Agenda Items

Russell Honma testified regarding HART's contracts and change orders.

Councilmember Brandon Elefante provided testimony on his first day as a member of the Honolulu City Council in strong support of the rail project.

III. Approval of the Minutes of the October 23, 2014 Board of Directors Meeting

Mr. Lui-Kwan said that the approval of the minutes would be deferred to the following meeting.

IV. Right of Way Update

HART Director of Planning and Right of Way Elizabeth Scanlon and Deputy Director of Right of Way Morris Atta made a presentation updating the Board on right of way activities. The presentation is attached hereto as Attachment A.

Ms. Scanlon reported that since the last update was only three weeks prior, there had not been a lot of change in the overall numbers. However, she reminded the Board that HART's mission was to obtain site access, in order to get the contractors what they need to proceed with construction. Ms. Scanlon detailed acquisitions by land area, and reported that a significant government parcel had been secured the previous week in the Kamehameha Highway Guideway (KHG) section. Control over two more such parcels is expected by the end of the year.

Mr. Atta reported that survey mapping was three-quarters complete, with the majority of outstanding work to be done for government lands. He reported on appraisal and offer status. He said that appraisals remain on track, but that HART would pursue a simultaneous track to obtain site control, such as employing rights of entry pending the acquisition of properties.

Ms. Scanlon contrasted the number of outstanding parcels versus the number of owners, and said that about one quarter of the outstanding parcels were government-owned. She reported that acquisition of three parcels had closed since the last report. Lastly, she reported that HART remained within budget for the right of way effort.

Ms. Scanlon said that the right of way department would provide contractors with access to the properties needed, so as not to impact the construction schedule. She said that there would be a small portion to complete in early 2015, and that the Board would soon be hearing more eminent domain matters.

Ms. Okinaga asked whether the government parcels referred to in the presentation were owned by the State of Hawaii, and Ms. Scanlon replied that they were a combination of state, city and federal lands.

Board member William "Buzz" Hong requested that a category be included to identify larger parcels suitable for revenue enhancement.

Mr. Lui-Kwan requested that the Board move to item VIII, Eminent Domain, and called for a motion for executive session pursuant to Hawaii Revised Statutes §§92-4 and 92-5(a)(4), to consult with the Board's attorney on questions and issues pertaining to the Board's powers, duties, privileges, immunities and liabilities, because the item involved matters that could soon be the subject of litigation. Mr. Hong so moved, and Mr. Bunda seconded the motion. All being in favor, the motion carried unanimously.

Mr. Horner pointed out that no decisions would be made in executive session, and Deputy Corporation Counsel Gary Takeuchi confirmed that was the case. Mr. Horner said that the Board would report once it came out of executive session on matters that it could discuss. Mr. Lui-Kwan agreed that the Board tried to minimize its number of executive sessions, but that certain matters required the confidentiality of the Board with its counsel.

The Board entered into executive session at 10:00 a.m.

The Board resumed the public session at 10:12 a.m.

VIII. Eminent Domain

- A. Resolution 2014-2 Approving Notification to the City Council of Intention to Acquire the Real Property Identified as Tax Map Key 9-7-022:008 (Portion) By Eminent Domain and Publication of a Resolution Authorizing Acquisition of Said Property by Eminent Domain
- B. Resolution 2014-3 Approving Notification to the City Council of Intention to Acquire the Real Property Identified as Tax Map Key 9-7-022:021 (Portion) By Eminent Domain and Publication of a Resolution Authorizing Acquisition of Said Property by Eminent Domain

Mr. Grabauskas said that HART had reached agreement with the landowners in the first two eminent domain items, Resolutions 2014-2 and 2014-3, which are attached hereto as Attachment B. Mr. Lui-Kwan confirmed that there was no need to take action on either of these resolutions, as there was no longer a need for them. Mr. Takeuchi confirmed the same.

- C. Resolution 2014-4 Approving Notification to the City Council of Intention to Acquire Easement Over, On, and Across the Real Property Identified as Tax Map Key 1-2-010:072 (Portion) By Eminent Domain and Publication of a Resolution Authorizing Acquisition of Said Easement by Eminent Domain
- D. Resolution 2014-5 Approving Notification to the City Council of Intention to Acquire the Real Property Identified as Tax Map Key 9-9-003:066 By Eminent Domain and Publication of a Resolution Authorizing Acquisition of Said Property by Eminent Domain

Ms. Scanlon reported that the properties associated with Resolutions 2014-4 and 2014-5 involve title issues, and the landowners themselves have requested HART to assist in resolving them. The resolutions are attached hereto as Attachment C. Mr. Atta added that eminent domain can function as a substitute for probate court in an instance where title is cloudy, or there are ownership issues, as is the case with the two properties before the Board. Because of the issues involved, HART does not know who to compensate for the taking.

Mr. Horner moved to approve the resolutions, and Mr. Formby seconded the motion.

Mr. Lui-Kwan requested discussion prior to taking public testimony and the vote.

Mr. Atta said that in the Kalahiki property, the subject of Resolution 2014-4, the owner of record Elizabeth Kalahiki died intestate in 1971. Her obituary identified about 80 potential heirs. The parcel that was the subject of Resolution 2014-5 had been transferred from the Harry B. Kronick Trust to a successor trust, and then allegedly transferred to a foundation. The title company would not issue title insurance based on the inadequacy of the title transfer to the foundation. Mr. Atta reported that the alleged successor trustee was in support of the eminent domain action. Ms. Scanlon emphasized that both were friendly actions.

Mr. Hong asked if any of the properties were residential. Mr. Atta said the Kalahiki property involves a small electrical easement on a residential property.

Mr. Lui-Kwan opened the floor to public testimony on both items. There was none.

The motion having been made and seconded, the Board voted unanimously in favor of both resolutions.

V. Construction and Traffic Update

HART Director of Design and Construction Lorenzo Garrido, Deputy Director of Construction Tom LeBeau and Information Specialist Scott Ishikawa presented the construction and traffic update, a copy of which is attached hereto as Attachment D.

Mr. LeBeau reported that construction on the Rail Operations Center (ROC) was 50% complete. He said that contractor billings lag behind physical work completed due to the milestone-based payment provisions of the contract. He said that there had been a recent event at the Operations & Servicing Building featuring the tilt-up panel walls. The Maintenance of Way Building would have its tilt-up walls soon, and work at the Wheel Truing Building continued. Utilities and yard construction continued, and track would be laid within the next 45 to 60 days. Mr. LeBeau reported that construction was 53% complete on the West Oahu/Farrington Highway (WOFH) guideway contract. Both the ROC and WOFH design-build contracts were tracking close to plan.

Kamehameha Highway Guideway (KHG) construction is 28% complete. Mr. LeBeau said that the contract was five to six months behind schedule, for various reasons including challenges in utility relocation. HART was working with Kiewit on a recovery plan to mitigate schedule challenges. Mr. LeBeau reported that the first two shafts were drilled in the KHG section in the prior weeks.

Mr. LeBeau showed photos of the balanced cantilever work. Mr. Bunda asked how high the balanced cantilever would be. Mr. Garrido said that HART was coordinating with HDOT on providing adequate clearance. He said that the clearance going eastbound would be 28.5 feet, and westbound would be 26 feet.

Mr. Hong asked about any geotechnical findings. Mr. LeBeau said the challenges revolve around the fact that workers digging utility trenches are hitting a lot of rock, which impacts the schedule. He said that the bulk of the utility work has been completed.

Mr. Ishikawa reported that he would be providing the traffic update alone, as Kiewit's Allison Andrade had recently given birth to a healthy baby girl.

Board member George Atta said that he had been receiving comments regarding impacts to small businesses near construction areas. Mr. Ishikawa replied that HART was working with the contractor on various mitigating measures such as signage and speaking with business owners about what can be done to minimize the impacts of construction.

Ms. Okinaga asked where questions regarding construction impacts should be directed. Mr. Ishikawa said that questions could be directed to HART's hotline. He reported that the hotline had received approximately 80 calls, 30 of which were traffic related.

Mr. Ishikawa reported on road closures and detours on Farrington Highway. He also reported on the scheduled road closures in December related to the balanced cantilever work. Lastly, he reported on Kamehameha Highway closures.

Mr. Formby said that the City had been receiving complaints regarding construction on Kamehameha Highway, and said he would forward those e-mails to HART for response.

Mr. Hong asked if provisions were being made for the holiday season. Mr. Ishikawa said that the contractor was planning on suspending work on Black Friday. Area businesses had also requested relief on that day. Mr. LeBeau added that HART would be discussing the holiday construction schedule with the contractor.

VI. October Monthly Progress Report

Mr. Grabauskas reported that the only significant change in the October Monthly Progress Report, a copy of which is attached hereto as Attachment E, from the previous month, is the interim opening date change on page 18. The new interim opening date is June 22, 2018, which reflects the new schedule being planned for the first nine stations.

Mr. Hong asked about design work for the nine stations. Mr. Garrido responded that staff was focusing on repackaging the west side stations, with designs incorporating cost reduction measures nearing completion. Mr. Hong requested that staff include that information in future presentations.

Mr. Atta asked whether HART was exploring mixed use opportunities and revenue enhancements at or near the stations. Mr. Garrido responded that staff was involved in dialogue with landowners and developers in the design phase on integrating and coordinating those efforts. He gave the examples of the Hoopili and City Center stations, where designs have been modified to accommodate future development. Mr. Hong commended staff for doing so.

VII. Fare Structure Permitted Interaction Group

Mr. Lui-Kwan indicated that the report of the Fare Policy Permitted Interaction Group (Group) had been previously adopted by the Board. The reportsaid that the design of the fare system should maximize the existing expertise and capacity of Oahu Transit Services, the Department of Transportation Services (DTS), and HART, and that the fare

collection system should include the use of fare gates. He invited members to comment on the Group's recommendation to establish a second Group to address further issues, and he invited interested members to serve on the second Group. He thanked Ms. Okinaga for serving as chair of the first Group.

Ms. Okinaga said that she looked forward to working with the City Council and the mayor.

Mr. Horner emphasized the importance of a seamless experience for bus and rail customers. He acknowledged the work of DTS Director Mike Formby, and HART's Fare Collection Project Manager Whitney Birch. He said that the Board would have important fare policy decisions to make in conjunction with the City administration and Council.

Mr. Formby echoed Mr. Horner's comments, and said there was a lot more work to be done. He said that the fare system for the bus must be operational before rail is online to ensure intermodality. He registered his support for a second Group. Mr. Horner, Mr. Hong and Mr. Bunda also indicated their support.

Mr. Atta said that fare policy is an important issue, as the public is sometimes misinformed. Mr. Lui-Kwan acknowledged that, in his experiences at community meetings, fares and intermodal transfers are very much of interest to the public. Mr. Formby pointed out that the HandiVan is included in intermodal operations. Mr. Lui-Kwan said that as there was substantial member support for a second Fare Policy Permitted Interaction Group, he solicited any members interested in participating to inform him or Mr. Grabauskas.

VIII. Executive Director and CEO's Report

Mr. Grabauskas said that he had provided his semiannual report to the Board, which contained the status of significant items as requested by the Board. The report is attached hereto as Attachment F.

Mr. Grabauskas reported on the media event at the ROC, which was attended by the HART Board Chair, American Public Transportation Association President Michael Mulaniphy, and members of the media. Community outreach continued, with two dozen meetings and presentations since the last Board meeting.

Mr. Grabauskas said that HART's goal is to begin solicitations on the west side station group repackaging by the end of the year. He said he would provide a more detailed report to the Board at its next meeting.

Ms. Okinaga asked whether an updated financial plan and staffing plan would be presented by year's end. Mr. Grabauskas said that the preliminary staffing plan would be presented the following month to the Human Resources Committee, and the financial plan would be reported on at the beginning of the following year.

Ms. Okinaga asked about the change in key Kiewit leadership. Mr. Grabauskas said he wished Lance Wilhelm well in his future endeavors. He expressed confidence in Kiewit's ability to keep moving forward on the rail project.

HART Board of Directors Meeting
November 13, 2014

IX. Executive Session

There was no need for executive session.

X. Adjournment

With no further business before the Board, Mr. Lui-Kwan adjourned the meeting at 10:58 a.m.

Respectfully Submitted,



Cindy Matsushita
Board Administrator

Approved:



Ivan Lui-Kwan, Esq.
Board Chair

DEC 18 2014

Date

ATTACHMENT A

HART

HONOLULU AUTHORITY for RAPID TRANSPORTATION

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

WWW.HONOLULUTRANSIT.ORG

HART

HONOLULU AUTHORITY for RAPID TRANSPORTATION

HART Board
Right-of-Way Status Update
November 13, 2014

Elizabeth Scanlon
Director of Planning & Right-of-Way

Morris M. Atta
Deputy Director of Right-of-Way

Progress Acquisition by Land Area

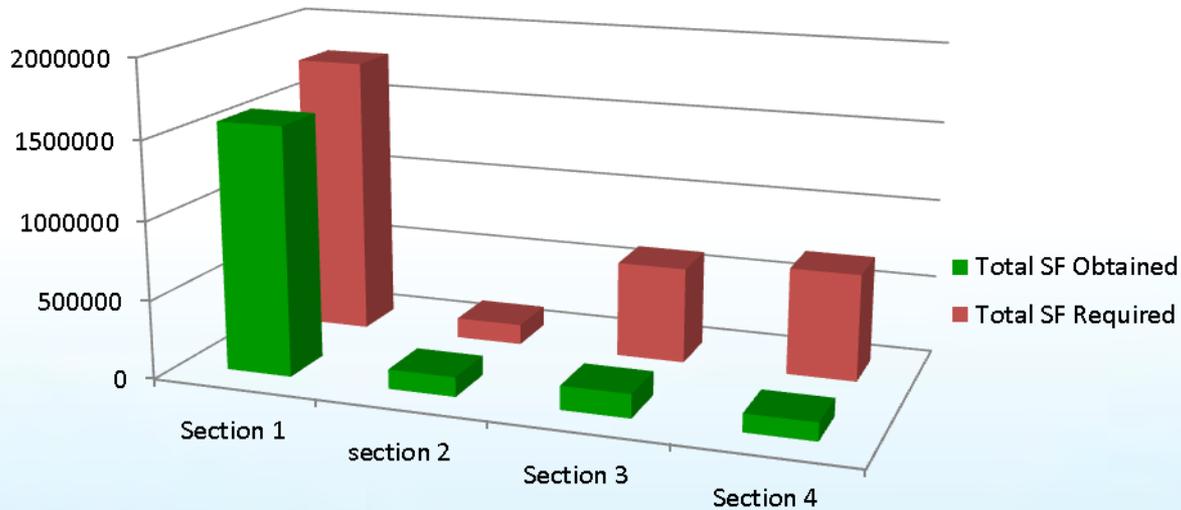
as of 10/28/2014



| | | |
|-----------------------|---|-----------|
| Permanent ROW (SF) | Total Land Requirement for Project (Entire Alignment) | 2,707,619 |
| | Total Available for Contractor | 1,968,737 |
| | Total Land Remaining to be Acquired | 738,882 |
| | % Complete | 73% |

Progress Acquisition by Land Area

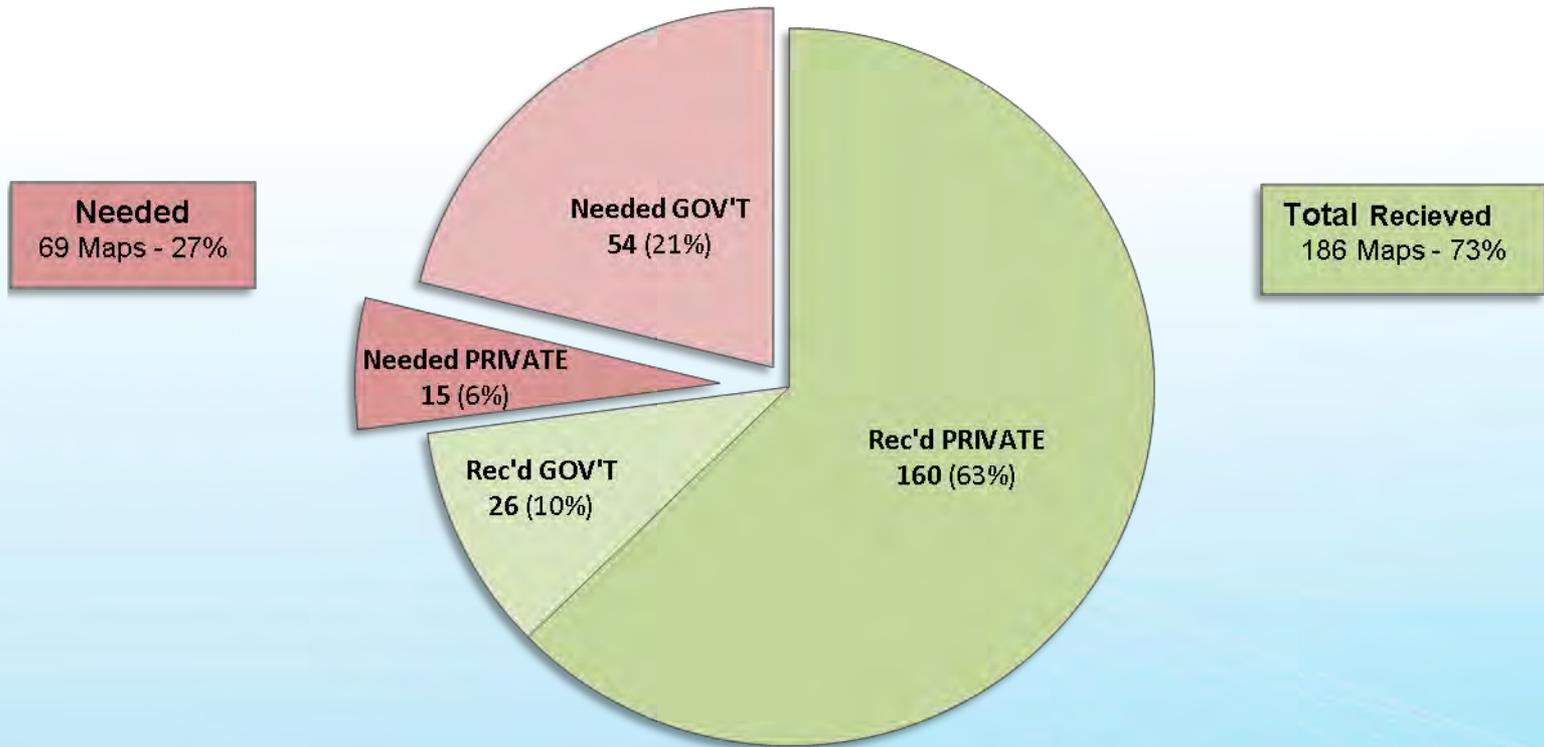
as of 10/28/2014



| | Section 1 | Section 2 | Section 3 | Section 4 |
|--------------------------|------------------|----------------|----------------|----------------|
| Total SF Obtained | 1,578,404 | 124,471 | 150,861 | 115,215 |
| Total SF Required | 1,778,460 | 129,387 | 611,093 | 680,776 |
| % Progress | 89% | 96% | 25% | 17% |

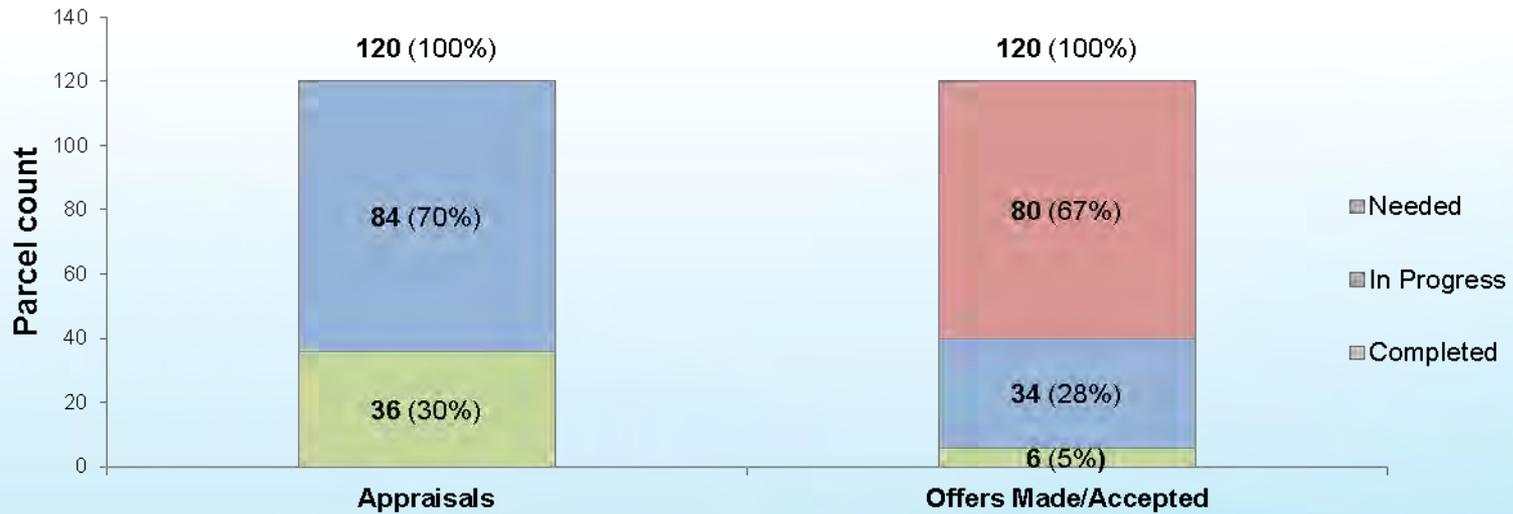
Survey Maps

(Privately Owned + Government Parcels)
as of 11/11/2014



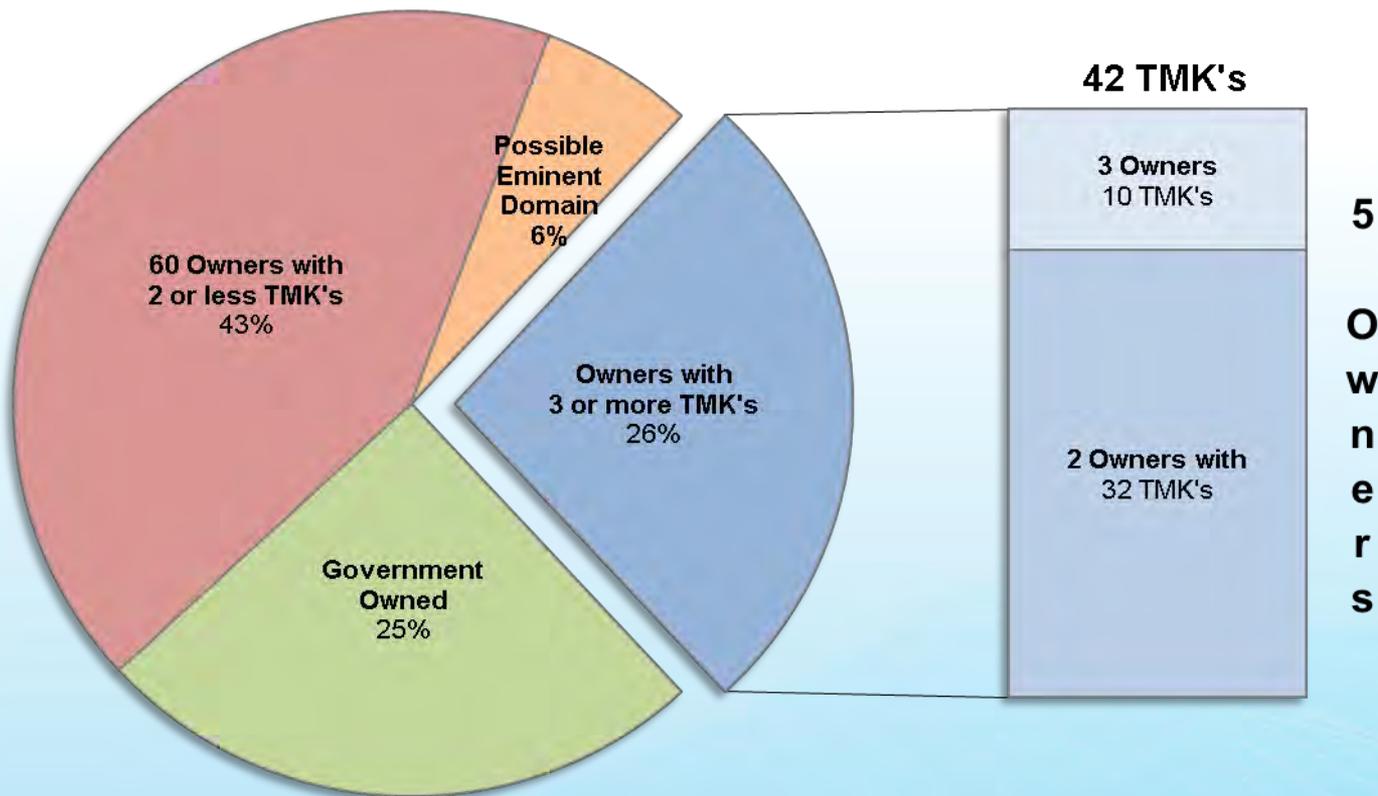
Appraisal and Offer Status

Privately Owned Parcels to be Acquired as of 10/28/2014

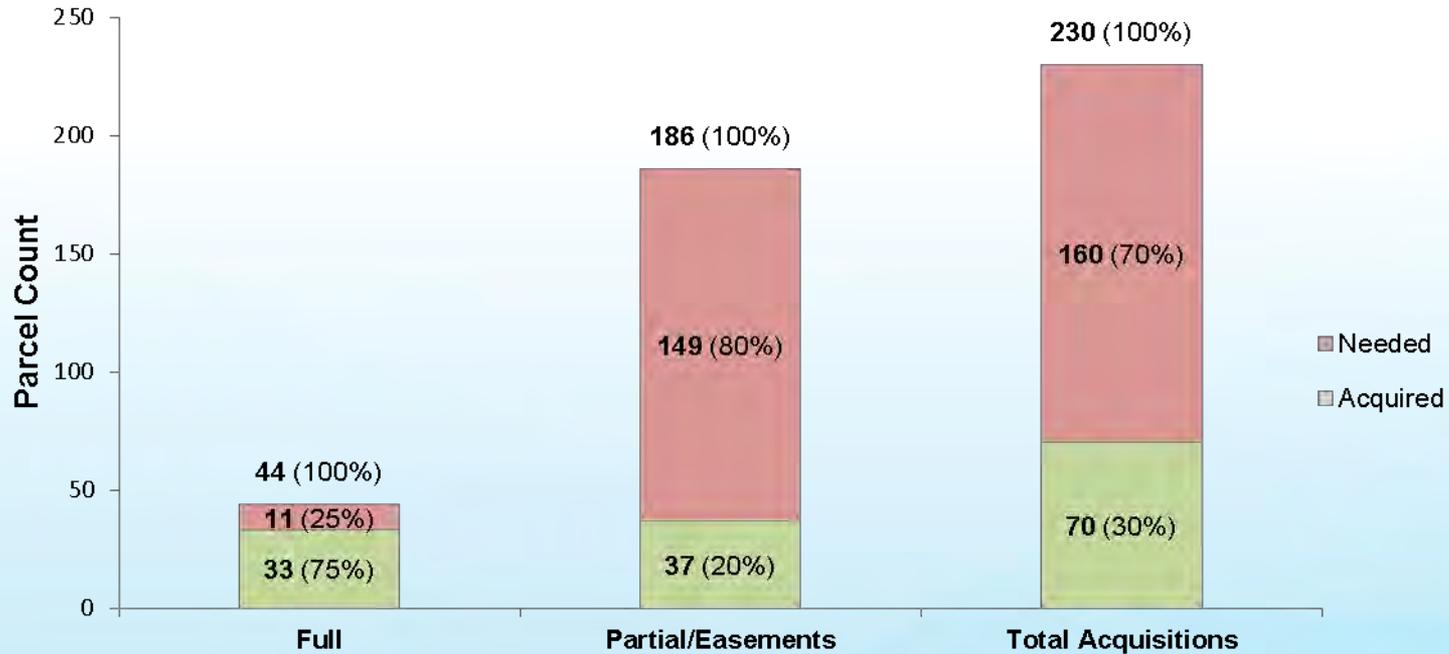


*40 of the 160 needed parcels are government owned and excluded from the figures above since only negotiated agreements are necessary for acquisition.

Parcels to be Acquired by Tax Map Key (Privately Owned + Government Parcels) as of 10/28/2014



Acquisition Status by Parcel Privately Owned + Government Parcels as of 10/28/2014



Acquisition Summary as of 10/28/2014

Summary:

31 Acquisitions

38 Agreements/Easements/ROE

69 total closed transactions

1 site control obtained title transfer pending

70 Total Acquisitions

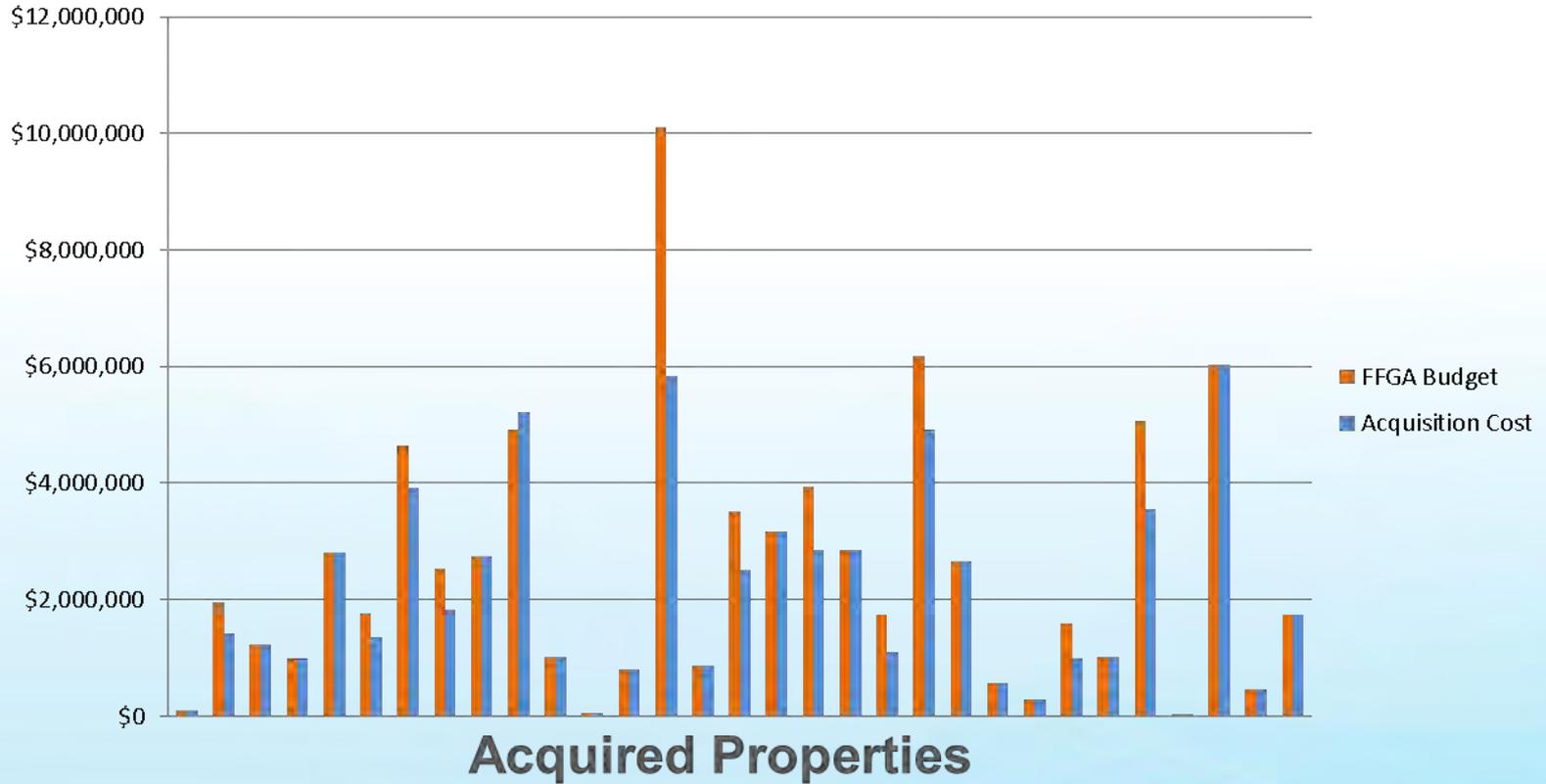
| No | TMK | Take | Address | Total Acquisition (\$) | FFGA Budget | Note | Remaining Balance in Budget |
|----|-------------|------|---------------------------|------------------------|-------------------|------|-----------------------------|
| 1 | 1-1-016-005 | Full | 2676 Waiwai Lp | 4,924,144 | 6,173,973 | | 1,249,829 |
| 2 | 1-1-016-006 | Full | 2668 Waiwai Lp | 3,918,089 | 4,648,445 | | 730,356 |
| 3 | 1-1-016-014 | Full | 479 Lagoon Dr | 2,843,274 | 3,930,328 | | 1,087,055 |
| 4 | 1-1-016-015 | Full | 515 Lagoon Dr | 3,551,508 | 5,067,659 | | 1,516,151 |
| 5 | 1-2-003-016 | Full | 1819 Dillingham Blvd | 1,106,416 | 1,741,689 | | 635,273 |
| 6 | 1-2-003-082 | Full | 1825 Dillingham Blvd | 984,299 | 1,596,625 | | 612,326 |
| 7 | 1-2-009-001 | Full | 1901 Dillingham Blvd | 2,805,135 | 2,814,000 | | 8,865 |
| 8 | 1-2-010-068 | Full | 1900 Dillingham Blvd | 1,831,279 | 2,529,000 | | 697,721 |
| 9 | 1-5-007-023 | Full | 533 Kaaahi St | 2,850,000 | 2,850,000 | * | 0 |
| 10 | 1-7-002-026 | Full | 902 Kekaulike St | 5,219,351 | 4,927,000 | ** | -292,351 |
| 11 | 2-3-004-048 | Full | 1156 Waimanu St | 1,730,578 | 1,730,578 | | 0 |
| 12 | 2-3-004-069 | Full | 1168 Waimanu St | 2,660,398 | 2,658,317 | | -2,081 |
| 13 | 2-3-007-033 | Full | 1169 Kona St | 5,824,643 | 10,102,669 | | 4,278,026 |
| 14 | 2-3-007-036 | Full | 1174 Waimanu St | 1,407,845 | 1,951,386 | | 543,541 |
| 15 | 2-3-007-044 | Full | 1201 Kona St | 1,357,540 | 1,751,700 | | 394,160 |
| 16 | 9-4-017-011 | Full | 94-818 Moloalo St | 870,000 | 870,000 | * | 0 |
| 17 | 9-4-019-050 | Full | 94-819 Farrington Hwy | 1,004,277 | 1,005,000 | | 723 |
| 18 | 9-4-048-046 | Full | 94-119 Farrington Hwy | 3,159,142 | 3,159,142 | * | 0 |
| 19 | 9-4-048-047 | Full | 94-136 Leonui St | 2,749,142 | 2,749,142 | * | 0 |
| 20 | 9-6-003-012 | Full | 96-171 Kamehameha Hwy | 287,030 | 287,030 | * | 0 |
| 21 | 9-6-003-013 | Full | 96-165/169 Kamehameha Hwy | 455,588 | 455,588 | * | 0 |
| 22 | 9-6-003-014 | Full | 96-157 Kamehameha Hwy | 1,216,787 | 1,216,787 | * | 0 |
| 23 | 9-6-003-015 | Full | 96-159 Kamehameha Hwy | 53,304 | 53,304 | * | 0 |
| 24 | 9-6-003-016 | Full | 96-149A Kamehameha Hwy | 22,304 | 22,304 | * | 0 |
| 25 | 9-6-003-017 | Full | 96-149 Kamehameha Hwy | 559,914 | 559,914 | * | 0 |
| 26 | 9-6-003-018 | Full | 96-137 Kamehameha Hwy | 1,017,915 | 1,017,915 | * | 0 |
| 27 | 9-6-004-002 | Full | 96-93 Kamehameha Hwy | 790,000 | 790,000 | * | 0 |
| 28 | 9-6-004-017 | Full | Kamehameha Hwy | 90,000 | 90,000 | * | 0 |
| 29 | 9-8-009-017 | Full | 98-077 Kamehameha Hwy | 2,509,030 | 3,512,500 | | 1,003,470 |
| 30 | 9-8-010-002 | Full | 98-080 Kamehameha Hwy | 6,027,021 | 6,027,021 | * | 0 |
| 31 | 9-9-003-068 | Full | 99-140 Kohomua St | 993,783 | 993,783 | * | 0 |
| | | | | 64,819,735 | 77,282,800 | | 12,463,065 |

Notes:

* Baseline assumes zero variance (budget = actual) during FFGA approval process.

** Cost exceeded budgeted amount due to conversion from partial to full acquisition.

Acquisition Cost as of 10/28/2014



Mahalo!



ATTACHMENT B

Honolulu Authority for Rapid Transportation

RESOLUTION NO. 2014-2

APPROVING NOTIFICATION TO THE CITY COUNCIL OF INTENTION TO ACQUIRE THE REAL PROPERTY IDENTIFIED AS TAX MAP KEY 9-7-022:008 (PORTION) BY EMINENT DOMAIN AND PUBLICATION OF A RESOLUTION AUTHORIZING ACQUISITION OF SAID PROPERTY BY EMINENT DOMAIN

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

WHEREAS, Section 17-103.2(b) of the Charter empowers HART "to acquire by eminent domain ... all real property or any interest therein necessary for the construction, maintenance, repair, extension or operation of the fixed guideway system;" and

WHEREAS, prior to such acquisition the Charter directs HART to submit a list of real property to be acquired by eminent domain to the City Council; and

WHEREAS, the City Council may approve the acquisition by eminent domain or may object by adoption of a resolution within 45 days of the notification to acquire the real property; and

WHEREAS, the acquisition by eminent domain in fee simple of the real property identified as Tax Map Key (TMK) 9-7-022:008 (por.) and more particularly described in the attached legal description marked as Exhibit A, is necessary for the Honolulu Rail Transit Project fixed guideway system, a valid public use and purpose;

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

1. That written notification to the City Council is approved, for the acquisition by eminent domain in fee simple of the real property identified as TMK 9-7-022:008 (por.); and
2. That in the event the City Council approves or does not object to the acquisition within 45 days of notification, then HART is authorized to publish in a daily newspaper at least three days prior to Board action, the attached resolution marked as Exhibit B, authorizing acquisition by eminent domain in fee simple of the above-identified real property.

ADOPTED by the Board of the Honolulu Authority for Rapid Transportation on

_____.

Exhibit A – Legal description of TMK 9-7-022:008 (por.)

Exhibit B – Resolution No. 2014-____, Authorizing the Acquisition of the Real Property Identified as Tax Map Key 9-7-022:008 (portion) by Eminent Domain

Board Chair

ATTEST:

Board Administrator

DRAFT

PARCEL 29

Honolulu Rail Transit Project

Being a Portion of Lot 2 (Map 1) of Land Court Application 1695

Situate at Kaholona, Manana, Ewa, Island of Oahu, Hawaii

Beginning at the East corner of this parcel of land, being the North corner of Parcel 30 of the Honolulu Rail Transit Project, the coordinates of said point of beginning referred to Government Survey Triangulation Station "EWA CHURCH" being 712.85 feet North and 3,204.86 feet East, thence running by azimuths measured clockwise from true South:

1. 22° 00' 15.43 feet along Parcel 30 of the Honolulu Rail Transit Project;
2. 110° 19' 30" 244.03 feet along the Remainder of Parcel 29 of the Honolulu Rail Transit Project;
3. 209° 36' 15.62 feet along Parcel 28 of the Honolulu Rail Transit Project;
4. 290° 19' 30" 241.96 feet along the Southwest side of Kamehameha Highway to the point of beginning and containing an area of 3,745 Square Feet, more or less.



R. M. TOWILL CORPORATION

Description prepared by:

Ryan M. Suzuki
 Ryan M. Suzuki Exp: 4/30/14
 Licensed Professional Land Surveyor
 Certificate Number 10059

2024 North King Street, Suite 200
 Honolulu, Hawaii 96819
 October 17, 2013

This description is for exhibit purposes and does not purport a legally subdivided lot.



Honolulu Authority for Rapid Transportation

RESOLUTION NO. 2014-__

**AUTHORIZING THE ACQUISITION OF THE REAL PROPERTY IDENTIFIED
AS TAX MAP KEY 9-7-022:008 (PORTION) BY EMINENT DOMAIN**

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

WHEREAS, Section 17-103.2(b) of the Charter empowers HART “to acquire by eminent domain. . . all real property or any interest therein necessary for the construction, maintenance, repair, extension or operation of the fixed guideway system;” and

WHEREAS, the City Council approved or did not object to the acquisition of the real property identified as Tax Map Key (TMK) 9-7-022:008 (por.) by eminent domain in fee simple after written notification by HART; and

WHEREAS, the acquisition by eminent domain in fee simple of the above-identified real property, which is more particularly described in the attached legal description marked as Exhibit A, is necessary for the Honolulu Rail Transit Project fixed guideway system, a valid public use and purpose;

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

1. That acquisition by eminent domain in fee simple of the real property identified as TMK 9-7-022:008 (por.) is hereby authorized and the Corporation Counsel of the City and County of Honolulu is empowered to institute eminent domain proceedings as provided by law for the acquisition thereof; and
2. That the acquisition of the above-identified property by eminent domain is determined and declared to be for a valid public use and purpose as aforesaid; and
3. That the acquisition of the above-identified property by eminent domain is determined and declared to be necessary for the aforesaid public use and purpose; and
4. That in the process of said proceedings in eminent domain, the Corporation Counsel is authorized and empowered to negotiate

terms of settlement, subject to the approval of HART and/or the Court before which such proceedings are commenced; and

5. That the Board Administrator be directed to transmit copies of this resolution to HART and the Department of the Corporation Counsel.

ADOPTED by the Board of the Honolulu Authority for Rapid Transportation on _____.

Board Chair

ATTEST:

Board Administrator

Exhibit A – Legal Description of TMK 9-7-022:008 (por.)

DRAFT

PARCEL 29

Honolulu Rail Transit Project

Being a Portion of Lot 2 (Map 1) of Land Court Application 1695

Situate at Kaholona, Manana, Ewa, Island of Oahu, Hawaii

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R. M. TOWILL CORPORATION

Description prepared by:

Ryan M. Suzuki
 Ryan M. Suzuki Exp: 4/30/14
 Licensed Professional Land Surveyor
 Certificate Number 10059

2024 North King Street, Suite 200
 Honolulu, Hawaii 96819
 October 17, 2013

This description is for exhibit purposes and does not purport a legally subdivided lot.



Honolulu Authority for Rapid Transportation

STAFF SUMMARY

| | | |
|--|--------------------------------------|----------------------------------|
| TITLE: RESOLUTION NO. 2014-2 APPROVING NOTIFICATION TO THE CITY COUNCIL OF INTENTION TO ACQUIRE THE REAL PROPERTY IDENTIFIED AS TAX MAP KEY 9-7-022:008 (PORTION) BY EMINENT DOMAIN AND PUBLICATION OF A RESOLUTION AUTHORIZING ACQUISITION OF SAID PROPERTY BY EMINENT DOMAIN | STAFF CONTACT: Morris Atta | DATE: November 7, 2014 |
|--|--------------------------------------|----------------------------------|

| Type: | Goal | Focus Area | Reference Notes |
|---|--|--|-----------------|
| <input checked="" type="checkbox"/> Action/Approval | <input checked="" type="checkbox"/> Project Delivery | <input type="checkbox"/> Livability/Land Use | |
| <input type="checkbox"/> Information | <input type="checkbox"/> Service Delivery | <input type="checkbox"/> Partnerships | |
| <input type="checkbox"/> Follow-up | <input type="checkbox"/> Resource Stewardship | <input type="checkbox"/> Agency Admin. | |

1. Purpose:
 Review of Notification to City Council for condemnation of land for public use, identified as Tax Map Key 9-7-022:008, and situated at 921 Kamehameha Hwy, Honolulu, HI, which is required for guideway construction in the Kamehameha Highway Section (KHG) of the Honolulu Rail Transit Project (HRTP). After discussions with the owners and their representatives, HART is unable to negotiate a settlement for the partial acquisition of 3,745 sq feet of the property. This property is on the critical path for successful completion of the KHG section of the Project. The parcel is zoned Business (B-2) and is owned by the Cutter Development Company (Cutter).

2. Background/Justification

The property (TMK 9-7-022:008) was designated as a partial take in the Final Environmental Impact Statement (FEIS). As required under the Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA) and FTA C5010.1D, the owners were notified of HART's intent to acquire and agreed to allow HART onto the property in order to conduct an appraisal of the property by a certified local appraiser. This appraisal follows URA guidelines and took into consideration all site conditions as well as potential impacts the partial taking would have on the remainder of the property. The appraisal review, as required by the URA was done by the Department of Design and Construction Land Division (DDC-LD) of the City and County of Honolulu.

The value of the land to be acquired is not the primary dispute. However, the owner believes that the Project will cause a negative impact on his business by reducing the frontage parking and therefore the lost parking will need to be replaced on neighboring lots owned by Cutter. The neighboring lots, located at 940 & 936 4th Street are not affected by the Project. However, Cutter has been using these lots to park cars against zoning regulations (the lots are zoned residential). The Department of Planning and Permitting has issued a Notice of Violation to Cutter, who is currently being fined on a daily basis until the problem is corrected. In order for them to correct the violation, Cutter must obtain a Conditional Use Permit (CUP) from DPP and comply with the terms of the permit. The terms include building improvements to separate the lots from the subject property housing the main business. Due to the Project's impact to their parking, Cutter is asking HART to participate in the cost of the improvements as stipulated in the CUP, as well as assist them in removing the fines assessed by DPP. HART has maintained that these fines were a result of violations incurred by Cutter prior to

the Project's genesis. The current fines as assessed by DPP are over \$200,000. It is estimated that the cost of constructing the improvements as per the CUP are estimated to be over \$100,000.

HART negotiated an administrative settlement on the value of the land taken. The owner has stated he would be willing to accept the settlement subject to resolution of the aforementioned issues outside of HART's control. None of these items are compensable under the Uniform Act. However, HART offered—as a courtesy—to facilitate a discussion with DPP on the issue of the CUP and fines. DPP has stated the CUP will be granted to Cutter as long as the terms are adhered to. The fines could further be negotiated once the owner complies with all zoning requirements.

In the meantime, HART secured a Consent-to-Enter for Construction with Cutter on the subject property so that the project schedule would not be delayed and a negotiated settlement could be reached.

Recommendation

Given that the zoning violations imposed by DPP are out of HART's control, the negotiations have hit an impasse. Kamehameha Section construction has resumed and without full control of the property, potential delays could be caused. HART staff is now requesting the HART Board to review this Notification to City Council for authorization to institute condemnation proceedings for this property. HART recommends this parcel for eminent domain proceedings.

3. Procurement Background

N/A

4. Financial/Budget Impact

The project budget includes an estimated cost for legal action associated with the condemnation of the property.

5. Policy Impact

There is no policy impact since this action conforms to the requirement of the Uniform Relocation Act, FTA 1050.1D and Article XVII of the Charter of the City and County of Honolulu.

6. Public Involvement

N/A

7. Alternatives

There is no alternative given the ongoing construction and the need to acquire the property as soon as possible in order to avoid potential delays of the Kamehameha Guideway section of the Project.

Exhibits

Exhibit 1 – Appraisal Report

Exhibit 2 - Offer Letter to Property Owner

Exhibit 3 – Revised Offer Letter to Property Owner

Exhibit 4 – Administrative Settlement

Certified and Recommended by:


Executive Director and CEO



May 9, 2011

Karen Char, MAI, CRE
Paul D. Cool, MAI, CRE
Shelly H. Tanaka
Casey Hewes

City and County of Honolulu
PB Americas, Inc.
c/o Mr. James R. Van Epps
Alii Place, 17th Floor
1099 Alakea Street
Honolulu, Hawaii 96813

Dear Mr. Van Epps:

Re: Partial Acquisition of the Cutter Development Parcel, Tax Map Key (1) 9-7-022:008

John Child & Company previously estimated the fair market value of a 3,645~~sq~~ portion of the Cutter Development Parcel (Tax Map Key 9-7-022:008 of the First Taxation Division). The study background and conditions, valuation analyses, and estimated fair market value of the taking were presented in a Summary Appraisal Report dated March 18, 2011.

An acquisition parcel map finalized after the appraisal report was issued shows the actual area of the taking to be 3,745~~sq~~. This letter transmits the final parcel map, summarizes the changes in land area, and presents the estimated fair market value of the taking based on the revised land area. This letter is intended to supplement the final appraisal report that is incorporated herein by reference.

**ORIGINAL LAND AREA AND MARKET VALUE
REPORTED IN THE MARCH 18, 2011 APPRAISAL**

The original appraisal report assumed the taking included a land area of 3,645~~sq~~ based on the area shown in Task Order No. 4. The fair market value of the taking was estimated at \$197,000 based on a land value of \$54/~~sq~~ for the larger parcel, as follows:

| | |
|--|------------------|
| Estimated Market Value Based on Original Land Area [1] | |
| Estimated land value of the larger parcel (\$/ sq) | \$54.00 |
| Land area of taking (sq) | x 3,645 |
| Estimated market value of the taking, rounded | <u>\$197,000</u> |

[1] John Child & Company prepared a draft appraisal report on August 23, 2010. On September 23, 2010, subsequent to the issuance of the draft appraisal report, PB Americas, Inc. emailed John Child & Company a draft acquisition parcel map showing a land area to be 3,746~~sq~~. The draft parcel map and land area were never incorporated into the final appraisal report.



City and County of Honolulu
 PB Americas, Inc.
 May 9, 2011
 Page 2

REVISED LAND AREA AND MARKET VALUE

The final parcel map, prepared by Ryan M. Suzuki, Licensed Professional Land Surveyor, Certificate Number 10059 and dated March 21, 2011, is included in Exhibit A.

The Cutter Development Parcel is identified as Parcel 29 on the final parcel map. The map shows the taking area along Kamehameha Highway includes 3,745~~sq~~ft, an increase of 100~~sq~~ft from the land area previously assumed.

The estimated market value of \$54/~~sq~~ft is applied to the revised land area, as follows:

| | |
|--|-------------------------|
| Estimated Market Value Based on Revised Land Area | |
| Estimated land value of the larger parcel (\$/ sq ft) | \$54.00 |
| Land area of taking (sq ft) | <u>x 3,745</u> |
| Estimated market value of the taking, rounded | <u><u>\$202,000</u></u> |

Based on the final parcel map included in Exhibit A, and the valuation assumptions and analyses presented in the March 18, 2011 appraisal report, the fair market value of the fee simple interest in the 3,745~~sq~~ft taking is estimated to be:

TWO HUNDRED TWO THOUSAND DOLLARS
\$202,000.

The taking does not impact the remainder parcel as improved for its highest and best use as an auto parts and service warehouse, the intensity of that use, or its conformity with existing land use regulations. Therefore, the taking does not result in any severance damages to the remainder property.

* * * * *

City and County of Honolulu
PB Americas, Inc.
May 9, 2011
Page 3



We appreciate the opportunity to assist you on this interesting assignment. Please contact us if you have questions.

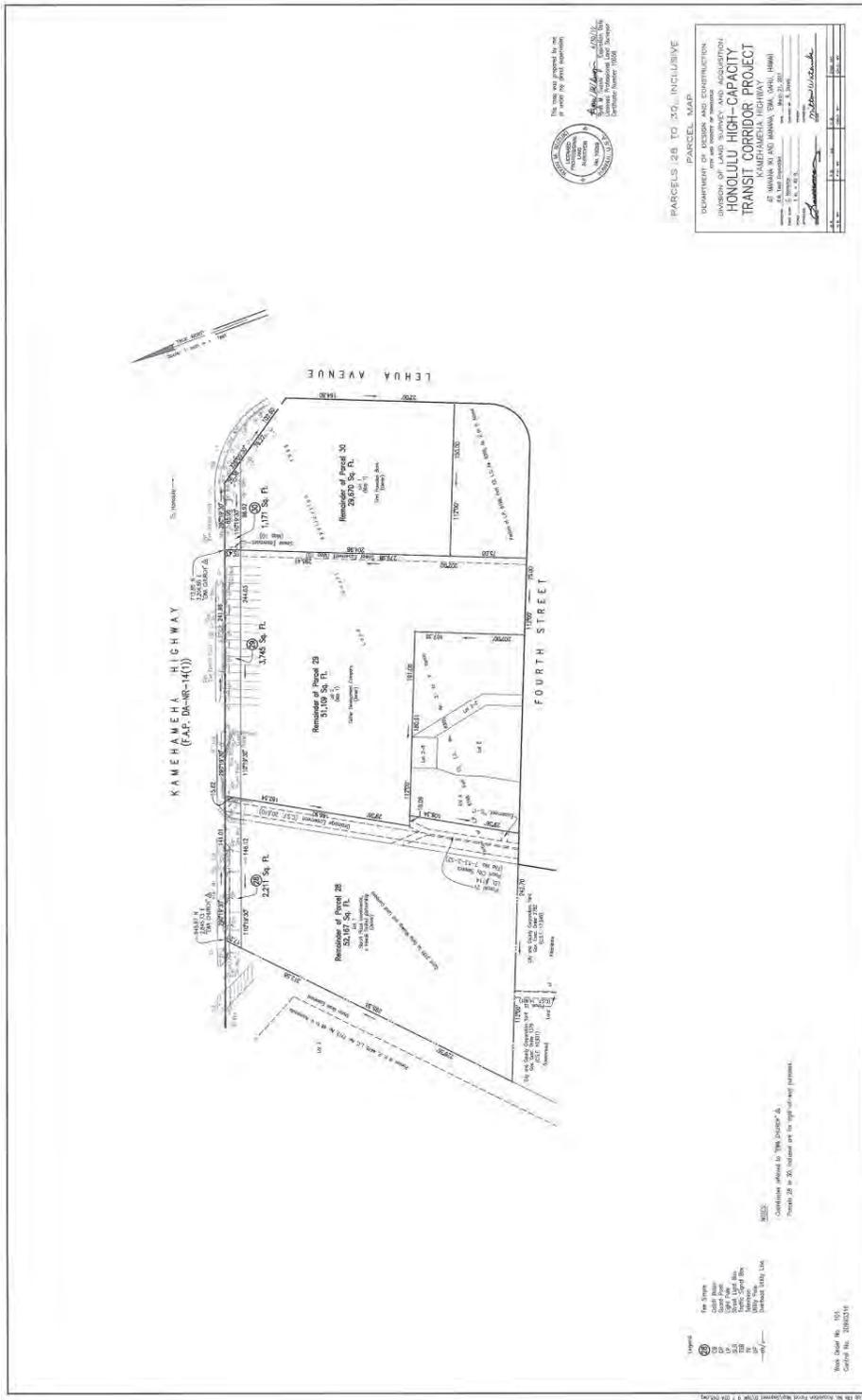
Sincerely,

JOHN CHILD & COMPANY, INC.

Paul D. Cool, MAI, CRE
Vice President
Certified General Appraiser License No. 71
State of Hawaii
Expires December 31, 2011

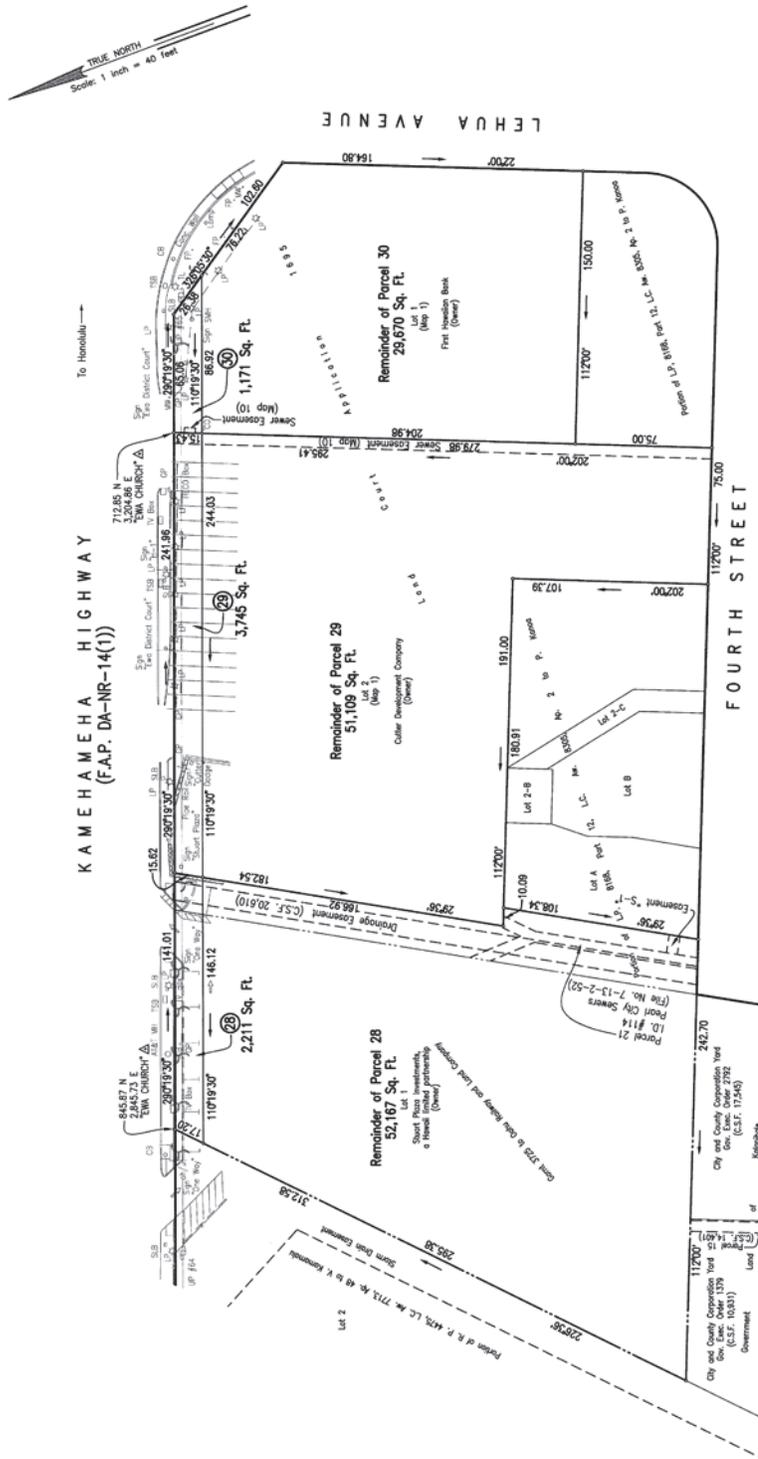
Shelly H. Tanaka
Appraiser
Certified General Appraiser License No. 648
State of Hawaii
Expires December 31, 2011

Cutter Development Parcel
FINAL ACQUISITION PARCEL MAP



Source: Ryan M. Suzuki, Licensed Professional Land Surveyor, Certificate Number 10059, R.M. Towill Corporation, March 21, 2011.

Cutter Development Parcel
FINAL ACQUISITION PARCEL MAP
(Excerpted)



Source: Ryan M. Suzuki, Licensed Professional Land Surveyor, Certificate Number 10059, R.M. Towill Corporation, March 21, 2011.

CERTIFICATION



We certify, to the best of our knowledge and belief:

- Reported statements of fact are true and correct.
- Reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and legal instructions, and are our personal, impartial, and unbiased professional analyses, opinions and conclusions.
- We have no present or prospective interest in the property appraised, and we have no personal interest or bias with respect to the property appraised or parties involved.
- Our engagement was not contingent upon developing or reporting predetermined results.
- Our compensation is not contingent on the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event and is not contingent on an action or event resulting from the analyses, opinions or conclusions in, or use of, this report.
- Our analyses, opinions, and conclusions were developed and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice and the Uniform Appraisal Standards for Federal Land Acquisitions.
- As of the date of this report, Paul D. Cool, MAI has completed the requirements of the continuing education program of the Appraisal Institute.
- Paul D. Cool and Shelly Tanaka personally visited the Cutter Development Parcel on July 19, 2010. Mr. Ben Apuna, General Manager for the Cutter Family Auto Center, met the appraisers. The appraisers visited the comparable properties used in the sales comparison analysis in August 2010.
- The fair market value of the fee simple interest in the 3,745~~sq~~ taking as of August 18, 2010 is estimated to be \$202,000.

JOHN CHILD & COMPANY, INC.

Paul D. Cool, MAI, CRE
Vice President
Certified General Appraiser License No. 71
State of Hawaii
Expires December 31, 2011

Shelly H. Tanaka
Appraiser
Certified General Appraiser License No. 648
State of Hawaii
Expires December 31, 2011

DEPARTMENT OF DESIGN AND CONSTRUCTION
CITY AND COUNTY OF HONOLULU

650 SOUTH KING STREET, 11TH FLOOR
HONOLULU, HAWAII 96813
Phone: (808) 768-8480 • Fax: (808) 768-4567
Web site: www.honolulu.gov

Exhibit 2

PETER B. CARLISLE
MAYOR



COLLINS D. LAM, P.E.
DIRECTOR
LORITA M. KAHIKINA, P.E.
DEPUTY DIRECTOR

LA 11-298.JH

May 25, 2011

Cutter Development Company
1100 Alakea Street, Suite 3000
Honolulu, Hawaii 96813

Gentlemen:

Subject: Honolulu High-Capacity Transit Corridor Project
Kamehameha Highway Alignment
921 Kamehameha Highway
Parcel 29, 3,745 Square Feet
Tax Map Key No. 9-7-022-008 (Portion)

This is a follow-up to our previous correspondence dated February 18, 2011, regarding the subject matter. An appraisal for the portion of your property to be acquired has been completed. Based on our findings as contained in the enclosed Statement of Just Compensation, the City offers to purchase Parcel 29, area 3,745 square feet, identified as Tax Map Key No. (1) 9-7-022-008 (portion), in fee simple, free and clear of all liens and encumbrances, for the consideration of \$202,000.00 (Two Hundred Two Thousand Dollars).

If this offer is acceptable, please sign the duplicate of this letter and the Consent to Enter and return them in the enclosed envelope by June 8, 2011. The remaining copies are for your files.

Also, enclosed for your information is the Appraisal Summary Statement.

In accordance with federal regulations affecting real property transactions, we request your cooperation in providing us with your Taxpayer Identification Number. Please execute and return the enclosed IRS Form W-9 at the same time. The W-9 is required by our Department of Budget and Fiscal Services to release the check.

Cutter Development Company
May 25, 2011
Page 2

Please call David Lee at 768-8701 or Dodie Browne at 768-8733 if you have any questions regarding this matter.

Very truly yours,



Thomas T. Miyata, Chief
Land Division

DL:jh

Enclosures

ACCEPTED:

CUTTER DEVELOPMENT COMPANY:

By _____
Its

Dated: _____

Phone (Bus.): _____

(Cell) _____

CONSENT TO ENTER

The undersigned, being the owner of that certain property bearing the tax map key listed hereinbelow, hereby consents to the entry by the City and County of Honolulu for the purpose stated:

PROJECT: **Honolulu High-Capacity Transit Corridor**
TAX MAP KEYS: **(1) 9-7-022-008**
LOCATION: **921 Kamehameha Highway**
PURPOSE: **Construction Activities**

It is understood that this consent to enter is granted upon the following terms:

(1) That the area covered by this consent document is colored in yellow on the attached map. That this consent includes the right of ingress to and egress from said consent to enter area over the land of the undersigned, adjacent thereto for all purposes in connection with this consent to enter.

(2) That this consent to enter is granted for a **nominal** consideration of \$1.00.

(3) That the City and County of Honolulu shall indemnify the undersigned against liability for injury to or death of persons in the manner provided by law when such injury or death is caused by the negligent use of said property by the City and County of Honolulu, resulting from this consent to enter.

(4) That the entire cost of the work proposed to be done and all other expenses incidental thereto will be borne by the City and County of Honolulu.

(5) That the City and County of Honolulu will, in its discretion, determine the extent of the work to be done.

(6) That this consent to enter is granted for a period of thirty-six (36) months commencing from date of actual entry or upon completion of work, whichever is sooner.

(7) That the City and County of Honolulu or its representative will provide the undersigned written notification at least two weeks prior to the entry into said property by the City and County of Honolulu's contractor.

(8) That this consent to enter shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, devisees, personal representatives, successors in trust, successors and assigns.

(9) That this consent to enter shall be null and void upon recordation of the deed or other document conveying said property to the City and County of Honolulu.

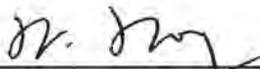
DATED: HONOLULU, HAWAII _____.

CUTTER DEVELOPMENT COMPANY

By _____
Its

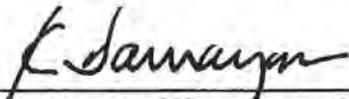
Phone _____

APPROVED AS TO FORM AND
LEGALITY



Deputy Corporation Counsel

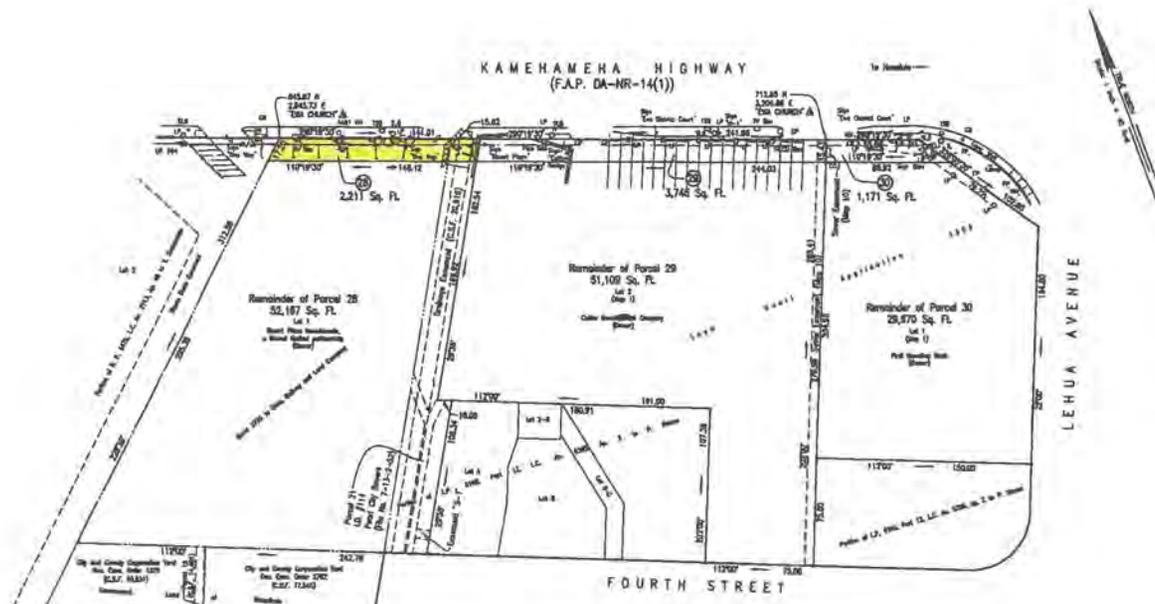
APPROVED AS TO CONTENTS



Department of Transportation Services

DL:jh
(05/11/11)

(11-272.CTE)



PARCELS 28 TO 30, INCLUSIVE
PARCEL MAP

DEPARTMENT OF DESIGN AND CONSTRUCTION
DIVISION OF LAND SURVEY AND ACQUISITION
**HONOLULU HIGH-CAPACITY
TRANSIT CORRIDOR PROJECT**
KAMEHAMEHA HIGHWAY
AT MAHANA RD AND MAHANA EWA, OHAU, MAHANA

Prepared by: S. Smith
Checked by: S. Smith
Reviewed by: S. Smith

Date: 4/17/14
Scale: AS SHOWN
Drawing No: 1008

| | | |
|---------|----------|----------|
| DATE | BY | REVISION |
| 4/17/14 | S. Smith | ISSUED |

- Legend
- ⊙ Tie Stakes
 - ⊙ Corner Mark
 - ⊙ Guard Post
 - ⊙ Light Pole
 - ⊙ Street Light Pole
 - ⊙ Traffic Signal Pole
 - ⊙ Telephone Pole
 - ⊙ Utility Pole
 - ⊙ Overhead 15KV Line

NOTE:
Coordinates referred to TSM DSR07 &
Parcels 28 to 30, include are for right-of-way purposes.

Block Order No. 101
Control No. 2095318

3/8 1/8 in. registration point (top left) Standard: D100 3.7 201 1/8 in.

94 99 472 1-7-02 28 & 01
4-5-02 88

Sheet No. 3 of 7 Sheets

| | | | |
|------|---------|-------|------|
| FILE | PROJECT | FILED | DATE |
| 10 | 2 | 3 | 108 |

STATEMENT OF JUST COMPENSATION

PROJECT: HONOLULU HIGH-CAPACITY TRANSIT CORRIDOR PROJECT
(HHCTCP)

LOCATION: 921 Kamehameha Highway, Pearl City, Ewa, Oahu, Hawaii

TAX MAP KEY: (1) 9-7-022-008

OWNER(S): Cutter Development Company

INTEREST TO BE ACQUIRED: Unencumbered fee simple

LARGER PARCEL: 54,854 square feet

PARCEL TO BE ACQUIRED: Parcel 29; consisting of approximately 3,745 square feet

ZONING: B-2, Community Business

IMPROVEMENTS: None

PURPOSE: Under the United States and Hawaii Constitutions, private property cannot be taken for public use without payment of just compensation. In accordance with the Code of Federal Regulations, the City and County of Honolulu, Department of Design and Construction – Land Division, submits a written statement of and summary of the basis for the amount it has established as just compensation for the above identified property.

In estimating just compensation, an appraisal was performed by a State of Hawaii licensed appraiser. The amount established as just compensation is not less than the approved appraisal of the fair market value of the property being acquired.

Unless otherwise stated in the attached letter of offer, the amount established as just compensation is for the real property being acquired, which includes land, buildings, structures, or improvements located on, or damaged as a result of the taking of the areas and interest described in the attached letter of offer.

The amount established as just compensation does not include items of personal property such as household furnishings, clothing and appliances.

JUST COMPENSATION: The City and County of Honolulu recommends a just compensation amount for the property being acquired as of August 18, 2010 at:

\$202,000

The original of this statement to be tendered to the above named owner has been signed in blue ink. If the signature is not in original ink, as opposed to duplicating, electrostatic or other media, this Statement of Just Compensation is not valid.



AARON T. K. SAKAMOTO, Review Appraiser
Department of Design and Construction
City and County of Honolulu
Certified Residential Appraiser, #827
Expiration Date: 12/31/2011

APPRAISAL SUMMARY STATEMENT

PROJECT: HONOLULU HIGH-CAPACITY TRANSIT CORRIDOR PROJECT (HHCTCP)

ADDRESS: 921 Kamehameha Highway, Pearl City, Oahu, Hawaii

TAX MAP KEY: (1) 9-7-022-008

PARCEL: 29;
Acquisition Parcel Map prepared by R.M. Towill Corporation dated March 21, 2011

AREA OF TAKING: 3,745 square feet

AREA BEFORE TAKING: 54,854 square feet

PROPERTY ACQUIRED: All: _____ Part: X

INTEREST TO BE ACQUIRED: Fee simple

OWNER(S): Cutter Development Company

COUNTY ZONING: B-2, Community Business

HIGHEST & BEST USE: Commercial

ASSESSED VALUE (2010):

| | |
|--------------|---------------------|
| Land | \$ 2,131,700 |
| Improvements | \$ 1,312,800 |
| TOTAL | \$ 3,444,500 |

The Appraisal Estimate is: \$202,000

The value of the property being acquired is based upon an appraisal prepared in accordance with accepted appraisal practices. Full and careful consideration has been given to the highest and best use for development of the property and to all features inherent in your property in order that the highest valuation possible can be made. The Appraisal Estimate and appraisal were developed and reported in conformity with Federal regulations, State statutes, and City ordinances.

MA



IN REPLY REFER TO:
CMS-AP00ROW-00263

HONOLULU AUTHORITY for RAPID TRANSPORTATION

Daniel A. Grabauskas
EXECUTIVE DIRECTOR AND CEO

VIA HAND DELIVERY

BOARD OF DIRECTORS

September 10, 2013

Ivan M. Lui-Kwan, Esq.
CHAIR

[Handwritten Signature]
Received _____
Print Name *[Handwritten Name]* Date *9/17/13*

Donald G. Horner
VICE CHAIR

George I. Atta
Robert Bunda
Michael D. Formby
William "Buzz" Hong
Keslie W.K. Hui
Damien T.K. Kim
Glenn M. Okimoto, Ph.D.
Carrie K.S. Okinaga, Esq.

Cutter Development Company
1100 Alakea Street, Suite 3000
Honolulu, Hawaii 96813

Ladies and Gentlemen:

Subject: Honolulu Rail Transit Project (H RTP)
921 Kamehameha Highway
Revised Offer
Parcel: Tax Map Key 9-7-022-008 (Portion)

This is in reference to the City and County of Honolulu's letter of offer dated May 25, 2011, to purchase a portion of the subject property in fee simple, free and clear of all liens and encumbrances. Submitted for your consideration and acceptance is a revised offer amount of \$262,000 (Two Hundred Sixty Two Thousand and No/100 Dollars). All other terms and conditions will remain the same as contained in the May 25, 2011 letter. This offer is subject to Federal Transit Administration (FTA) concurrence.

Additionally, Honolulu Authority for Rapid Transportation (HART) agrees to assist Cutter Development Company in its efforts to obtain Department of Planning and Permitting (DPP) approval in rezoning an adjacent lot.

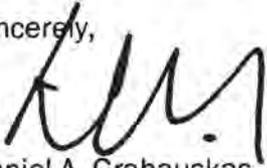
HART will be using Title Guaranty to escrow the transaction. The escrow fees and closing costs shall be borne by HART.

If the revised offer is acceptable, please sign on the acceptance portion of the duplicate letter and return a signed copy to us. At the same time, we request your cooperation in filling out and returning the enclosed IRS form W-9 with your Taxpayer Identification Number. The W-9 is required by the City's Department of Budget and Fiscal Services to release the funds.

Cutter Development Company
Page 2
September 10, 2013

Please contact Mr. Ryan Ng at 768-6199 if you have any questions.

Sincerely,



Daniel A. Grabauskas
Executive Director and CEO

Enclosures

ACCEPTED:

CUTTER DEVELOPMENT COMPANY

By _____
Its

Print Name: _____

CONSENT TO ENTER

The undersigned, being the owner of that certain property bearing the tax map key listed herein below, hereby consents to the entry by the Honolulu Authority for Rapid Transportation ("HART"), a semi-autonomous agency of the City and County of Honolulu, and /or its representatives and consultants for the purpose stated:

PROJECT: **Honolulu Rail Transit Project
(HRTTP)**

TAX MAP KEY: **9-7-022-008 & 9-7-022-021**

LOCATION: **Oahu, Hawaii**

PURPOSE: **Construction Activities**

 X

It is understood that this consent to enter is granted upon the following terms:

(1) That the area covered by this consent document is colored in yellow outline on the attached map, Exhibit A. That this consent includes the right of ingress to and egress from said consent to enter area over the land of the undersigned, adjacent thereto for all purposes in connection with this consent to enter. Entry shall be for the purpose of construction of the fixed guideway for the HRTTP. Work to include, but not limited to, relocation of the facilities as shown in Exhibit B.

(2) That this consent to enter is granted for a **nominal** consideration of \$1.00.

(3) That HART shall indemnify the undersigned against loss or damage to the property of the undersigned and from liability for injury to or death of persons in the manner provided by law when such loss, damage, injury or death is caused by the use of said properties by HART and/or its representatives and consultants, resulting from this consent to enter.

(4) That the entire cost of the work proposed to be done and all other expenses incidental thereto will be borne by HART.

(5) That HART will, in its discretion, determine the extent of the work to be done.

TAX MAP KEYS: 9-7-022-008 & 9-7-022-021
Consent to Enter – Page 2

(6) That this consent to enter is granted for a period of thirty-six (36) months commencing from the date of actual entry or completion of work, whichever is sooner.

(7) That this consent to enter shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, devisees, personal representatives, successors in trust, successors and assigns.

(8) That HART and/or its representative will provide the undersigned prior notification prior to entry into said properties by HART's contractor. Actual work shall be coordinated in advance with the property owner in order to minimize any impact to the business to the extent possible.

(9) That this consent to enter shall be void upon recordation of the deed or other document conveying said properties to HART.

DATED: HONOLULU, HAWAII _____.

Property Owner
Cutter Development Co.

APPROVED AS TO FORM AND
LEGALITY

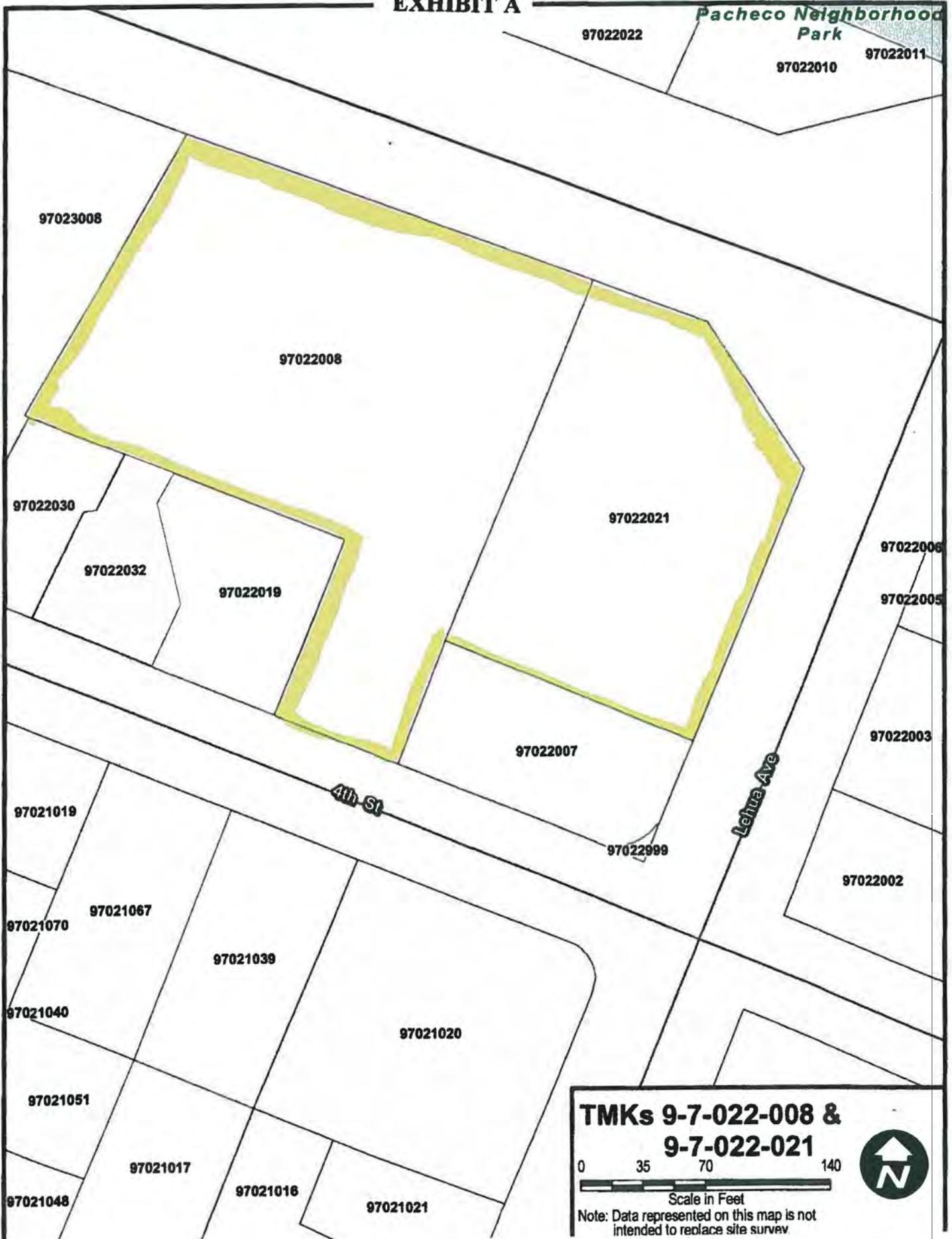
Deputy Corporation Counsel
Winston K. Q. Wong

APPROVED AS TO CONTENTS



Morris M. Atta
Real Estate Acquisition and Relocation Manager

EXHIBIT A



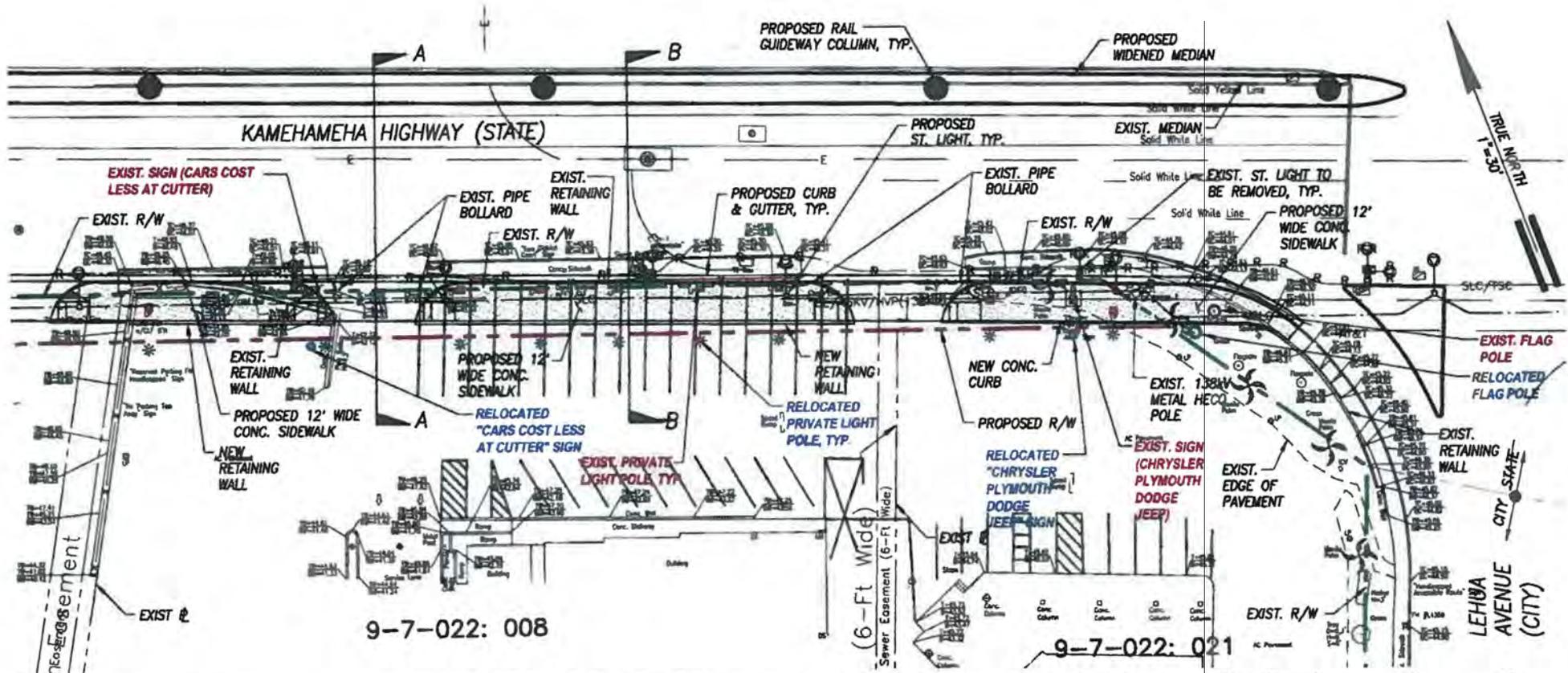
**TMKs 9-7-022-008 &
9-7-022-021**

0 35 70 140

Scale in Feet

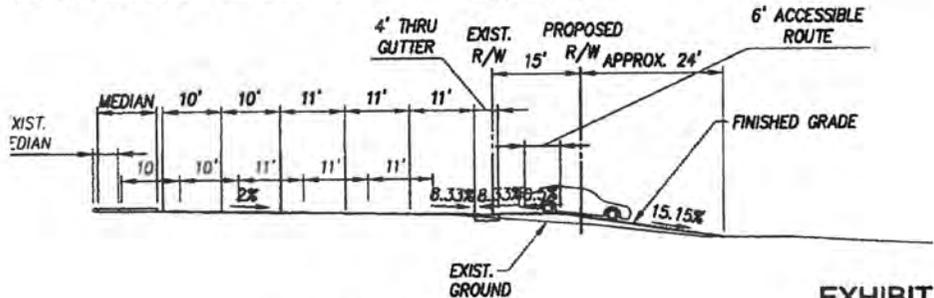
Note: Data represented on this map is not intended to replace site survey





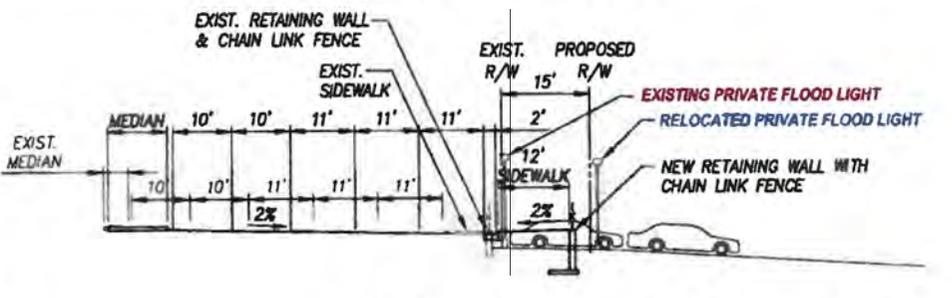
EXISTING ITEMS TO BE RELOCATED
 PROPOSED LOCATIONS OF RELOCATED ITEMS

PROPOSED CONDITION - CUTTER DODGE PROPERTY
 SCALE: 1" = 30' SEPTEMBER 5, 2013



SECTION A-A
 SCALE: 1" = 20'

EXHIBIT B



SECTION B-B
 SCALE: 1" = 20'



Form **W-9**
(Rev. August 2013)
Department of the Treasury
Internal Revenue Service

**Request for Taxpayer
Identification Number and Certification**

**Give Form to the
requester. Do not
send to the IRS.**

Name (as shown on your income tax return)

Business name/disregarded entity name, if different from above

Check appropriate box for federal tax classification:
 Individual/sole proprietor C Corporation S Corporation Partnership Trust/estate
 Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) ▶ _____
 Other (see instructions) ▶ _____

Exemptions (see instructions):
 Exempt payee code (if any) _____
 Exemption from FATCA reporting code (if any) _____

Address (number, street, and apt. or suite no.) **Requester's name and address (optional)**

City, state, and ZIP code

List account number(s) here (optional)

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on the "Name" line to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Social security number

| | | | | | | | | | | | |
|--|--|--|--|---|--|--|--|---|--|--|--|
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Employer identification number

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Note. If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

Part II Certification

Under penalties of perjury, I certify that:

- The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
- I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
- I am a U.S. citizen or other U.S. person (defined below), and
- The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions on page 3.

Sign Here **Signature of U.S. person ▶** _____ **Date ▶** _____

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.
Future developments. The IRS has created a page on IRS.gov for information about Form W-9, at www.irs.gov/w9. Information about any future developments affecting Form W-9 (such as legislation enacted after we release it) will be posted on that page.

Purpose of Form

A person who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, payments made to you in settlement of payment card and third party network transactions, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

- Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
- Certify that you are not subject to backup withholding, or
- Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the

withholding tax on foreign partners' share of effectively connected income, and 4. Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting, is correct.

Note. If you are a U.S. person and a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States,
- An estate (other than a foreign estate), or
- A domestic trust (as defined in Regulations section 301.7701-7).

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax under section 1446 on any foreign partners' share of effectively connected taxable income from such business. Further, in certain cases where a Form W-9 has not been received, the rules under section 1446 require a partnership to presume that a partner is a foreign person, and pay the section 1446 withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid section 1446 withholding on your share of partnership income.

In the cases below, the following person must give Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States:

- In the case of a disregarded entity with a U.S. owner, the U.S. owner of the disregarded entity and not the entity,
- In the case of a grantor trust with a U.S. grantor or other U.S. owner, generally, the U.S. grantor or other U.S. owner of the grantor trust and not the trust, and
- In the case of a U.S. trust (other than a grantor trust), the U.S. trust (other than a grantor trust) and not the beneficiaries of the trust.

Foreign person. If you are a foreign person or the U.S. branch of a foreign bank that has elected to be treated as a U.S. person, do not use Form W-9. Instead, use the appropriate Form W-8 or Form 8233 (see Publication 515, Withholding of Tax on Nonresident Aliens and Foreign Entities).

Nonresident alien who becomes a resident alien. Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the payee has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items:

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.
2. The treaty article addressing the income.
3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.
4. The type and amount of income that qualifies for the exemption from tax.
5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

Example. Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity, give the requester the appropriate completed Form W-8 or Form 8233.

What is backup withholding? Persons making certain payments to you must under certain conditions withhold and pay to the IRS a percentage of such payments. This is called "backup withholding." Payments that may be subject to backup withholding include interest, tax-exempt interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, payments made in settlement of payment card and third party network transactions, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

Payments you receive will be subject to backup withholding if:

1. You do not furnish your TIN to the requester.
2. You do not certify your TIN when required (see the Part II Instructions on page 3 for details).
3. The IRS tells the requester that you furnished an incorrect TIN.
4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or
5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See *Exempt payee code* on page 3 and the separate instructions for the Requester of Form W-9 for more information.

Also see *Special rules for partnerships* on page 1.

What is FATCA reporting? The Foreign Account Tax Compliance Act (FATCA) requires a participating foreign financial institution to report all United States account holders that are specified United States persons. Certain payees are exempt from FATCA reporting. See *Exemption from FATCA reporting code* on page 3 and the instructions for the Requester of Form W-9 for more information.

Updating Your Information

You must provide updated information to any person to whom you claimed to be an exempt payee if you are no longer an exempt payee and anticipate receiving reportable payments in the future from this person. For example, you may need to provide updated information if you are a C corporation that elects to be an S corporation, or if you no longer are tax exempt. In addition, you must furnish a new Form W-9 if the name or TIN changes for the account, for example, if the grantor of a grantor trust dies.

Penalties

Failure to furnish TIN. If you fail to furnish your correct TIN to a requester, you are subject to a penalty of \$50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

Civil penalty for false information with respect to withholding. If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a \$500 penalty.

Criminal penalty for falsifying information. Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

Misuse of TINs. If the requester discloses or uses TINs in violation of federal law, the requester may be subject to civil and criminal penalties.

Specific Instructions

Name

If you are an individual, you must generally enter the name shown on your income tax return. However, if you have changed your last name, for instance, due to marriage without informing the Social Security Administration of the name change, enter your first name, the last name shown on your social security card, and your new last name.

If the account is in joint names, list first, and then circle, the name of the person or entity whose number you entered in Part I of the form.

Sole proprietor. Enter your individual name as shown on your income tax return on the "Name" line. You may enter your business, trade, or "doing business as (DBA)" name on the "Business name/disregarded entity name" line.

Partnership, C Corporation, or S Corporation. Enter the entity's name on the "Name" line and any business, trade, or "doing business as (DBA)" name on the "Business name/disregarded entity name" line.

Disregarded entity. For U.S. federal tax purposes, an entity that is disregarded as an entity separate from its owner is treated as a "disregarded entity." See Regulation section 301.7701-2(c)(2)(ii). Enter the owner's name on the "Name" line. The name of the entity entered on the "Name" line should never be a disregarded entity. The name on the "Name" line must be the name shown on the income tax return on which the income should be reported. For example, if a foreign LLC that is treated as a disregarded entity for U.S. federal tax purposes has a single owner that is a U.S. person, the U.S. owner's name is required to be provided on the "Name" line. If the direct owner of the entity is also a disregarded entity, enter the first owner that is not disregarded for federal tax purposes. Enter the disregarded entity's name on the "Business name/disregarded entity name" line. If the owner of the disregarded entity is a foreign person, the owner must complete an appropriate Form W-8 instead of a Form W-9. This is the case even if the foreign person has a U.S. TIN.

Note. Check the appropriate box for the U.S. federal tax classification of the person whose name is entered on the "Name" line (individual/sole proprietor, Partnership, C Corporation, S Corporation, Trust/estate).

Limited Liability Company (LLC). If the person identified on the "Name" line is an LLC, check the "Limited liability company" box only and enter the appropriate code for the U.S. federal tax classification in the space provided. If you are an LLC that is treated as a partnership for U.S. federal tax purposes, enter "P" for partnership. If you are an LLC that has filed a Form 8832 or a Form 2553 to be taxed as a corporation, enter "C" for C corporation or "S" for S corporation, as appropriate. If you are an LLC that is disregarded as an entity separate from its owner under Regulation section 301.7701-3 (except for employment and excise tax), do not check the LLC box unless the owner of the LLC (required to be identified on the "Name" line) is another LLC that is not disregarded for U.S. federal tax purposes. If the LLC is disregarded as an entity separate from its owner, enter the appropriate tax classification of the owner identified on the "Name" line.

Other entities. Enter your business name as shown on required U.S. federal tax documents on the "Name" line. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on the "Business name/disregarded entity name" line.

Exemptions

If you are exempt from backup withholding and/or FATCA reporting, enter in the *Exemptions* box, any code(s) that may apply to you. See *Exempt payee code* and *Exemption from FATCA reporting code* on page 3.

Exempt payee code. Generally, individuals (including sole proprietors) are not exempt from backup withholding. Corporations are exempt from backup withholding for certain payments, such as interest and dividends. Corporations are not exempt from backup withholding for payments made in settlement of payment card or third party network transactions.

Note. If you are exempt from backup withholding, you should still complete this form to avoid possible erroneous backup withholding.

The following codes identify payees that are exempt from backup withholding:

- 1—An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2)
- 2—The United States or any of its agencies or instrumentalities
- 3—A state, the District of Columbia, a possession of the United States, or any of their political subdivisions or instrumentalities
- 4—A foreign government or any of its political subdivisions, agencies, or instrumentalities
- 5—A corporation
- 6—A dealer in securities or commodities required to register in the United States, the District of Columbia, or a possession of the United States
- 7—A futures commission merchant registered with the Commodity Futures Trading Commission
- 8—A real estate investment trust
- 9—An entity registered at all times during the tax year under the Investment Company Act of 1940
- 10—A common trust fund operated by a bank under section 584(a)
- 11—A financial institution
- 12—A middleman known in the investment community as a nominee or custodian
- 13—A trust exempt from tax under section 664 or described in section 4947

The following chart shows types of payments that may be exempt from backup withholding. The chart applies to the exempt payees listed above, 1 through 13.

| IF the payment is for ... | THEN the payment is exempt for ... |
|--|---|
| Interest and dividend payments | All exempt payees except for 7 |
| Broker transactions | Exempt payees 1 through 4 and 6 through 11 and all C corporations. S corporations must not enter an exempt payee code because they are exempt only for sales of noncovered securities acquired prior to 2012. |
| Barter exchange transactions and patronage dividends | Exempt payees 1 through 4 |
| Payments over \$600 required to be reported and direct sales over \$5,000 ¹ | Generally, exempt payees 1 through 5 ² |
| Payments made in settlement of payment card or third party network transactions | Exempt payees 1 through 4 |

¹ See Form 1099-MISC, Miscellaneous Income, and its Instructions.

² However, the following payments made to a corporation and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees, gross proceeds paid to an attorney, and payments for services paid by a federal executive agency.

Exemption from FATCA reporting code. The following codes identify payees that are exempt from reporting under FATCA. These codes apply to persons submitting this form for accounts maintained outside of the United States by certain foreign financial institutions. Therefore, if you are only submitting this form for an account you hold in the United States, you may leave this field blank. Consult with the person requesting this form if you are uncertain if the financial institution is subject to these requirements.

- A—An organization exempt from tax under section 501(a) or any individual retirement plan as defined in section 7701(a)(37)
- B—The United States or any of its agencies or instrumentalities
- C—A state, the District of Columbia, a possession of the United States, or any of their political subdivisions or instrumentalities
- D—A corporation the stock of which is regularly traded on one or more established securities markets, as described in Reg. section 1.1472-1(c)(1)(i)
- E—A corporation that is a member of the same expanded affiliated group as a corporation described in Reg. section 1.1472-1(c)(1)(i)
- F—A dealer in securities, commodities, or derivative financial instruments (including notional principal contracts, futures, forwards, and options) that is registered as such under the laws of the United States or any state

- G—A real estate investment trust
- H—A regulated investment company as defined in section 851 or an entity registered at all times during the tax year under the Investment Company Act of 1940
- I—A common trust fund as defined in section 584(a)
- J—A bank as defined in section 581
- K—A broker
- L—A trust exempt from tax under section 664 or described in section 4947(a)(1)
- M—A tax exempt trust under a section 403(b) plan or section 457(g) plan

Part I. Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. If you are a resident alien and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see *How to get a TIN* below.

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN. However, the IRS prefers that you use your SSN.

If you are a single-member LLC that is disregarded as an entity separate from its owner (see *Limited Liability Company (LLC)* on page 2), enter the owner's SSN (or EIN, if the owner has one). Do not enter the disregarded entity's EIN. If the LLC is classified as a corporation or partnership, enter the entity's EIN.

Note. See the chart on page 4 for further clarification of name and TIN combinations.

How to get a TIN. If you do not have a TIN, apply for one immediately. To apply for an SSN, get Form SS-5, Application for a Social Security Card, from your local Social Security Administration office or get this form online at www.ssa.gov. You may also get this form by calling 1-800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can apply for an EIN online by accessing the IRS website at www.irs.gov/businesses and clicking on Employer Identification Number (EIN) under Starting a Business. You can get Forms W-7 and SS-4 from the IRS by visiting IRS.gov or by calling 1-800-TAX-FORM (1-800-829-3676).

If you are asked to complete Form W-9 but do not have a TIN, apply for a TIN and write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

Note. Entering "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.

Caution: A disregarded U.S. entity that has a foreign owner must use the appropriate Form W-8.

Part II. Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if items 1, 4, or 5 below indicate otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). In the case of a disregarded entity, the person identified on the "Name" line must sign. Exempt payees, see *Exempt payee code* earlier.

Signature requirements. Complete the certification as indicated in items 1 through 5 below.

1. **Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983.** You must give your correct TIN, but you do not have to sign the certification.
2. **Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983.** You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.
3. **Real estate transactions.** You must sign the certification. You may cross out item 2 of the certification.
4. **Other payments.** You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments made in settlement of payment card and third party network transactions, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).
5. **Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), IRA, Coverdell ESA, Archer MSA or HSA contributions or distributions, and pension distributions.** You must give your correct TIN, but you do not have to sign the certification.

What Name and Number To Give the Requester

| For this type of account: | Give name and SSN of: |
|---|---|
| 1. Individual | The individual |
| 2. Two or more individuals (joint account) | The actual owner of the account or, if combined funds, the first individual on the account ¹ |
| 3. Custodian account of a minor (Uniform Gift to Minors Act) | The minor ² |
| 4. a. The usual revocable savings trust (grantor is also trustee) b. So-called trust account that is not a legal or valid trust under state law | The grantor-trustee ¹ The actual owner ¹ |
| 5. Sole proprietorship or disregarded entity owned by an individual | The owner ³ |
| 6. Grantor trust filing under Optional Form 1099 Filing Method 1 (see Regulation section 1.671-4(b)(2)(i)(A)) | The grantor ⁴ |
| For this type of account: | Give name and EIN of: |
| 7. Disregarded entity not owned by an individual | The owner |
| 8. A valid trust, estate, or pension trust | Legal entity ⁴ |
| 9. Corporation or LLC electing corporate status on Form 8832 or Form 2553 | The corporation |
| 10. Association, club, religious, charitable, educational, or other tax-exempt organization | The organization |
| 11. Partnership or multi-member LLC | The partnership |
| 12. A broker or registered nominee | The broker or nominee |
| 13. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments | The public entity |
| 14. Grantor trust filing under the Form 1041 Filing Method or the Optional Form 1099 Filing Method 2 (see Regulation section 1.671-4(b)(2)(i)(B)) | The trust |

¹ List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

² Circle the minor's name and furnish the minor's SSN.

³ You must show your individual name and you may also enter your business or "DBA" name on the "Business name/disregarded entity" name line. You may use either your SSN or EIN (if you have one), but the IRS encourages you to use your SSN.

⁴ List first and circle the name of the trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.) Also see *Special rules for partnerships* on page 1.

*Note. Grantor also must provide a Form W-9 to trustee of trust.

Note. If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

Secure Your Tax Records from Identity Theft

Identity theft occurs when someone uses your personal information such as your name, social security number (SSN), or other identifying information, without your permission, to commit fraud or other crimes. An identity thief may use your SSN to get a job or may file a tax return using your SSN to receive a refund.

To reduce your risk:

- Protect your SSN.
- Ensure your employer is protecting your SSN, and
- Be careful when choosing a tax preparer.

If your tax records are affected by identity theft and you receive a notice from the IRS, respond right away to the name and phone number printed on the IRS notice or letter.

If your tax records are not currently affected by identity theft but you think you are at risk due to a lost or stolen purse or wallet, questionable credit card activity or credit report, contact the IRS Identity Theft Hotline at 1-800-908-4490 or submit Form 14039.

For more information, see Publication 4535, Identity Theft Prevention and Victim Assistance.

Victims of identity theft who are experiencing economic harm or a system problem, or are seeking help in resolving tax problems that have not been resolved through normal channels, may be eligible for Taxpayer Advocate Service (TAS) assistance. You can reach TAS by calling the TAS toll-free case intake line at 1-877-777-4778 or TTY/TDD 1-800-829-4059.

Protect yourself from suspicious emails or phishing schemes. Phishing is the creation and use of email and websites designed to mimic legitimate business emails and websites. The most common act is sending an email to a user falsely claiming to be an established legitimate enterprise in an attempt to scam the user into surrendering private information that will be used for identity theft.

The IRS does not initiate contacts with taxpayers via emails. Also, the IRS does not request personal detailed information through email or ask taxpayers for the PIN numbers, passwords, or similar secret access information for their credit card, bank, or other financial accounts.

If you receive an unsolicited email claiming to be from the IRS, forward this message to phishing@irs.gov. You may also report misuse of the IRS name, logo, or other IRS property to the Treasury Inspector General for Tax Administration at 1-800-368-4484. You can forward suspicious emails to the Federal Trade Commission at: spam@uce.gov or contact them at www.ftc.gov/idtheft or 1-877-IDTHEFT (1-877-438-4338).

Visit IRS.gov to learn more about identity theft and how to reduce your risk.

Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons (including federal agencies) who are required to file information returns with the IRS to report interest, dividends, or certain other income paid to you; mortgage interest you paid; the acquisition or abandonment of secured property; the cancellation of debt; or contributions you made to an IRA, Archer MSA, or HSA. The person collecting this form uses the information on the form to file information returns with the IRS, reporting the above information. Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation and to cities, states, the District of Columbia, and U.S. commonwealths and possessions for use in administering their laws. The information also may be disclosed to other countries under a treaty, to federal and state agencies to enforce civil and criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism. You must provide your TIN whether or not you are required to file a tax return. Under section 3406, payers must generally withhold a percentage of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to the payer. Certain penalties may also apply for providing false or fraudulent information.



IN REPLY REFER TO:
CMS-AP00ROW-00498

HONOLULU AUTHORITY for RAPID TRANSPORTATION

Daniel A. Grabauskas
EXECUTIVE DIRECTOR AND CEO

HAND-DELIVERED

May 29, 2014

William Schmitt
 Received
 William Schmitt 6-4-14
 Print Name Date

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Cutter Development Company
1100 Alakea Street, Suite 3000
Honolulu, Hawaii 96813

Ladies and Gentlemen:

Subject: Honolulu Rail Transit Project (H RTP)
921 Kamehameha Highway
Parcel: Tax Map Key 9-7-022-008 (Portion)
Administrative Settlement for Cutter Development Company

This is in reference to the Honolulu Authority for Rapid Transportation's (HART) offer dated May 25, 2011, in the amount of \$202,000 to purchase a portion of the subject property located at 921 Kamehameha Highway, in fee simple, free and clear of all liens and encumbrances. Submitted for your consideration and acceptance is a proposed administrative settlement in the amount of \$337,000 (Three Hundred Thirty Seven Thousand and No/100 Dollars).

HART has reviewed the information and other pertinent data and has determined that this amount is supported and in the public interest. Accordingly, HART is prepared to settle this acquisition subject to Federal Transit Administration (FTA) concurrence.

HART will be using Title Guaranty to escrow the transaction. The escrow fees and closing costs shall be borne by HART.

If the settlement is acceptable, please sign on the acceptance portion of the duplicate letter and return a signed copy to us. At the same time, we request your cooperation in filling out and returning the enclosed IRS form W-9 with your Taxpayer Identification Number. The W-9 is required by the City's Department of Budget and Fiscal Services to release the funds.

Please contact Mr. Ryan Ng at 768-6199 if you have any questions.

Sincerely,

Daniel A. Grabauskas
Executive Director and CEO

Cutter Development Company
Page 2
May 29, 2014

Enclosure

ACCEPTED:
CUTTER DEVELOPMENT COMPANY

By _____
Its

Print Name: _____

**Request for Taxpayer
Identification Number and Certification**

**Give Form to the
requester. Do not
send to the IRS.**

Name (as shown on your income tax return)

Business name/disregarded entity name, if different from above

Check appropriate box for federal tax classification (required): Individual/sole proprietor C Corporation S Corporation Partnership Trust/estate

Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) ▶ _____

Other (see instructions) ▶ _____

Address (number, street, and apt. or suite no.)

City, state, and ZIP code

List account number(s) here (optional)

Requester's name and address (optional)

Exempt payee

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on the "Name" line to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Social security number

| | | | | | | | | | | | |
|--|--|--|--|---|--|--|---|--|--|--|--|
| | | | | - | | | - | | | | |
|--|--|--|--|---|--|--|---|--|--|--|--|

Note. If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

Employer identification number

| | | | | | | | | | | | |
|--|--|--|--|---|--|--|--|--|--|--|--|
| | | | | - | | | | | | | |
|--|--|--|--|---|--|--|--|--|--|--|--|

Part II Certification

Under penalties of perjury, I certify that:

- The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
- I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
- I am a U.S. citizen or other U.S. person (defined below).

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions on page 4.

Sign Here Signature of U.S. person ▶ _____ Date ▶ _____

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Purpose of Form

A person who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

- Certify that the TIN you are giving is correct (or you are waiting for a number to be issued).
- Certify that you are not subject to backup withholding, or
- Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income.

Note. If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States,
- An estate (other than a foreign estate), or
- A domestic trust (as defined in Regulations section 301.7701-7).

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax on any foreign partners' share of income from such business. Further, in certain cases where a Form W-9 has not been received, a partnership is required to presume that a partner is a foreign person, and pay the withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid withholding on your share of partnership income.

The person who gives Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States is in the following cases:

- The U.S. owner of a disregarded entity and not the entity,
- The U.S. grantor or other owner of a grantor trust and not the trust, and
- The U.S. trust (other than a grantor trust) and not the beneficiaries of the trust.

Foreign person. If you are a foreign person, do not use Form W-9. Instead, use the appropriate Form W-8 (see Publication 515, Withholding of Tax on Nonresident Aliens and Foreign Entities).

Nonresident alien who becomes a resident alien. Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the payee has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items:

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.
2. The treaty article addressing the income.
3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.
4. The type and amount of income that qualifies for the exemption from tax.
5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

Example. Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity not subject to backup withholding, give the requester the appropriate completed Form W-8.

What is backup withholding? Persons making certain payments to you must under certain conditions withhold and pay to the IRS a percentage of such payments. This is called "backup withholding." Payments that may be subject to backup withholding include interest, tax-exempt interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

Payments you receive will be subject to backup withholding if:

1. You do not furnish your TIN to the requester,
2. You do not certify your TIN when required (see the Part II instructions on page 3 for details),
3. The IRS tells the requester that you furnished an incorrect TIN,
4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or
5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See the instructions below and the separate Instructions for the Requester of Form W-9.

Also see *Special rules for partnerships* on page 1.

Updating Your Information

You must provide updated information to any person to whom you claimed to be an exempt payee if you are no longer an exempt payee and anticipate receiving reportable payments in the future from this person. For example, you may need to provide updated information if you are a C corporation that elects to be an S corporation, or if you no longer are tax exempt. In addition, you must furnish a new Form W-9 if the name or TIN changes for the account, for example, if the grantor of a grantor trust dies.

Penalties

Failure to furnish TIN. If you fail to furnish your correct TIN to a requester, you are subject to a penalty of \$50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

Civil penalty for false information with respect to withholding. If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a \$500 penalty.

Criminal penalty for falsifying information. Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

Misuse of TINs. If the requester discloses or uses TINs in violation of federal law, the requester may be subject to civil and criminal penalties.

Specific Instructions

Name

If you are an individual, you must generally enter the name shown on your income tax return. However, if you have changed your last name, for instance, due to marriage without informing the Social Security Administration of the name change, enter your first name, the last name shown on your social security card, and your new last name.

If the account is in joint names, list first, and then circle, the name of the person or entity whose number you entered in Part I of the form.

Sole proprietor. Enter your individual name as shown on your income tax return on the "Name" line. You may enter your business, trade, or "doing business as (DBA)" name on the "Business name/disregarded entity name" line.

Partnership, C Corporation, or S Corporation. Enter the entity's name on the "Name" line and any business, trade, or "doing business as (DBA) name" on the "Business name/disregarded entity name" line.

Disregarded entity. Enter the owner's name on the "Name" line. The name of the entity entered on the "Name" line should never be a disregarded entity. The name on the "Name" line must be the name shown on the income tax return on which the income will be reported. For example, if a foreign LLC that is treated as a disregarded entity for U.S. federal tax purposes has a domestic owner, the domestic owner's name is required to be provided on the "Name" line. If the direct owner of the entity is also a disregarded entity, enter the first owner that is not disregarded for federal tax purposes. Enter the disregarded entity's name on the "Business name/disregarded entity name" line. If the owner of the disregarded entity is a foreign person, you must complete an appropriate Form W-8.

Note. Check the appropriate box for the federal tax classification of the person whose name is entered on the "Name" line (Individual/sole proprietor, Partnership, C Corporation, S Corporation, Trust/estate).

Limited Liability Company (LLC). If the person identified on the "Name" line is an LLC, check the "Limited liability company" box only and enter the appropriate code for the tax classification in the space provided. If you are an LLC that is treated as a partnership for federal tax purposes, enter "P" for partnership. If you are an LLC that has filed a Form 8832 or a Form 2553 to be taxed as a corporation, enter "C" for C corporation or "S" for S corporation. If you are an LLC that is disregarded as an entity separate from its owner under Regulation section 301.7701-3 (except for employment and excise tax), do not check the LLC box unless the owner of the LLC (required to be identified on the "Name" line) is another LLC that is not disregarded for federal tax purposes. If the LLC is disregarded as an entity separate from its owner, enter the appropriate tax classification of the owner identified on the "Name" line.

Other entities. Enter your business name as shown on required federal tax documents on the "Name" line. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on the "Business name/disregarded entity name" line.

Exempt Payee

If you are exempt from backup withholding, enter your name as described above and check the appropriate box for your status, then check the "Exempt payee" box in the line following the "Business name/disregarded entity name," sign and date the form.

Generally, individuals (including sole proprietors) are not exempt from backup withholding. Corporations are exempt from backup withholding for certain payments, such as interest and dividends.

Note. If you are exempt from backup withholding, you should still complete this form to avoid possible erroneous backup withholding.

The following payees are exempt from backup withholding:

1. An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2),
 2. The United States or any of its agencies or instrumentalities,
 3. A state, the District of Columbia, a possession of the United States, or any of their political subdivisions or instrumentalities,
 4. A foreign government or any of its political subdivisions, agencies, or instrumentalities, or
 5. An international organization or any of its agencies or instrumentalities.
- Other payees that may be exempt from backup withholding include:
6. A corporation,
 7. A foreign central bank of issue,
 8. A dealer in securities or commodities required to register in the United States, the District of Columbia, or a possession of the United States,
 9. A futures commission merchant registered with the Commodity Futures Trading Commission,
 10. A real estate investment trust,
 11. An entity registered at all times during the tax year under the Investment Company Act of 1940,
 12. A common trust fund operated by a bank under section 584(a),
 13. A financial institution,
 14. A middleman known in the investment community as a nominee or custodian, or
 15. A trust exempt from tax under section 664 or described in section 4947.

The following chart shows types of payments that may be exempt from backup withholding. The chart applies to the exempt payees listed above, 1 through 15.

| IF the payment is for . . . | THEN the payment is exempt for . . . |
|--|---|
| Interest and dividend payments | All exempt payees except for 9 |
| Broker transactions | Exempt payees 1 through 5 and 7 through 13. Also, C corporations. |
| Barter exchange transactions and patronage dividends | Exempt payees 1 through 5 |
| Payments over \$600 required to be reported and direct sales over \$5,000 ¹ | Generally, exempt payees 1 through 7 ² |

¹ See Form 1099-MISC, Miscellaneous Income, and its instructions.

² However, the following payments made to a corporation and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees, gross proceeds paid to an attorney, and payments for services paid by a federal executive agency.

Part I. Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. If you are a resident alien and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see *How to get a TIN* below.

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN. However, the IRS prefers that you use your SSN.

If you are a single-member LLC that is disregarded as an entity separate from its owner (see *Limited Liability Company (LLC)* on page 2), enter the owner's SSN (or EIN, if the owner has one). Do not enter the disregarded entity's EIN. If the LLC is classified as a corporation or partnership, enter the entity's EIN.

Note. See the chart on page 4 for further clarification of name and TIN combinations.

How to get a TIN. If you do not have a TIN, apply for one immediately. To apply for an SSN, get Form SS-5, Application for a Social Security Card, from your local Social Security Administration office or get this form online at www.ssa.gov. You may also get this form by calling 1-800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can apply for an EIN online by accessing the IRS website at www.irs.gov/businesses and clicking on Employer Identification Number (EIN) under Starting a Business. You can get Forms W-7 and SS-4 from the IRS by visiting IRS.gov or by calling 1-800-TAX-FORM (1-800-829-3676).

If you are asked to complete Form W-9 but do not have a TIN, write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

Note. Entering "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.

Caution: A disregarded domestic entity that has a foreign owner must use the appropriate Form W-8.

Part II. Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if item 1, below, and items 4 and 5 on page 4 indicate otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). In the case of a disregarded entity, the person identified on the "Name" line must sign. Exempt payees, see *Exempt Payee* on page 3.

Signature requirements. Complete the certification as indicated in items 1 through 3, below, and items 4 and 5 on page 4.

1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983. You must give your correct TIN, but you do not have to sign the certification.

2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983. You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.

3. Real estate transactions. You must sign the certification. You may cross out item 2 of the certification.

4. Other payments. You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).

5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), IRA, Coverdell ESA, Archer MSA or HSA contributions or distributions, and pension distributions. You must give your correct TIN, but you do not have to sign the certification.

What Name and Number To Give the Requester

| For this type of account: | Give name and SSN of: |
|---|---|
| 1. Individual | The individual |
| 2. Two or more individuals (joint account) | The actual owner of the account or, if combined funds, the first individual on the account ¹ |
| 3. Custodian account of a minor (Uniform Gift to Minors Act) | The minor ² |
| 4. a. The usual revocable savings trust (grantor is also trustee) | The grantor-trustee ³ |
| b. So-called trust account that is not a legal or valid trust under state law | The actual owner ¹ |
| 5. Sole proprietorship or disregarded entity owned by an individual | The owner ³ |
| 6. Grantor trust filing under Optional Form 1099 Filing Method 1 (see Regulation section 1.671-4(b)(2)(i)(A)) | The grantor [*] |
| For this type of account: | Give name and EIN of: |
| 7. Disregarded entity not owned by an individual | The owner |
| 8. A valid trust, estate, or pension trust | Legal entity ⁴ |
| 9. Corporation or LLC electing corporate status on Form 8832 or Form 2553 | The corporation |
| 10. Association, club, religious, charitable, educational, or other tax-exempt organization | The organization |
| 11. Partnership or multi-member LLC | The partnership |
| 12. A broker or registered nominee | The broker or nominee |
| 13. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments | The public entity |
| 14. Grantor trust filing under the Form 1041 Filing Method or the Optional Form 1099 Filing Method 2 (see Regulation section 1.671-4(b)(2)(i)(B)) | The trust |

Note. If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

Secure Your Tax Records from Identity Theft

Identity theft occurs when someone uses your personal information such as your name, social security number (SSN), or other identifying information, without your permission, to commit fraud or other crimes. An identity thief may use your SSN to get a job or may file a tax return using your SSN to receive a refund.

To reduce your risk:

- Protect your SSN,
- Ensure your employer is protecting your SSN, and
- Be careful when choosing a tax preparer.

If your tax records are affected by identity theft and you receive a notice from the IRS, respond right away to the name and phone number printed on the IRS notice or letter.

If your tax records are not currently affected by identity theft but you think you are at risk due to a lost or stolen purse or wallet, questionable credit card activity or credit report, contact the IRS Identity Theft Hotline at 1-800-908-4490 or submit Form 14039.

For more information, see Publication 4535, Identity Theft Prevention and Victim Assistance.

Victims of identity theft who are experiencing economic harm or a system problem, or are seeking help in resolving tax problems that have not been resolved through normal channels, may be eligible for Taxpayer Advocate Service (TAS) assistance. You can reach TAS by calling the TAS toll-free case intake line at 1-877-777-4778 or TTY/TDD 1-800-829-4059.

Protect yourself from suspicious emails or phishing schemes.

Phishing is the creation and use of email and websites designed to mimic legitimate business emails and websites. The most common act is sending an email to a user falsely claiming to be an established legitimate enterprise in an attempt to scam the user into surrendering private information that will be used for identity theft.

The IRS does not initiate contacts with taxpayers via emails. Also, the IRS does not request personal detailed information through email or ask taxpayers for the PIN numbers, passwords, or similar secret access information for their credit card, bank, or other financial accounts.

If you receive an unsolicited email claiming to be from the IRS, forward this message to phishing@irs.gov. You may also report misuse of the IRS name, logo, or other IRS property to the Treasury Inspector General for Tax Administration at 1-800-366-4484. You can forward suspicious emails to the Federal Trade Commission at: spam@uce.gov or contact them at www.ftc.gov/idtheft or 1-877-IDTHEFT (1-877-438-4338).

Visit IRS.gov to learn more about identity theft and how to reduce your risk.

¹ List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

² Circle the minor's name and furnish the minor's SSN.

³ You must show your individual name and you may also enter your business or "DBA" name on the "Business name/disregarded entity" name line. You may use either your SSN or EIN (if you have one), but the IRS encourages you to use your SSN.

⁴ List first and circle the name of the trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.) Also see *Special rules for partnerships* on page 1.

*Note. Grantor also must provide a Form W-9 to trustee of trust.

Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons (including federal agencies) who are required to file information returns with the IRS to report interest, dividends, or certain other income paid to you; mortgage interest you paid; the acquisition or abandonment of secured property; the cancellation of debt; or contributions you made to an IRA, Archer MSA, or HSA. The person collecting this form uses the information on the form to file information returns with the IRS, reporting the above information. Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation and to cities, states, the District of Columbia, and U.S. possessions for use in administering their laws. The information also may be disclosed to other countries under a treaty, to federal and state agencies to enforce civil and criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism. You must provide your TIN whether or not you are required to file a tax return. Under section 3406, payers must generally withhold a percentage of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to the payer. Certain penalties may also apply for providing false or fraudulent information.

Honolulu Authority for Rapid Transportation

RESOLUTION NO. 2014-3

APPROVING NOTIFICATION TO THE CITY COUNCIL OF INTENTION TO ACQUIRE THE REAL PROPERTY IDENTIFIED AS TAX MAP KEY 9-7-022:021 (PORTION) BY EMINENT DOMAIN AND PUBLICATION OF A RESOLUTION AUTHORIZING ACQUISITION OF SAID PROPERTY BY EMINENT DOMAIN

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

WHEREAS, Section 17-103.2(b) of the Charter empowers HART "to acquire by eminent domain ... all real property or any interest therein necessary for the construction, maintenance, repair, extension or operation of the fixed guideway system;" and

WHEREAS, prior to such acquisition the Charter directs HART to submit a list of real property to be acquired by eminent domain to the City Council; and

WHEREAS, the City Council may approve the acquisition by eminent domain or may object by adoption of a resolution within 45 days of the notification to acquire the real property; and

WHEREAS, the acquisition by eminent domain in fee simple of the real property identified as Tax Map Key (TMK) 9-7-022:021 (por.) and more particularly described in the attached legal description marked as Exhibit A, is necessary for the Honolulu Rail Transit Project fixed guideway system, a valid public use and purpose;

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

1. That written notification to the City Council is approved, for the acquisition by eminent domain in fee simple of the real property identified as TMK 9-7-022:021 (por.); and
2. That in the event the City Council approves or does not object to the acquisition within 45 days of notification, then HART is authorized to publish in a daily newspaper at least three days prior to Board action, the attached resolution marked as Exhibit B, authorizing acquisition by eminent domain in fee simple of the above-identified real property.

ADOPTED by the Board of the Honolulu Authority for Rapid Transportation on
_____.

Exhibit A – Legal description of TMK 9-7-022:021 (por.)

Exhibit B – Resolution No. 2014-____, Authorizing the Acquisition of the Real
Property Identified as Tax Map Key 9-7-022:021 (Portion) by Eminent
Domain.

Board Chair

ATTEST:

Board Administrator

DRAFT

PARCEL 30

Honolulu Rail Transit Project

Being a Portion of Lot 1 (Map 1) of Land Court Application 1695

Situate at Kaholona, Manana, Ewa, Island of Oahu, Hawaii

Beginning at the North corner of this parcel of land, being the East corner of Parcel 29 of the Honolulu Rail Transit Project, the coordinates of said point of beginning referred to Government Survey Triangulation Station "EWA CHURCH" being 712.85 feet North and 3,204.86 feet East, thence running by azimuths measured clockwise from true South:

- 1. 290° 19' 30" 65.06 feet along the Southwest side of Kamehameha Highway;
- 2. 326° 05' 30" 26.38 feet along the Southwest side of Kamehameha Highway;
- 3. 110° 19' 30" 86.92 feet along the Remainder of Parcel 30 of the Honolulu Rail Transit Project;
- 4. 202° 00' 15.43 feet along Parcel 29 of the Honolulu Rail Transit Project to the point of beginning and containing an area of 1,171 Square Feet, more or less.



R. M. TOWILL CORPORATION

Description prepared by:

Ryan M. Suzuki
 Ryan M. Suzuki Exp: 4/30/14
 Licensed Professional Land Surveyor
 Certificate Number 10059

2024 North King Street, Suite 200
 Honolulu, Hawaii 96819
 October 17, 2013

This description is for exhibit purposes and does not purport a legally subdivided lot.



Honolulu Authority for Rapid Transportation

RESOLUTION NO. 2014-__

**AUTHORIZING THE ACQUISITION OF THE REAL PROPERTY IDENTIFIED
AS TAX MAP KEY 9-7-022:021 (PORTION) BY EMINENT DOMAIN**

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

WHEREAS, Section 17-103.2(b) of the Charter empowers HART “to acquire by eminent domain. . . all real property or any interest therein necessary for the construction, maintenance, repair, extension or operation of the fixed guideway system;” and

WHEREAS, the City Council approved or did not object to the acquisition of the real property identified as Tax Map Key (TMK) 9-7-022:021 (por.) by eminent domain in fee simple after written notification by HART; and

WHEREAS, the acquisition by eminent domain in fee simple of the above-identified real property, which is more particularly described in the attached legal description marked as Exhibit A, is necessary for the Honolulu Rail Transit Project fixed guideway system, a valid public use and purpose;

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

1. That acquisition by eminent domain in fee simple of the real property identified as TMK 9-7-022:021 (por.) is hereby authorized and the Corporation Counsel of the City and County of Honolulu is empowered to institute eminent domain proceedings as provided by law for the acquisition thereof; and
2. That the acquisition of the above-identified property by eminent domain is determined and declared to be for a valid public use and purpose as aforesaid; and
3. That the acquisition of the above-identified property by eminent domain is determined and declared to be necessary for the aforesaid public use and purpose; and
4. That in the process of said proceedings in eminent domain, the Corporation Counsel is authorized and empowered to negotiate

terms of settlement, subject to the approval of HART and/or the Court before which such proceedings are commenced; and

5. That the Board Administrator be directed to transmit copies of this resolution to HART and the Department of the Corporation Counsel.

ADOPTED by the Board of the Honolulu Authority for Rapid Transportation on _____.

Board Chair

ATTEST:

Board Administrator

Exhibit A – Legal description of TMK 9-7-022:021 (por.)

DRAFT

PARCEL 30

Honolulu Rail Transit Project

Being a Portion of Lot 1 (Map 1) of Land Court Application 1695

Situate at Kaholona, Manana, Ewa, Island of Oahu, Hawaii

Beginning at the North corner of this parcel of land, being the East corner of Parcel 29 of the Honolulu Rail Transit Project, the coordinates of said point of beginning referred to Government Survey Triangulation Station "EWA CHURCH" being 712.85 feet North and 3,204.86 feet East, thence running by azimuths measured clockwise from true South:

1. 290° 19' 30" 65.06 feet along the Southwest side of Kamehameha Highway;
2. 326° 05' 30" 26.38 feet along the Southwest side of Kamehameha Highway;
3. 110° 19' 30" 86.92 feet along the Remainder of Parcel 30 of the Honolulu Rail Transit Project;
4. 202° 00' 15.43 feet along Parcel 29 of the Honolulu Rail Transit Project to the point of beginning and containing an area of 1,171 Square Feet, more or less.



R. M. TOWILL CORPORATION

Description prepared by:

Ryan M. Suzuki
 Ryan M. Suzuki Exp: 4/30/14
 Licensed Professional Land Surveyor
 Certificate Number 10059

2024 North King Street, Suite 200
 Honolulu, Hawaii 96819
 October 17, 2013

This description is for exhibit purposes and does not purport a legally subdivided lot.



Honolulu Authority for Rapid Transportation

STAFF SUMMARY

| | | |
|--|--------------------------------------|----------------------------------|
| TITLE: RESOLUTION NO. 2014-3 APPROVING NOTIFICATION TO THE CITY COUNCIL OF INTENTION TO ACQUIRE THE REAL PROPERTY IDENTIFIED AS TAX MAP KEY 1-9-7-022:021 (PORTION) BY EMINENT DOMAIN AND PUBLICATION OF A RESOLUTION AUTHORIZING ACQUISITION OF SAID PROPERTY BY EMINENT DOMAIN | STAFF CONTACT: Morris Atta | DATE: November 7, 2014 |
|--|--------------------------------------|----------------------------------|

| Type: | Goal | Focus Area | Reference Notes |
|---|--|--|-----------------|
| <input checked="" type="checkbox"/> Action/Approval | <input checked="" type="checkbox"/> Project Delivery | <input type="checkbox"/> Livability/Land Use | |
| <input type="checkbox"/> Information | <input type="checkbox"/> Service Delivery | <input type="checkbox"/> Partnerships | |
| <input type="checkbox"/> Follow-up | <input type="checkbox"/> Resource Stewardship | <input type="checkbox"/> Agency Admin. | |

1. Purpose:
 Review of Notification to City Council for condemnation of land for public use, identified as Tax Map Key 1-9-7-022:021 and situated at 905 Kamehameha Hwy, Honolulu, HI. The property is required for guideway construction in the Kamehameha Highway Section (KHG) of the Honolulu Rail Transit Project (HRTTP). After discussions with the owners and their representatives, HART is unable to negotiate a settlement for the partial acquisition of 1,135 sq feet of the property. This property is on the critical path for successful completion of the KHG section of the Project. The parcel is zoned Business (B-2). It is owned by the Massen-Greene Trust (Massen-Greene) and leased to the Cutter Development Company.

2. Background/Justification

The property (TMK 1-9-7-022:021) was designated as a partial take in the Final Environmental Impact Statement (FEIS). As required under the Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA) and FTA C5010.1D, the owners were notified of HART's intent to acquire the property and agreed to allow HART onto the property in order to conduct an appraisal by a certified local appraiser. This appraisal follows URA guidelines and took into consideration all site conditions as well as potential impacts the partial taking would have on the remainder of the property. The appraisal review, as required by the URA, was done by the Department of Design and Construction Land Division (DDC-LD) of the City and County of Honolulu.

HART has negotiated with the owner and is willing to administratively settle the acquisition. While the value of the taking may not be the issue, the owner has stated that he is waiting for his lessee, Cutter Development Co., to come to an agreement with HART on a separate acquisition of the neighboring property at 921 Kamehameha Hwy. Currently, the negotiations with the neighboring owner (Cutter) have stalled due to issues explained in a separate staff summary. The owner is unwilling to commit to an agreement until his lessee (Cutter) is satisfied.

Furthermore, the subject property is encumbered by a long-term ground lease between Massen-Greene and Cutter. HART must receive the property free and clear of any liens and encumbrances

prior to taking ownership of the subject parcel. Condemnation will ensure that any claim made for the just compensation will be distributed equitably between lessor and lessee, and that HART receives clear title to the property being acquired.

In the meantime, HART secured a Consent-to-Enter for Construction with the lessee Cutter on the subject property so that the project schedule would not be delayed and a negotiated settlement could be reached.

Given the issues surrounding the lessor and lessee relationship, and the encumbrance of the long-term ground lease, HART staff is now requesting the HART Board to review this Notification to City Council for authorization to institute condemnation proceedings for this property.

3. Procurement Background

N/A

4. Financial/Budget Impact

The project budget includes an estimated cost for legal action associated with the condemnation of the property.

5. Policy Impact

There is no policy impact since this action conforms to the requirement of the Uniform Relocation Act, FTA 1050.1D and Article XVII of the Charter of the City and County of Honolulu.

6. Public Involvement

N/A

7. Alternatives

There is no alternative given the ongoing construction and the need to acquire the property as soon as possible in order to avoid potential delays of the Kamehameha Guideway section of the Project.

Exhibits

Exhibit 1 – Appraisal Report

Exhibit 2 – Offer Letter to Property Owner

Exhibit 3 – Revised Offer Letter to Property Owner

Certified and Recommended by:



Executive Director and CEO



March 1, 2013

Mr. Jerry Iwata
 Real Estate Acquisition Manager
 Honolulu Authority for Rapid Transportation
 1099 Alakea Street, Suite 1700
 Honolulu, Hawaii 96813

Karen Char, MAI, CRE
 Paul D. Cool, MAI, CRE
 Shelly H. Tanaka

Dear Mr. Iwata:

Re: Partial Acquisition of the Leased Fee Interest in the Massen-Greene Parcel, Portion of Tax Map Key (1) 9-7-022:021

At your request, John Child & Company has estimated the fair market value of the leased fee interest in a 1,171~~sq~~ portion of the Massen-Greene Parcel proposed for acquisition. This letter summarizes the study background, objective, and estimated fair market value.

STUDY BACKGROUND

The Honolulu High-Capacity Transit Corridor Project (HHCTCP) requires a partial take involving a property identified as the Massen-Greene Parcel. The property consists of a 30,841~~sq~~ business-zoned parcel at the corner of Kamehameha Highway and Lehua Avenue in Pearl City, Oahu, Hawaii. The parcel is identified as Tax Map Key 9-7-022:021 of the First Taxation Division, as shown in Exhibit A.

The parcel was developed jointly with the 11,057~~sq~~ lot that abuts the Massen-Greene Parcel to the south. The parcel is identified as Tax Map Key 9-7-022:007 (Parcel 7).

Both parcels are owned by the Massen-Greene Trust and Massen-Greene Fund and improved with a 7,560~~sq~~ auto showroom and parking lot used in conjunction with the Cutter Family Auto Center Dodge Chrysler Jeep dealership shown in Exhibit B.

Both parcels are leased to Cutter Development Company for 50 years, from September 1, 1994 to August 31, 2044. Because the parcels are contiguous, share common ownership, and have a highest and best use in consolidation, the parcels form a “Larger Parcel” with a total land area of 41,898~~sq~~, as follows: [1]

[1] The *Larger Parcel* is defined as “That tract, or those tracts, of land which possess a unity of ownership and have the same, or an integrated, highest and best use. Elements of consideration by the appraiser in making a determination in this regard are contiguity, or proximity, as it bears on the highest and best use of the property, unity of ownership, and unity of highest and best use.” (Interagency Land Acquisition Conference, **Uniform Appraisal Standards for Federal Land Acquisitions**, 2000.)



Mr. Jerry Iwata
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 Page 2

| <u>Parcel</u> | <u>Land area (ƒ)</u> |
|-----------------------|--------------------------|
| Massen-Greene Parcel | 30,841 |
| Parcel 7 | <u>11,057</u> |
| Total "Larger Parcel" | <u><u>41,898</u></u> |

The portion of the Larger Parcel that will be acquired for the HHCTCP guideway includes a 1,171ƒ segment of the Massen-Greene Parcel along Kamehameha Highway. The final parcel map, prepared by Ryan M. Suzuki, Licensed Professional Land Surveyor, Certificate Number 10059 and dated March 21, 2011, is included in Exhibit C.

John Child & Company estimated the fair market value of the fee simple interest in the 1,171ƒ taking as of August 18, 2010. The scope of work, study conditions, property description, and estimated value were presented in a Summary Appraisal Report dated March 18, 2011 and Supplemental Letter dated May 9, 2011. John Child & Company updated the valuation as of November 2, 2011. The updated analysis was presented in a letter report dated December 2, 2011. These reports are incorporated herein by reference. [1]

The Honolulu Authority for Rapid Transportation (HART) has asked that the market value of the leased fee interest in the 1,171ƒ taking be estimated as of November 2, 2011. In this regard, you have asked us to assist you.

STUDY OBJECTIVE

The objective of our assistance will be to estimate the market value of the leased fee interest in the 1,171ƒ taking, as of November 2, 2011.

INTENDED USE AND USER(S)

Our assistance is intended to be used by HART and the U.S. Department of Transportation Federal Transit Administration (FTA) in connection with the HHCTCP.

As a result, our assistance is intended for the sole and exclusive use of HART (Client), and the FTA. The Client has agreed that our assistance is not intended for any other purpose or users and is not to be relied upon by any third parties for any purpose, whatsoever.

[1] Among the intended users of the appraisal was the City & County of Honolulu (The City). Since the completion of the appraisal, responsibility for the HHCTCP has been shifted from The City to HART, a semi-autonomous public transportation authority.

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DATE OF PROPERTY VISIT

The property was visited on October 19, 2011. The appraisers were accompanied by Mr. Charles Barbata, First Hawaiian Bank Trust Division and representative for the Massen-Greene Trust.

EFFECTIVE DATE OF APPRAISAL

The effective date of this retrospective appraisal is November 2, 2011.

DATE OF REPORT

The date of this report is March 1, 2013.

DEFINITIONS OF TERMS

Terms used in this report are defined as follows:

Fair Market Value

“Fair market value” means “market value.”

Market value means the amount in cash, or on terms reasonably equivalent to cash, for which in all probability the property would have sold on the effective date of the appraisal, after a reasonable exposure time on the open competitive market, from a willing and reasonably knowledgeable seller to a willing and reasonably knowledgeable buyer, with neither acting under any compulsion to buy or sell, giving due consideration to all available economic uses of the property at the time of the appraisal. [1]

Fee Simple Interest

“Fee simple interest” is the same as “fee simple estate.”

Fee simple estate is defined as absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat. [2]

[1] Interagency Land Acquisition Conference, **Uniform Appraisal Standards for Federal Land Acquisitions**, 2000.

[2] Appraisal Institute, **The Dictionary of Real Estate Appraisal**, Fifth Edition.

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Leased Fee Interest

Leased fee interest is defined as a freehold (ownership interest) where the possessory interest has been granted to another party by creation of a contractual landlord-tenant relationship (i.e., a lease). [1]

REPORT FORMAT

The appraisal assignment is presented in a Summary Appraisal Report that is intended to comply with the reporting requirements set forth under Standards Rule 2-2(b) of the Uniform Standards of Professional Appraisal Practice for a Summary Appraisal Report.

The report is intended to be used in conjunction with the Summary Appraisal Report and Supplemental Letters prepared by John Child & Company as of August 18, 2010 and dated March 18, 2011, May 9, 2011, and December 2, 2011. The opinions and conclusions may not be understood properly without additional information contained in the Summary Appraisal Report, Supplemental Letters, and the workfile of John Child & Company.

PRIOR ASSIGNMENT DISCLOSURE

Within the past three years, we have provided real estate appraisal and/or consulting services relating to an ownership interest in the property that is the subject of this proposal.

SIGNIFICANT VALUATION ASSUMPTION

The 1,171^{sf} taking includes a portion of the parcel's Kamehameha Highway access point, and paved area that is used for parking. According to the Client, an access easement would be provided over the portion to be taken. Therefore, the analysis assumes the Kamehameha Highway access to the remainder lot would not be impacted.

STUDY CONDITIONS

This report is subject to the Study Conditions included in Addendum 1.

[1] Appraisal Institute, **The Dictionary of Real Estate Appraisal**, Fifth Edition.

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VALUATION METHOD AND SCOPE OF WORK

The fair market value of the 1,171 $\frac{1}{2}$ taking is estimated based on the *before and after* method of valuation, described as follows:

$$\begin{array}{r}
 \text{Fair market value of the "before property"} \\
 - \text{Fair market value of the "after property"} \\
 \hline
 = \text{Fair market value of the taking (difference in value)} \\
 \hline
 \hline
 \end{array}$$

The result of this method is a figure that automatically includes the value of the land actually acquired as well as any severance damages and/or special benefits to the remainder property. [1]

The fair market value of the leased fee interest in the "before property" and "after property" are estimated by the income capitalization approach using discounted cash flow analysis. The income capitalization approach recognizes that, to an investor, the earning power of a property is the critical element affecting its value. The purchase of an income-producing property represents the exchange of present dollars for the right to receive future dollars.

The discounted cash flow analysis focuses on the quantity, variability, timing and duration of periodic incomes, and quantity and timing of the reversion. The analysis discounts these future benefits to a present value indicator.

The discounted cash flow analysis is appropriate for valuing the leased fee interest because the property produces income, and the income fluctuates over the term of the lease. However, the income can be reliably projected, and discount rates can be reliably estimated from sales of other investments including commercial leased fee interests in Hawaii.

The following scope of work was used to complete this assignment:

1. Reviewed the property characteristics, key valuation issues, and analyses used to estimate the fair market value of the fee simple land comprising the Larger Parcel and 1,171 $\frac{1}{2}$ taking, as of August 18, 2010 and November 2, 2011.
2. Reviewed the Lease dated September 1, 1994 and analyzed the impact of the taking.
3. Projected the lease rents and value of the reversionary interest at the end of the lease term for the "before property" and "after property."

[1] Interagency Land Acquisition Conference, "Uniform Appraisal Standards for Federal Land Acquisitions" (UASFLA), Fifth Edition, 2000.



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Page 6

4. Researched sales of commercial and industrial leased fee interests in Hawaii, confirmed these sales, and derived discount rate indicators from these sales for comparison to the subject property.
5. Considering the property and investment characteristics, estimated the appropriate discount rate for valuing the leased fee interest in the “before property” and “after property.”
6. Using this discount rate, capitalized the projected income stream and reversionary interest into a present value indicator and estimated the fair market value of the “before property” and “after property” by discounted cash flow analysis.
7. Estimated the fair market value of the leased fee interest in the 1,171 $\overline{\text{f}}$ taking based on the difference between the “before property” and “after property” values.

VALUATION ANALYSIS

The leased fee valuations of the “before property” and “after property” are summarized under the following subheadings.

Lease Terms

The Indenture of Lease, dated September 1, 1994, is included in Addendum 2. Key terms are summarized as follows:

- The Lease extends 50 years, from September 1, 1994 through August 31, 2044.
- The demised premises are identified as including 42,091 $\overline{\text{f}}$ consisting of the Massen-Greene Parcel and Parcel 7. The slightly larger land area included 193 $\overline{\text{f}}$ that has since been taken for a corner rounding on Lehua Avenue and Fourth Avenue.
- The monthly base rent is payable on the first day of each and every month. The rent is a triple-net lease rent, and the lessee is responsible for General Excise Tax, real property tax, utilities, and all other property operation and maintenance expenses during the lease term.
- The monthly base rent was established for the first 20 years through August 31, 2014. The current monthly base rent is \$19,200 until August 31, 2014.

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- The monthly base rent for each of the next three successive 10-year periods beginning September 1, 2014 is to be adjusted in proportion to changes in the Consumer Price Index, All Urban Consumers (All Items), for the Los Angeles-Anaheim-Riverside Metropolitan Area. However, in no event shall the monthly base rent be increased by less than 15% or more than 35% above the monthly base rent for the preceding 10-year period.
- Paragraph 17.b Partial Condemnation states:

“...if the portion of Premises so taken (by eminent domain) shall not be so extensive as may reasonably be construed to render the remainder of the Premises unsuitable for Lessee’s business, Lessor shall (but only out of and not exceeding the amount of the award received by Lessor for such taking) repair and restore the remainder of the Premises as near practicable to the condition as it existed immediately prior to such taking and, except as otherwise herein provided, this Lease shall continue in full force and effect. Lessee shall not be entitled to any damages from Lessor by reason of any inconvenience or loss sustained by Lessee as a result of such taking, but may seek such damages from the condemning authority.”
- Paragraph 17.c Abatement of Rent states:

“If the Lease continues after the taking, in accordance with the provisions of paragraph (b) next above, the rents and other payments required hereunder which are a function of the number of square feet in the Premises shall be adjusted from the date of actual taking by recomputing such payments based on the number of square feet remaining in the leasable area of the Premises after such taking.”

Projected Rents Before and After Taking

The monthly base rents for the remaining term of the lease are projected before and after the taking. In accordance with Paragraph 17.c of the Lease, the “after property” rents are adjusted downward -2.8%, equal to the reduction in land area resulting from the 1,171~~sq~~ taking, as follows:

Demised Premises and Current Monthly Base Rent for the “Before” and “After” Property

| | Land area (sq) | % of total | Current monthly base rent |
|-----------------------|-------------------|---------------|---------------------------------|
| “Before property” | 41,898 | 100% | \$19,200 |
| Adjustment for taking | (1,171) | -2.8% | (537) |
| “After property” | <u>40,727</u> | <u>97.2%</u> | <u>\$18,663</u> |



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The lease states the monthly base rents are to be adjusted every 10 years based on the change in the CPI. However, the adjustment shall be no less than 15% and no more than 35%. Based on the minimum and maximum adjustments per lease, the monthly base rents are projected as follows:

Projected Monthly Base Rents

| Lease term | Assuming Minimum 15% Adjustment | | Assuming Maximum 35% Adjustment | |
|-------------------------------------|------------------------------------|---------------------|------------------------------------|---------------------|
| | "Before property" | "After property" | "Before property" | "After property" |
| To August 31, 2014 | \$19,200.00 | 18,663.38 | \$19,200.00 | 18,663.38 |
| September 1, 2014 - August 31, 2024 | 22,080.00 | 21,462.89 | 25,920.00 | 25,195.57 |
| September 1, 2024 - August 31, 2034 | 25,392.00 | 24,682.32 | 34,992.00 | 34,014.01 |
| September 1, 2034 - August 31, 2044 | 29,200.80 | 28,384.67 | 47,239.20 | 45,918.92 |

Reversionary Interest

The fee simple interest in the land and buildings will revert to the Lessors at the end of the lease on August 31, 2044. At that time, the improvements will be nearly 70 years old and are likely to have little value. Therefore, the reversionary interest in the property at the end of the lease is estimated based on the projected land value in 2044.

John Child & Company estimated the fee simple land value of the Larger Parcel as of November 2, 2011 in connection with the appraisal of the fee simple interest in the taking as of that date. Based on the valuation assumptions, study conditions, and valuation analyses summarized in the December 2, 2011 appraisal report, the per square foot land rate for the Larger Parcel was estimated to be about \$62/ſſ. The total land values for the “before property” and “after property” are shown as follows:

| | “Before property” | “After property” |
|--|----------------------|---------------------|
| Estimated land value of the Larger Parcel (\$/ſſ) | \$62.00 | 62.00 |
| Land area of Larger Parcel (ſſ) | x 41,898 | x 40,727 |
| Estimated land value of the Larger Parcel, rounded | <u>\$2,600,000</u> | <u>2,530,000</u> |



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A long-term average annual appreciation rate of 3.0% is used to project the fee simple land value of the reversion in 2044, or about 32 years hence, as follows:

| | <u>“Before property”</u> | <u>“After property”</u> |
|---|------------------------------|-----------------------------|
| Estimated land value as of November 2, 2011 | \$2,600,000 | 2,530,000 |
| Appreciation factor (382 months, 3.0% per year) | <u>2.5624</u> | <u>2.5624</u> |
| Projected value at reversion, rounded | <u>\$6,660,000</u> | <u>6,480,000</u> |

Discount Rate

The projected rents and reversionary value at the end of the lease are converted to a present value estimate using discount rates that reflect the current and anticipated market conditions for the leased fee interest, the specific contract lease terms and rents, and the security offered by the property.

Recent sales of commercial leased fee interests in Hawaii indicate discount rates ranging from about 6.3% to 9.5% assuming land values appreciate 3% annually, as shown in Exhibit D.

Variations in the discount rate can largely be explained by the following:

- Buyer profile – discount rates tend to be lower for sales to lessees (i.e., owner-user “premium”).
- Type of property – industrial properties such as the M. Dyer & Sons and Esposito Trust properties tend to sell at higher discount rates than e.g., hotel properties.
- Improvements – properties that have significant building improvements provide additional collateral for the leased fee interest and tend to sell at lower discount rates than properties that are either 1) minimally improved and/or 2) have improvements that are not the highest and best use and may not support market ground rents.
- Lease structure – properties with additional upside potential or security resulting from specific lease terms tend to sell at lower discount rates. For example, the Hyatt Regency leased fee interest indicates a discount rate of 6.3%. However, the lease provides for a market ground rent, no less than 7% of land value or the prior period’s rent, plus “add-on” rents that are known for the duration of the lease.



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The Lease to Cutter Development Company extends for another 32 years with rent adjustments every 10 years beginning September 1, 2014. The lease contains a minimum and maximum rent adjustment. Although the lease eliminates the risk that rents will fall, it also eliminates the upside potential.

Currently, the monthly base rent for the “before property” is \$19,200, or \$230,400 annually. The rent is slightly above-market. The lessee is a long-time, family-owned car dealership with multiple locations on Oahu, and the risk of lessee default is considered to be low. However, should conditions change, the improvements would likely have little or no value to anyone else. As a result, the collateral value of the existing improvements is minimal and does not enhance the value of the leased fee interest.

Leased fee sales that involved industrial properties and/or improvements that similarly contributed minimally to the overall property value traded at discount rates at the upper end of the range, or 7.9% to 9.5%.

Considering the Massen-Greene property characteristics and lease terms, the discount rate for valuing the leased fee interests in the “before property” and “after property” is estimated to be between 8.0% and 9.0%.

Indicated Value Range at Varying Discount Rates

Using the midpoint discount rate of 8.5%, the indicated value of the leased fee interest in the “before property,” assuming rents are adjusted every ten years based on the maximum increase of +35%, is estimated to be about \$4,340,000, as shown in Exhibit E. The value of the “after property” based on these same assumptions is \$4,220,000, as shown in Exhibit F. The difference in value is \$120,000, as follows:

Indicated Value of the Taking
 Based on 8.5% Discount Rate and 35% Rent Adjustment

| | |
|---|-------------------------|
| Fair market value of the “before property” | \$4,340,000 |
| Fair market value of the “after property” | <u>(4,220,000)</u> |
| Fair market value of the taking (difference in value) | <u><u>\$120,000</u></u> |

The values assuming discount rates of 8.0% to 9.0% and rent adjustments of +15% to +35% are summarized as follows:

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| <u>Discount rate</u> | <u>“Before property” value</u> | <u>“After property” value</u> | <u>Difference: value of the taking</u> |
|--------------------------------|--------------------------------|-------------------------------|--|
| +15% Rent Adjustment (Minimum) | | | |
| 8.0% | \$3,800,000 | 3,690,000 | 110,000 |
| 8.5% | 3,550,000 | 3,460,000 | 90,000 |
| 9.0% | 3,340,000 | 3,240,000 | 100,000 |
| +20% Rent Adjustment | | | |
| 8.0% | \$4,000,000 | 3,890,000 | 110,000 |
| 8.5% | 3,740,000 | 3,640,000 | 100,000 |
| 9.0% | 3,510,000 | 3,410,000 | 100,000 |
| +30% Rent Adjustment | | | |
| 8.0% | \$4,420,000 | 4,300,000 | 120,000 |
| 8.5% | 4,130,000 | 4,020,000 | 110,000 |
| 9.0% | 3,870,000 | 3,760,000 | 110,000 |
| +35% Rent Adjustment (Maximum) | | | |
| 8.0% | 4,640,000 | 4,520,000 | 120,000 |
| 8.5% | 4,340,000 | 4,220,000 | 120,000 |
| 9.0% | 4,060,000 | 3,950,000 | 110,000 |

Reconciliation

The indicated values based on the *before and after* method define a relatively narrow range for the taking of \$90,000 to \$120,000, shown in the last column above. The upper end of the range assumes lower discount rates and/or higher 10-year rent adjustments up to the maximum +35% adjustment stated in the Lease.

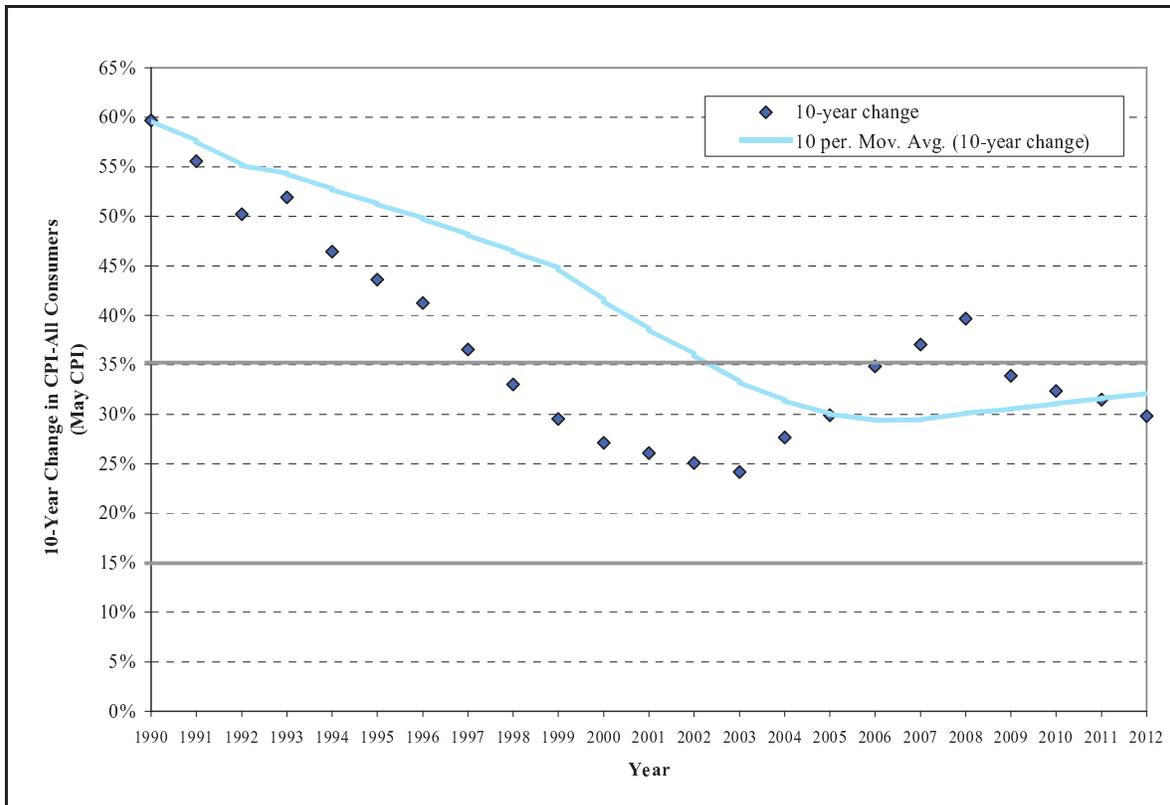
The discount rates used to estimate the present value of the projected income streams were based on discount rates derived for comparable leased fee sales that assumed a compound, long-term land appreciation rate of 3.0% per year. This appreciation rate assumption is most similar to the +35% 10-year adjustment factor.



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Since 1990, the 10-year change in the Anaheim-Riverside CPI has fluctuated between 24% and 60%, as follows:

10-Year Change in Anaheim-Riverside CPI (All Items) [1]



Based on the historical trend, the monthly base rents under the Lease can be reasonably expected to increase by at least +24% every 10 years.

Considering the historical trend in CPI, and the long-term appreciation rate/discount rate pairings for the comparable leased fee sales, a value at the upper end of the indicated value range is considered to be most reliable.

[1] The graph shows, for example, the May 1990 CPI was +60% higher than the May 1980 CPI; the May 2003 CPI was only +24% higher than the May 1993 CPI.



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ESTIMATED MARKET VALUE OF THE TAKING

Based on the valuation assumptions and analyses, the fair market value of the leased fee interest in the 1,170^{sq}ft taking, as of November 2, 2011, is estimated to be about:

ONE HUNDRED TWENTY THOUSAND DOLLARS
\$120,000.

* * * * *

We appreciate having the opportunity to assist you on this interesting assignment. Please contact us if you have any questions.

Sincerely,

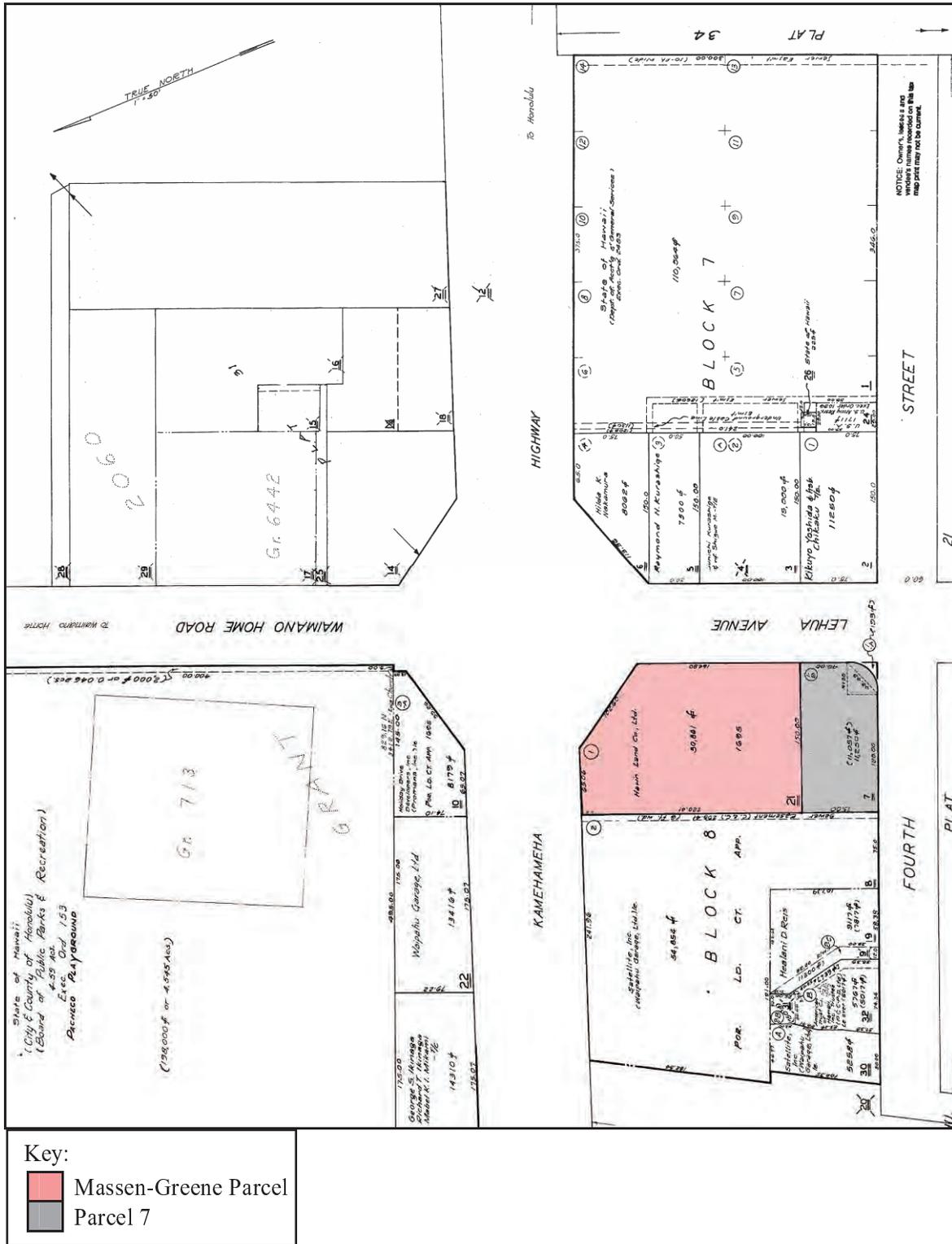
JOHN CHILD & COMPANY, INC.

Paul D. Cool, MAI, CRE
Vice President
Certified General Appraiser License No. 71
State of Hawaii
Expires December 31, 2011

Shelly H. Tanaka
Appraiser
Certified General Appraiser License No. 648
State of Hawaii
Expires December 31, 2013



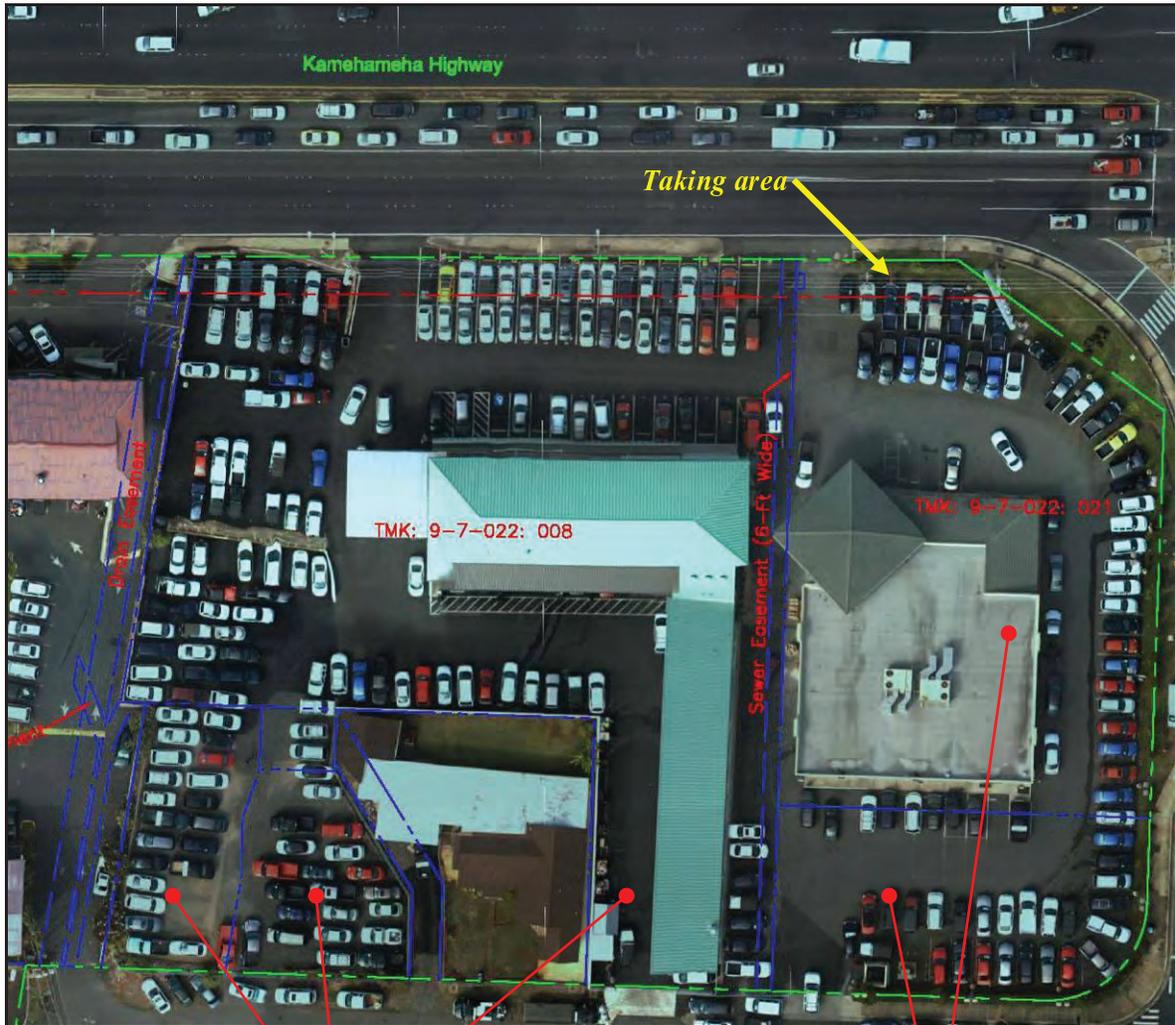
PORTION OF TAX MAP PLAT (1) 9-7-022



Source: Title Guaranty of Hawaii, Title Guaranty Express.



AERIAL PHOTOGRAPH OF THE CUTTER FAMILY AUTO CENTER



Auto parts and service center
(owned in fee simple by Cutter)

Auto showroom and parking lots on
Massen-Greene Parcel and Parcel 7
(leased to Cutter)

Massen-Green Parcel

Exhibit D

RECENT LEASED FEE SALES IN HAWAII

| No. | Property description | Sale date | Leased fee price | Remaining Lease Term in Years | | Rate of return on land | Discount rate at 3.0% appreciation | Overall cap rate |
|---------------------|--|-----------|------------------|-------------------------------|----------|------------------------|------------------------------------|------------------|
| | | | | Total | Fixed | | | |
| Sales to lessees: | | | | | | | | |
| 1 | Aqua Lotus Hotel Waikiki | 7/18/2011 | \$5,620,000 | 28.5 | 3.5 | 6.25% | 6.6% | 4.6% |
| 2 | City Financial Tower Parking Garage | 12/1/2011 | 6,200,000 | 42.2 | 7.2 | 8.50% | 6.6% | 5.7% |
| 3 | Castle Professional Center | 5/11/2011 | 7,000,000 | 15.5 | 5.5 | 8.00% | 6.8% | 5.8% |
| 4 | Kalihi Shell | 8/19/2010 | 1,900,000 | 6.6 | 1.6 | 8.00% | 7.9% | 7.8% |
| 5 | M. Dyer & Sons | 5/16/2011 | 9,000,000 | 18.0 | 8.0 | 8.00% | 7.9% | 6.1% |
| Sales to investors: | | | | | | | | |
| 5 | Hyatt Regency Waikiki: CK Corp Parcels | 3/31/2011 | 42,500,000 | 36.8 | 5.8 | 8.00% | 6.3% | 5.2% |
| 6 | Kobe Restaurant Ala Moana Parcel | 8/30/2010 | 2,200,000 | 13.3 | 3.3 | 6.00% | 6.9% | 7.0% |
| 7 | Esposito R.E. Trust | 12/2/2011 | 830,000 | 18.3 | 18.3 | -- | 8.1% | 5.0% |
| 8 | Piialoha Maui | 4/12/2010 | 2,644,601 | 21.6 | 6.6 | 8.00% | 9.3% | 7.1% |
| 9 | Home Depot Iwilei | 6/10/2010 | 23,170,000 | 13.0 | [1] 13.0 | 8.00% | 9.5% | 7.4% |

[1] Plus four, 5-year options to extend.

Source: John Child & Company, based on public records and interviews with the parties to the transactions and/or their representatives.

Massen-Greene Parcel

Exhibit E



INDICATED VALUE OF THE LEASED FEE INTEREST IN THE “BEFORE PROPERTY” USING AN 8.5% DISCOUNT RATE AND MAXIMUM +35% RENT ADJUSTMENT

| <u>From</u> | <u>To</u> | <u>No. of months</u> | <u>Monthly base rent</u> | <u>Discount factor</u> | <u>Present value</u> |
|---|-----------|----------------------|--------------------------|------------------------|---------------------------|
| Contract rental income: | | | | | |
| 11/02/12 | 08/31/14 | 22.0 | \$19,200.00 | 20.4490 | \$392,621 |
| 09/01/14 | 08/31/24 | 120.0 | 25,920.00 [1] | 69.5432 | 1,802,560 |
| 09/01/24 | 08/31/34 | 120.0 | 34,992.00 [1] | 29.8130 | 1,043,216 |
| 09/01/34 | 08/31/44 | 120.0 | 47,239.20 [1] | 12.7808 | 603,755 |
| Subtotal | | | | | <u>3,842,152</u> |
| Present value of the land at reversion: | | | | | |
| Current land value | | | | | 2,600,000 |
| Projected annual appreciation to end of lease | | | | | <u>2,5624</u> |
| Estimated value at reversion, rounded | | | | | 6,660,000 |
| Discount factor | | | | | <u>0.0745</u> |
| Present value of the reversion of the land | | | | | <u>496,167</u> |
| Estimated value of the leased fee interest, rounded | | | | | <u><u>\$4,340,000</u></u> |

[1] Assumes +35% maximum rent adjustment every ten years, per lease.



INDICATED VALUE OF THE LEASED FEE INTEREST IN THE "AFTER PROPERTY" USING AN 8.5% DISCOUNT RATE AND MAXIMUM +35% RENT ADJUSTMENT

| <u>From</u> | <u>To</u> | <u>No. of months</u> | <u>Monthly base rent</u> | <u>Discount factor</u> | <u>Present value</u> |
|---|-----------|----------------------|--------------------------|------------------------|---------------------------|
| Contract rental income: | | | | | |
| 11/02/12 | 08/31/14 | 22.0 | \$18,663.38 | 20.4490 | \$381,648 |
| 09/01/14 | 08/31/24 | 120.0 | 25,195.57 [1] | 69.5432 | 1,752,180 |
| 09/01/24 | 08/31/34 | 120.0 | 34,014.01 [1] | 29.8130 | 1,014,060 |
| 09/01/34 | 08/31/44 | 120.0 | 45,918.92 [1] | 12.7808 | 586,881 |
| Subtotal | | | | | <u>3,734,769</u> |
| Present value of the land at reversion: | | | | | |
| Current land value | | | | | 2,530,000 |
| Projected annual appreciation to end of lease | | | | | <u>2.5624</u> |
| Estimated value at reversion, rounded | | | | | 6,480,000 |
| Discount factor | | | | | <u>0.0745</u> |
| Present value of the reversion of the land | | | | | <u>482,757</u> |
| Estimated value of the leased fee interest, rounded | | | | | <u><u>\$4,220,000</u></u> |

[1] Assumes +35% maximum rent adjustment every ten years, per lease.

CERTIFICATION



We certify, to the best of our knowledge and belief:

- Reported statements of fact are true and correct.
- Reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are our unbiased professional analyses, opinions, and conclusions.
- We have no present or prospective interest in the property that is the subject of this report, and we have no personal interest or bias with respect to the parties involved.
- Within the past three years, we have provided real estate appraisal and/or consulting services relating to an ownership interest in the property that is the subject of this report and have informed the client prior to acceptance of this assignment.
- Our engagement was not contingent upon developing or reporting predetermined results.
- Our compensation is not contingent on the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event and is not contingent on an action or event resulting from the analyses, opinions or conclusions in, or use of, this report.
- The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Uniform Standards of Professional Appraisal Practice and the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives. It is also subject to the same review by the Counselors of Real Estate and the American Society of Appraisers.
- As of the date of this report, Paul D. Cool, MAI has completed the continuing education program for Designated Members of the Appraisal Institute.
- As of the date of this report, Shelly Tanaka has completed the Standards and Ethics Education Requirements for Candidates of the Appraisal Institute.
- Paul Cool and Shelly Tanaka did not visit the real estate for the purpose of this assignment. However, they visited the property on October 19, 2011, shortly before the November 2, 2011 retrospective date of valuation.
- No one other than the undersigned prepared the analysis, opinions, and conclusions in this report.

JOHN CHILD & COMPANY, INC.

Paul D. Cool, MAI, CRE
Vice President
Certified General Appraiser License No. 71
State of Hawaii
Expires December 31, 2013

Shelly H. Tanaka
Appraiser
Certified General Appraiser License No. 648
State of Hawaii
Expires December 31, 2013

**DEPARTMENT OF DESIGN AND CONSTRUCTION
CITY AND COUNTY OF HONOLULU**

860 SOUTH KING STREET, 11TH FLOOR
HONOLULU, HAWAII 96813
Phone: (808) 768-8480 • Fax: (808) 768-4667
Web site: www.honolulu.gov

PETER B. CARLISLE
MAYOR



COLLINS D. LAM, P.E.
DIRECTOR

LORITA M. KAHIKINA, P.E.
DEPUTY DIRECTOR

LA 11-297.JH

May 25, 2011

Massen-Greene Fund Trust
c/o Richard C. Massen Trust
First Hawaiian Bank Real Estate Services
P. O. Box 1550
Honolulu, Hawaii 96806

Gentlemen:

**Subject: Honolulu High-Capacity Transit Corridor Project, Segment 2
905 Kamehameha Highway
Parcel 30, area 1,171 Square Feet
Tax Map Key No. 9-7-022-021 (Portion)**

This is a follow-up to our previous correspondence dated January 27, 2011, regarding the subject matter. An appraisal for the portion of your property to be acquired has been completed. Based on our findings as contained in the enclosed Statement of Just Compensation, the City offers to purchase Parcel 30, area 1,171 square feet, identified as Tax Map Key No. (1) 9-7-022-021 (portion), in fee simple, free and clear of all liens and encumbrances, for the consideration of \$73,000.00 (Seventy-three Thousand Dollars).

If this offer is acceptable, please sign the duplicate of this letter and the Consent to Enter and return them in the enclosed envelope by June 8, 2011. The remaining copies are for your files.

Also, enclosed for your information is the Appraisal Summary Statement.

In accordance with federal regulations affecting real property transactions, we request your cooperation in providing us with your Taxpayer Identification Number. Please execute and return the enclosed IRS Form W-9 at the same time. The W-9 is required by our Department of Budget and Fiscal Services to release the check.

Massen-Greene Fund Trust
May 25, 2011
Page 2

Please call Greg Fujinaka at 768-8702 or Dodie Browne at 768-8733 if you have any questions regarding this matter.

Very truly yours,


Thomas T. Miyata, Chief
Land Division

GF:jh

Enclosures

ACCEPTED:

MASSEN-GREENE FUND

By _____
Its

Dated: _____

Phone (Bus.): _____

(Cell) _____

MASSEN-GREENE TRUST

By _____
Its

Dated: _____

Phone (Bus.): _____

(Cell) _____

CONSENT TO ENTER

The undersigned, being the owner of that certain property bearing the tax map key listed hereinbelow, hereby consents to the entry by the City and County of Honolulu for the purpose stated:

PROJECT: Honolulu High-Capacity Transit Corridor
TAX MAP KEYS: (1) 9-7-022-021
LOCATION: 905 Kamehameha Highway
PURPOSE: Construction Activities

It is understood that this consent to enter is granted upon the following terms:

(1) That the area covered by this consent document is colored in yellow on the attached map. That this consent includes the right of ingress to and egress from said consent to enter area over the land of the undersigned, adjacent thereto for all purposes in connection with this consent to enter.

(2) That this consent to enter is granted for a **nominal** consideration of \$1.00.

(3) That the City and County of Honolulu shall indemnify the undersigned against liability for injury to or death of persons in the manner provided by law when such injury or death is caused by the negligent use of said property by the City and County of Honolulu, resulting from this consent to enter.

(4) That the entire cost of the work proposed to be done and all other expenses incidental thereto will be borne by the City and County of Honolulu.

(5) That the City and County of Honolulu will, in its discretion, determine the extent of the work to be done.

(6) That this consent to enter is granted for a period of thirty-six (36) months commencing from date of actual entry or upon completion of work, whichever is sooner.

(7) That the City and County of Honolulu or its representative will provide the undersigned written notification at least two weeks prior to the entry into said property by the City and County of Honolulu's contractor.

(8) That this consent to enter shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, devisees, personal representatives, successors in trust, successors and assigns.

(9) That this consent to enter shall be null and void upon recordation of the deed or other document conveying said property to the City and County of Honolulu.

DATED: HONOLULU, HAWAII _____.

MASSEN-GREENE FUND

By _____
Its

Phone _____

MASSEN-GREENE TRUST

By _____
Its

Phone _____

APPROVED AS TO FORM AND
LEGALITY

WINSTON K. Q. WONG

Deputy Corporation Counsel

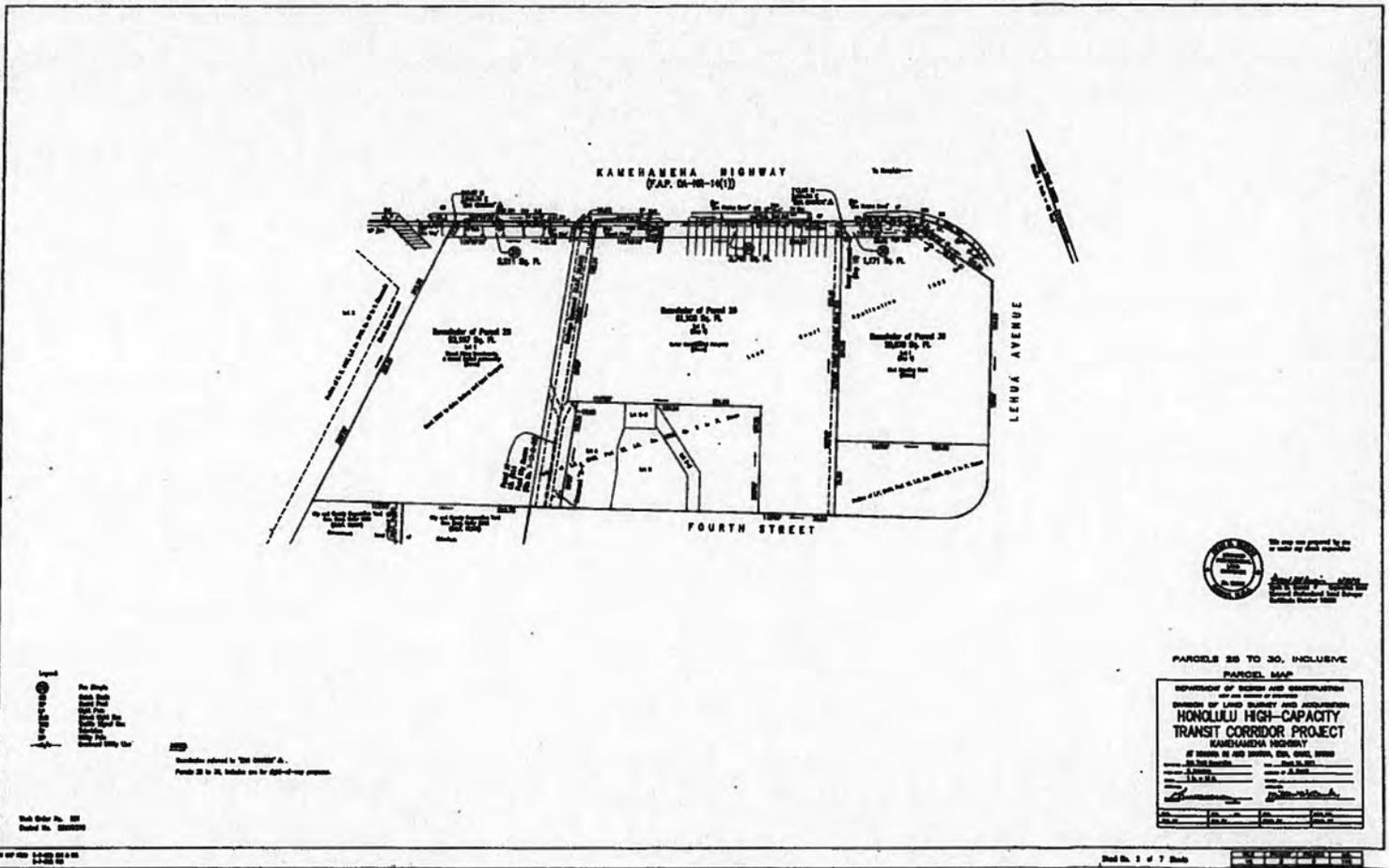
APPROVED AS TO CONTENTS



Department of Transportation Services

GF:jh
(04/13/11)

(11-206.CTE)



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Scale: 1" = 100' (Horizontal)
1" = 100' (Vertical)



PARCELS 28 TO 30, INCLUSIVE
PARCEL MAP
DEPARTMENT OF PLANNING AND CONSTRUCTION
STATE OF HAWAII
**HONOLULU HIGH-CAPACITY
TRANSIT CORRIDOR PROJECT**
KAMEHAMEHA HIGHWAY
BY: [Signature]
DATE: [Date]

STATEMENT OF JUST COMPENSATION

PROJECT: HONOLULU HIGH-CAPACITY TRANSIT CORRIDOR PROJECT
(HHCTCP)

LOCATION: 905 Kamehameha Highway, Pearl City, Ewa, Oahu, Hawaii

TAX MAP KEY: (1) 9-7-022-021

OWNER(S): Massen-Greene Trust and Massen-Greene Fund

INTEREST TO BE ACQUIRED: Unencumbered fee simple

LARGER PARCEL: 41,898 square feet

PARCEL TO BE ACQUIRED: Parcel 30; consisting of approximately 1,171 square feet

ZONING: B-2, Community Business

IMPROVEMENTS: None

PURPOSE: Under the United States and Hawaii Constitutions, private property cannot be taken for public use without payment of just compensation. In accordance with the Code of Federal Regulations, the City and County of Honolulu, Department of Design and Construction – Land Division, submits a written statement of and summary of the basis for the amount it has established as just compensation for the above identified property.

In estimating just compensation, an appraisal was performed by a State of Hawaii licensed appraiser. The amount established as just compensation is not less than the approved appraisal of the fair market value of the property being acquired.

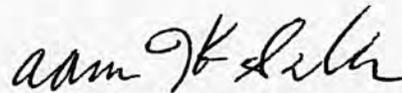
Unless otherwise stated in the attached letter of offer, the amount established as just compensation is for the real property being acquired, which includes land, buildings, structures, or improvements located on, or damaged as a result of the taking of the areas and interest described in the attached letter of offer.

The amount established as just compensation does not include items of personal property such as household furnishings, clothing and appliances.

JUST COMPENSATION: The City and County of Honolulu recommends a just compensation amount for the property being acquired as of August 18, 2010 at:

\$73,000

The original of this statement to be tendered to the above named owner has been signed in blue ink. If the signature is not in original ink, as opposed to duplicating, electrostatic or other media, this Statement of Just Compensation is not valid.



AARON T. K. SAKAMOTO, Review Appraiser
Department of Design and Construction
City and County of Honolulu
Certified Residential Appraiser, #827
Expiration Date: 12/31/2011

APPRAISAL SUMMARY STATEMENT

PROJECT: HONOLULU HIGH-CAPACITY TRANSIT CORRIDOR PROJECT (HHCTCP)

ADDRESS: 905 Kamehameha Highway, Pearl City, Oahu, Hawaii

TAX MAP KEY: (1) 9-7-022-021

PARCEL: 30;
Acquisition Parcel Map prepared by R.M. Towill Corporation dated March 21, 2011

AREA OF TAKING: 1,171 square feet

AREA BEFORE TAKING: 41,898 square feet

PROPERTY ACQUIRED: All: _____ Part: X

INTEREST TO BE ACQUIRED: Fee simple

OWNER(S): Massen-Greene Trust and Massen-Greene Fund

COUNTY ZONING: B-2, Community Business

HIGHEST & BEST USE: Commercial

ASSESSED VALUE (2010):

| | |
|--------------|---------------------|
| Land | \$ 1,631,600 |
| Improvements | \$ 1,050,000 |
| TOTAL | \$ 2,681,600 |

The Appraisal Estimate is: \$73,000

The value of the property being acquired is based upon an appraisal prepared in accordance with accepted appraisal practices. Full and careful consideration has been given to the highest and best use for development of the property and to all features inherent in your property in order that the highest valuation possible can be made. The Appraisal Estimate and appraisal were developed and reported in conformity with Federal regulations, State statutes, and City ordinances.



IN REPLY REFER TO:
CMS-APOOROW-00220

HONOLULU AUTHORITY for RAPID TRANSPORTATION

Daniel A. Grabauskas
EXECUTIVE DIRECTOR AND CEO

CERTIFIED MAIL/RETURN RECEIPT REQUESTED
7012 3460 0002 2285 2091

BOARD OF DIRECTORS

Carrie K.S. Okinaga, Esq.
CHAIR

March 20, 2013

Ivan M. Lui-Kwan, Esq.
VICE CHAIR

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William "Buzz" Hong
Donald G. Horner
Kestie W.K. Hui
Damien T.K. Kim
Glenn M. Okimoto, Ph.D.

Massen-Greene Fund and Trust
c/o Mr. Charles Barbata
First Hawaiian Bank Real Estate Services
P.O. Box 1550
Honolulu, Hawaii 96806

Ladies and Gentlemen:

Subject: Honolulu Rail Transit Project (H RTP)
905 Kamehameha Highway
Revised Offer
Parcel: Tax Map Key 9-7-022-021 (Portion)

This is in reference to the City and County of Honolulu's letter of offer dated January 4, 2012, to purchase a portion of the subject property in fee simple, free and clear of all liens and encumbrances. Submitted for your consideration and acceptance is a revised offer amount of \$120,000 (One Hundred Twenty Thousand and No/100 Dollars). All other terms and conditions will remain the same as contained in the January 4, 2012 letter. This offer is subject to the concurrence of the Federal Transit Administration.

The Honolulu Authority for Rapid Transportation (HART) will be using Title Guaranty to escrow the transaction. The escrow fees and closing costs shall be borne by HART.

If the revised offer is acceptable, please sign on the acceptance portion of the duplicate letter and return a signed copy to us. At the same time, we request your cooperation in filling out and returning the enclosed IRS form W-9 with your Taxpayer Identification Number. The W-9 is required by the City's Department of Budget and Fiscal Services to release the funds.

Please contact Mr. Jerry Iwata at 808-768-6192 if you have any questions.

Sincerely,

Daniel A. Grabauskas
Executive Director and CEO

Massen-Greene Fund and Trust
Page 2
March 20, 2013

Enclosure

ACCEPTED:

MASSEN-GREENE FUND

By _____
Its
Print Name: _____

MASSEN-GREENE TRUST

By _____
Its
Print Name: _____

Form **W-9**
(Rev. December 2011)
Department of the Treasury
Internal Revenue Service

Request for Taxpayer Identification Number and Certification

**Give Form to the
requester. Do not
send to the IRS.**

| | | |
|---|--|---|
| Print or type See Specific Instructions on page 2. | Name (as shown on your income tax return) | |
| | Business name/disregarded entity name, if different from above | |
| | Check appropriate box for federal tax classification: <input type="checkbox"/> Individual/sole proprietor <input type="checkbox"/> C Corporation <input type="checkbox"/> S Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Trust/estate <input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) ▶ _____ <input type="checkbox"/> Other (see instructions) ▶ _____ | |
| | <input type="checkbox"/> Exempt payee | |
| | Address (number, street, and apt. or suite no.) | Requester's name and address (optional) |
| City, state, and ZIP code | | |
| List account number(s) here (optional) | | |

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on the "Name" line to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

| Social security number | | | | | | | | | |
|------------------------|--|--|--|--|--|--|--|--|--|
| | | | | | | | | | |

| Employer identification number | | | | | | | | | |
|--------------------------------|--|--|--|--|--|--|--|--|--|
| | | | | | | | | | |

Note. If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
3. I am a U.S. citizen or other U.S. person (defined below).

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions on page 4.

Sign Here

Signature of U.S. person ▶

Date ▶

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Purpose of Form

A person who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income.

Note. If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States,
- An estate (other than a foreign estate), or
- A domestic trust (as defined in Regulations section 301.7701-7).

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax on any foreign partners' share of income from such business. Further, in certain cases where a Form W-9 has not been received, a partnership is required to presume that a partner is a foreign person, and pay the withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid withholding on your share of partnership income.

7012 3460 0002 2285 2091

| | |
|---|---------------|
| U.S. Postal Service CERTIFIED MAIL RECEIPT (Domestic Mail Only; No Insurance Coverage Provided) | |
| For delivery information visit our website at www.usps.com | |
| OFFICIAL USE | |
| Postage | \$1.12 |
| Certified Fee | 2.95 |
| Return Receipt Fee (Endorsement Required) | 2.35 |
| Restricted Delivery Fee (Endorsement Required) | |
| Total Postage & Fees | \$6.42 |
| Postmark Here | |
| Sent To Massen-Greene Fund & Trust c/o Charles Barbata Street, Apt. No. or PO Box No. P.O. Box 1550 City, State, ZIP+4 Honolulu, HI 96806 | |
| PS Form 3811, August 2005 See Reverse for Instructions | |

| | |
|--|---|
| SENDER: COMPLETE THIS SECTION <ul style="list-style-type: none"> Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. <p>1. Article Addressed to:</p> <p>Massen-Greene Fund & Trust c/o Charles Barbata First Hawaiian Bank Real Estate Services P.O. Box 1550 Honolulu, HI 96806</p> | COMPLETE THIS SECTION ON DELIVERY <p>A. Signature <input checked="" type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>X <i>[Signature]</i></p> <p>B. Received by (Printed Name) C. Date of Delivery</p> <p>MAR 25 2008</p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes <input type="checkbox"/> No If YES, enter delivery address below:</p> <p>3. Service Type</p> <p><input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.</p> <p>4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes</p> |
|--|---|

2. Article Number (Transfer from service label) 7012 3460 0002 2285 2091

PS Form 3811, February 2004 Domestic Return Receipt 102596-02-M-1540

ATTACHMENT C

Lorraine Pahio
1968 Dillingham Boulevard
Honolulu, HI 96819

November 10, 2014

Honolulu Authority for Rapid Transportation (HART)
1099 Alakea Street, 17th Floor
Honolulu, HI 96813

RE: Electrical Easement located 1968 Dillingham Boulevard, Honolulu, Hawaii,
Tax Map Key Number (1) 1-2-10-72, Parcel 429.

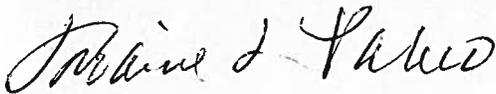
Dear Ladies and Gentlemen:

I would like to take this opportunity to thank HART for helping us clear title to our property and to purchase a perpetual utility easement on our property located at 1968 Dillingham Boulevard. The property is currently titled in my deceased mother's name, Elizabeth K. Kalahiki, who passed away in 1971 without a will or other documents to express her estate wishes in writing. To date, the family has not made any efforts nor have we filed any petitions in probate court to clear this situation.

The family members have reviewed and discussed the offer extended by HART and we are agreeable to the proposal to purchase a perpetual electrical easement right on our property. Given the issue with the title to the property, we hereby request that HART initiate a friendly condemnation in order that we may all move forward with this transaction.

Thank you in advance for your assistance in this matter and please feel free to call me at 808-845-8139 or my daughter, Wai Pahio at 808-228-0770 should you have further questions.

Sincerely,



Lorraine Pahio

Cc: Wai Pahio

Honolulu Authority for Rapid Transportation

RESOLUTION NO. 2014-4

APPROVING NOTIFICATION TO THE CITY COUNCIL OF INTENTION TO ACQUIRE EASEMENT OVER, ON, AND ACROSS THE REAL PROPERTY IDENTIFIED AS TAX MAP KEY 1-2-010:072 (PORTION) BY EMINENT DOMAIN AND PUBLICATION OF A RESOLUTION AUTHORIZING ACQUISITION OF SAID EASEMENT BY EMINENT DOMAIN

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

WHEREAS, Section 17-103.2(b) of the Charter empowers HART "to acquire by eminent domain ... all real property or any interest therein necessary for the construction, maintenance, repair, extension or operation of the fixed guideway system;" and

WHEREAS, prior to such acquisition the Charter directs HART to submit a list of real property and easements to be acquired by eminent domain to the City Council; and

WHEREAS, the City Council may approve the acquisition by eminent domain or may object by adoption of a resolution within 45 days of the notification to acquire the real property and easements; and

WHEREAS, the acquisition by eminent domain of an electrical easement over, on, and across the real property identified as Tax Map Key (TMK) 1-2-010:072 (por.) and more particularly described in the attached legal description marked as Exhibit A, is necessary for the Honolulu Rail Transit Project fixed guideway system, a valid public use and purpose;

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

1. That written notification to the City Council is approved, for the acquisition by eminent domain of an electrical easement over, on, and across the real property identified as TMK 1-2-010:072 (por.); and
2. That in the event the City Council approves or does not object to the acquisition within 45 days of notification, then HART is authorized to publish in a daily newspaper at least three days prior to Board action, the attached resolution marked as Exhibit B, authorizing acquisition by eminent domain of said easement.

ADOPTED by the Board of the Honolulu Authority for Rapid Transportation on _____.

Exhibit A – Legal description of TMK 1-2-010:072 (por.)

Exhibit B – Resolution No. 2014-____, Authorizing the Acquisition of Easement Over, On, and Across the Real Property Identified as Tax Map Key 1-2-010:072 (Portion) by Eminent Domain.

Board Chair

ATTEST:

Board Administrator

DRAFT

Easement A
 For Electrical Purposes
 Affecting a Portion of Lot 18, Block 7 of "Kapiolani Tract"
 In favor of Hawaiian Electric Company

Being a portion of Royal Patent Number 8194, Land Commission
 Award Number 6450, Apana 1 to Kaumohua no Moehonua

SITUATE AT MOKAUEA, KALIHI, HONOLULU, ISLAND OF OAHU, HAWAII

Beginning at the West corner of this easement, along the Northeast side of Dillingham Boulevard, the coordinates of said point of beginning referred to Government Survey Triangulation Station "MOKAUEA" being 4,737.45 feet South and 4,780.48 feet East, thence running by azimuths measured clockwise from true South:

1. 222° 20' 8.61 feet;
2. 312° 20' 16.33 feet;
3. 42° 20' 8.61 feet;
4. 132° 20' 16.33 feet along the Southeast side of Dillingham Boulevard to the point of beginning and containing an area of 141 Square Feet, more or less.

R. M. TOWILL CORPORATION

Description prepared by:



Ryan M. Suzuki

Ryan M. Suzuki Exp: 4/30/16
 Licensed Professional Land Surveyor
 Certificate Number 10059

2024 North King Street, Suite 200
 Honolulu, Hawaii 96819
 November 3, 2014



Honolulu Authority for Rapid Transportation

RESOLUTION NO. 2014-__

**AUTHORIZING THE ACQUISITION OF EASEMENT OVER, ON, AND ACROSS
THE REAL PROPERTY IDENTIFIED AS TAX MAP KEY 1-2-010:072
(PORTION) BY EMINENT DOMAIN**

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

WHEREAS, Section 17-103.2(b) of the Charter empowers HART “to acquire by eminent domain . . . all real property or any interest therein necessary for the construction, maintenance, repair, extension or operation of the fixed guideway system;” and

WHEREAS, the City Council approved or did not object to the acquisition of an electrical easement over, on, and across the real property identified as Tax Map Key (TMK) 1-2-010:072 (por.) by eminent domain after written notification by HART; and

WHEREAS, the acquisition by eminent domain of said easement over, on, and across the above-identified real property, which is more particularly described in the attached legal description marked as Exhibit A, is necessary for the Honolulu Rail Transit Project fixed guideway system, a valid public use and purpose;

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

1. That acquisition by eminent domain of an electrical easement over, on, and across the real property identified as TMK 1-2-010:072 (por.) is hereby authorized and the Corporation Counsel of the City and County of Honolulu is empowered to institute eminent domain proceedings as provided by law for the acquisition thereof; and
2. That the acquisition of said easement by eminent domain is determined and declared to be for a valid public use and purpose as aforesaid; and
3. That the acquisition of said easement by eminent domain is determined and declared to be necessary for the aforesaid public use and purpose; and

4. That in the process of said proceedings in eminent domain, the Corporation Counsel is authorized and empowered to negotiate terms of settlement, subject to the approval of HART and/or the Court before which such proceedings are commenced; and
5. That the Board Administrator be directed to transmit copies of this resolution to HART and the Department of the Corporation Counsel.

ADOPTED by the Board of the Honolulu Authority for Rapid Transportation on _____.

Board Chair

ATTEST:

Board Administrator

Exhibit A – Legal description of TMK 1-2-010:072 (por.)

Easement A
 For Electrical Purposes
 Affecting a Portion of Lot 18, Block 7 of "Kapiolani Tract"
 In favor of Hawaiian Electric Company

Being a portion of Royal Patent Number 8194, Land Commission
 Award Number 6450, Apana 1 to Kaumohua no Moehonua

SITUATE AT MOKAUEA, KALIHI, HONOLULU, ISLAND OF OAHU, HAWAII

Beginning at the West corner of this easement, along the Northeast side of Dillingham Boulevard, the coordinates of said point of beginning referred to Government Survey Triangulation Station "MOKAUEA" being 4,737.45 feet South and 4,780.48 feet East, thence running by azimuths measured clockwise from true South:

1. 222° 20' 8.61 feet;
2. 312° 20' 16.33 feet;
3. 42° 20' 8.61 feet;
4. 132° 20' 16.33 feet along the Southeast side of Dillingham Boulevard to the point of beginning and containing an area of 141 Square Feet, more or less.

R. M. TOWILL CORPORATION

Description prepared by:



Ryan M. Suzuki

Ryan M. Suzuki Exp: 4/30/16
 Licensed Professional Land Surveyor
 Certificate Number 10059

2024 North King Street, Suite 200
 Honolulu, Hawaii 96819
 November 3, 2014



Honolulu Authority for Rapid Transportation

STAFF SUMMARY

| | | |
|---|--------------------------------------|----------------------------------|
| TITLE: RESOLUTION NO. 2014-4 APPROVING NOTIFICATION TO THE CITY COUNCIL OF INTENTION TO ACQUIRE EASEMENT OVER, ON, AND ACROSS THE REAL PROPERTY IDENTIFIED AS TAX MAP KEY 1-2-010:072 (PORTION) BY EMINENT DOMAIN AND PUBLICATION OF A RESOLUTION AUTHORIZING ACQUISITION OF SAID EASEMENT BY EMINENT DOMAIN | STAFF CONTACT: Morris Atta | DATE: November 7, 2014 |
|---|--------------------------------------|----------------------------------|

| Type: | Goal | Focus | Area | Reference Notes |
|---|--|--|------|-----------------|
| <input checked="" type="checkbox"/> Action/Approval | <input checked="" type="checkbox"/> Project Delivery | <input type="checkbox"/> Livability/Land Use | | |
| <input type="checkbox"/> Information | <input type="checkbox"/> Service Delivery | <input type="checkbox"/> Partnerships | | |
| <input type="checkbox"/> Follow-up | <input type="checkbox"/> Resource Stewardship | <input type="checkbox"/> Agency Admin. | | |

1. Purpose:
 Review of Notification to City Council for condemnation of land for public use, identified as Tax Map Key 1-2-010:072, and situated at 1968 Dillingham Blvd, Honolulu, HI 96819, which is required for guideway construction of the Honolulu Rail Transit Project (H RTP). After discussions with the owners and their representatives, HART determined that the owner of the property, Elizabeth K. Kalahiki, died intestate. Of the 4,650 square feet of the entire parcel, HART requires 141 square feet for a Permanent Electrical Easement along the guideway through Dillingham in the Kalihi neighborhood. The property is zoned Business Mixed Use (BMX-3).

2. Background/Justification

The property (TMK 1-2-010:072) was designated as a partial take. As required under the Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA) and FTA C5010.1D, the owners were notified of HART's intent to acquire and agreed to allow HART onto the property in order to conduct an appraisal of the property by a certified local appraiser. This appraisal follows URA guidelines and took into consideration all site conditions as well as potential impacts the partial taking would have on the remainder of the property. The appraisal review, as required by the URA, was done by the third party appraiser licensed in the State of Hawaii.

HART contacted Lorraine Pahio, daughter of Elizabeth K. Kalahiki, and current resident of the subject property. Lorraine indicated that her mother, Elizabeth K. Kalahiki, had passed away and there is no conveyance document to convey the property upon her death. Ms. Pahio further indicated they had not been to probate court to file suit to remove the cloud on title. HART has communicated the need to remove cloud on title before moving forward with a settlement to Ms. Pahio, who is not contesting the value of HART's offer.

HART legal counsel advised Title Guaranty run an additional search given the new information in an attempt to establish the fee owner(s). However, Title Guaranty was unable to obtain a death certificate of Elizabeth K. Kalahiki. The title report was changed to indicate the fee owners as "The Heirs or Devisees of Elizabeth K, Kalahiki, Deceased." While the consideration for the partial take of the property is not necessarily an issue with the heirs of Ms. Kalahiki, HART legal counsel

recommended pursuit of condemnation in order to clear title.

3. Procurement Impact

N/A

4. Financial/Budget Impact

The project budget includes an estimated cost for legal action associated with the condemnation of the property.

5. Policy Impact

There is no policy impact since this action conforms to the requirement of the Uniform Relocation Act, FTA 1050.1D and Article XVII of the Charter of the City and County of Honolulu.

6. Public Involvement

N/A

7. Alternatives

The alternative to condemnation is to allow the heirs of Elizabeth Kalahiki to file action to quiet title in probate court. In the interest of time, condemnation is the faster method of obtaining the 141 square feet for the utility easement on the property and will allow the rightful heirs to collect the proceedings once cloud has been removed in probate court.

Exhibits

Exhibit 1 – Appraisal report

Exhibit 2 – Affidavit/obituary attesting to Elizabeth K. Kalahiki's death

Exhibit 3 – Title Report Showing Elizabeth K. Kalahiki as the fee owner of the property

Exhibit 4 – Title Report Showing the Heirs and Devisees of Elizabeth K. Kalahiki as the fee owners of the property

Exhibit 5 – Offer Letter

Certified and Recommended by:


Executive Director and CEO



**Yamaguchi &
Yamaguchi, Inc.**
Real Estate Appraisal &
Consulting Services

PROJECT

Honolulu Rail Transit Project

Parcel Designation: 1-2-010-072

HART RW Parcel: 429

Owner: Elizabeth K. Kalahiki

1968 Dillingham Boulevard

Honolulu, Hawaii 96819

Effective Date: July 21, 2014

AN APPRAISAL REPORT OF

The BMX-3 Community Business Mixed-Use Property
Easement Acquisition

CLIENT

Paragon Partners Ltd. for the Honolulu Authority for Rapid Transportation

PREPARER

Jon F. Yamaguchi, CRE, FRICS, SRPA, SRA

DATE OF APPRAISAL

August 18, 2014

ONE KAPIOLANI BUILDING

600 Kapiolani Boulevard Suite 405 • Honolulu, Hawaii 9681

Bus: 808.533.8849 • Fax: 808-533-8088 • E-mail: appraisals@yamaguchiinc.com



**Yamaguchi &
Yamaguchi, Inc.**
Real Estate Appraisal &
Consulting Services

July 21, 2014

Mr. Todd Salvatore
Project Manager
Paragon Partners Ltd. for the Honolulu Authority for Rapid Transportation
5762 Bolsa Ave., Suite 201
Huntington Beach, CA 92649

Re: Honolulu Rail Transit Project
Partial Acquisition
Parcel Designation: 1-2-010-072; 4,650 square feet
HART RW Parcel 429
1968 Dillingham Boulevard, Honolulu, Hawaii 96819

Dear Mr. Salvatore,

At your request, we have appraised a real property interest for the above real estate. Our objective was to form one opinion about the market value for the "*Partial Acquisition*" of the subject property's fee simple estate assuming no liens or encumbrances other than normal covenants and restrictions of record.

The purpose of this appraisal report is to assist the Honolulu Authority for Rapid Transportation in the "*Partial Acquisition*" and easement evaluation for Eminent Domain acquisition proceedings of the subject property as part of the Honolulu Rail Transit Project.

As a preview, the subject property identified as the "Larger Parcel" physically consists of a rectangular, non-corner parcel constituting 4,650 square feet. According to tax office records, the site is improved with a 52-year old residence consisting of a residence of 960 square feet and a basement of 608 square feet that is not included in our valuation.

This valuation contains analyses, opinions, and conclusions along with market data and reasoning appropriate for the scope of work detailed later herein. It was prepared solely for the intended use and intended user(s) explicitly identified in the attached report. Unauthorized users do so at their own risk. The appraisal is communicated in the attached Summary report, and conforms to the version of the Uniform Standards of Professional Appraisal Practice (USPAP) in effect on this report's preparation date of August 18, 2014.

For purposes of this appraisal report the definition of market value from the fifth edition of the *Uniform Appraisal Standards for Federal Land Acquisitions* was utilized and is defined in the Market Value Criterion section of this report.

This letter is not an appraisal report hence it must not be removed from the attached 114-page report. If this letter is disjoined from the attached appraisal report, then the value opinions set forth in this letter are invalid because the analyses, opinions, and conclusions cannot be properly understood.

In general, valuation of the subject property involves a few complex issues. All value opinions are affected by all the information, extraordinary assumptions, hypotheses, general limiting conditions, facts, descriptions, and disclosures stated in the attached appraisal report. After careful consideration of all factors pertaining to and influencing value, the data and analysis thereof firmly supports the following final value opinion(s) for the *Partial Acquisition* as of July 21, 2014.

| | |
|------------|---|
| \$ 760,000 | <i>"As Is" Indicated Market Value of the Larger Parcel (Rounded)</i> |
| \$ 737,000 | <i>"As Is" Indicated Market Value of the Remainder Parcel (Rounded)</i> |
| | |
| \$ 23,000 | <i>"As Is" Indicated Market Value of Electrical Easement (Rounded)</i> |
| \$ 1,300 | <i>Add: Total Severance Damages to the Remainder Property</i> |
| \$ 0 | <i>Less: Special Benefits to the Remainder Property</i> |
| \$ 24,300 | <i>Total Fair Market Value of the Electrical Easement Acquisition (Rounded)</i> |

Thank you for your business. Let us know how we may further serve you.



Jon F. Yamaguchi, CRE, FRICS, SRPA, SRA
 President / CEO
 Certified General Appraiser
 Hawaii License CGA 31
 License Expiration Date: 12/31/2015

DIAL DIRECT TO CLASSIFIED 536-0061

FUNERAL NOTICE

ARAKAKI, MRS. USHI

Age 87, of 1458 Alencastre St., St. Louis, Mo., formerly of Coalinga, Calif., passed away 3 a.m., Mon., Sept. 13, 1971, at a local hospital. She was born Jan. 10, 1889, in Okinawa, Japan. Survived by 3 sons, Sakichi (Beate Yasuko) Tomokichi, William Kazuo (Etsu Hanaya) Arakaki, 2 daughters, Mrs. Angel (Barbara Aiko) Anson, Mrs. Toshio (Margaret Sachiko) Tamiji, brother, Mr. Ushioke Nakata of Kapaa, Kauai, 12 grandchildren. She was a member of Koinonia Sonjin Kai.

FUNERAL SERVICES BEGIN 7:30 P.M., WED., SEPT. 15, 1971, AT CHAPEL OF HOSOI GARDEN MORTUARY. CREMATION TO FOLLOW. ARRANGEMENTS BY HOSOI GARDEN MORTUARY.

HAYASHI, MRS. SADA

Age 83, of 764-B Pohukaina St., passed away 6:55 a.m. Sun., Sept. 12, 1971, at a local hospital. She was born June 5, 1888, in Yamaguchi, Japan. Survived by daughter, Mrs. Gi-ichi (Kameyo) Hayashi, sister, Mrs. Kiku Yanahi Yanaohara, also 3 grandchildren; 2 great grandchildren.

FUNERAL SERVICES WERE HELD 6 P.M. MON., SEPT. 13, 1971 AT CHAPEL OF HOSOI GARDEN MORTUARY. CREMATION FOLLOWED. HOSOI GARDEN MORTUARY WAS IN CHARGE.

KALAHIKI, ELIZABETH K. A.

Age 75, of 1968 Dillingham Blvd., Honolulu, passed away Sept. 8, 1971, at St. Francis Hospital. She was born April 17, 1896, in Nulii Kohala, Hawaii. She is survived by sons, Edmund K., Joseph K., Paul A., Melvin D., Randolph H., & Dawson K. Kalanani, daughters, Mrs. Agnes K., Keenu, Mrs. Arthur (Wilsons K.) Aoki, Mrs. Charles (Eunice K.) Cullen & Mrs. Joseph (Lorraine L.) Pao. Her husband, Mr. Joseph K. Kalanani, died in 1968. She is survived by 82 grandchildren & 51 great grandchildren; also survived by a sister, Mrs. Caroline N. Kaleleki & brother, William Akau; numerous nieces & nephews.

FRIENDS MAY CALL AT HAWAIIAN MEMORIAL PARK CHAPEL, KANEHOE, FROM 6 TO 9 P.M. ON FRIDAY, SEPT. 17, AND AGAIN FROM 8 TO 10 A.M. ON SATURDAY, SEPT. 18. SERVICES WILL BE HELD IN THE CHAPEL ON SATURDAY, AT 10 A.M. WITH BROTHER ARTHUR AGUI OF GOSPEL OF SALVATION CHURCH OFFICIATING. INTERMENT TO FOLLOW AT MAKIKI CEMETERY. WILLIAMS MORTUARY IN CHARGE OF ARRANGEMENTS.

Nuuanu Memorial Park Mortuary

MURAI, MRS. DOROTHY T.

Age 53, of 98-080 Uap St., Ala., formerly of SKE Shark St., Ala., passed away at St. Francis Hospital on Sept. 11, 1971. She was born Dec. 17, 1917, in Honolulu, Hawaii. Mrs. Murai was employed as a cashier at Submarine Base Exchange. She is survived by her beloved 2 sons, Leslie Takashi (Alice Kikume) Murai & Wallace Takuro Murai; daughter, Mrs. (Eric) Masanobu (Carolyn Marie) Fujiwara; 4 brothers, Henry Ichiro (Frances Harumi) Azumi, Francis Jiro (Giselle) Azumi, Thomas Saburo (Eiko) Azumi, & Okinawa, Charles Shiro Azumi of Calif.; 4 sisters, Mrs. Bertha Toshiko (Edwin Shinjo) Fujimoto, Mrs. Clara Kinoko (Isao) Ono, Mrs. Helen Tomiko (George) Shiochi) Watanabe, Mrs. Carol Masako (Kazuo) Otani; also surviving are 4 grandchildren.

SERVICES WILL BE HELD AT 7 P.M. ON THURS., SEPT. 16, 1971, AT THE MORTUARY'S EAST CHAPEL, FOLLOWED BY CREMATION.

NAKASONE, MR. HANEI "Kama"

Age 79, of 592 Kamoku St. (formerly of Haiku, Maui), passed away 6:20 a.m. Sun., Sept. 12, 1971, at Kookali Hotel. He was born Feb. 18, 1892, in Okinawa, Japan. Survived by wife, Mrs. Kama Nakasone; 2 sons, Philip Masanobu (Helen Kazuko) &

100-Lodge & Club Notices

ALOHA TEMPLE A. A. O. N. M. S.

FRIDAY, Sept. 17th, 7:30 P.M. Masonic Temple, Makiki St. Shrine visit to Lodge Le Progres

SUNDAY, Sept. 19th Waimanalo Shrine Country Home Annual Crown Corps Breakfast 9 A.M.—until all served. Get tickets from any Crown Or Ph. 538-1141 NO FEZ—no children please

SCOTTISH RITE

THURSDAY, Sept. 16th, 4:45 P.M. Stated Meeting Scottish Rite Cathedral 1411 Kewalo St.

YORKRITE BODIES

THURSDAY, Sept. 16th, 6:00 P.M. Hono Comander #1 KT Centennial Lodge, Masonic Temple Masonic Temple 1227 Makiki St.

Masonic Temple MEETING at Corner Makiki & Kinat

MASONIC CALENDAR

MONDAY, Sept. 20th Pearl Harbor Lodge #598

TUESDAY, Sept. 14th, 7:30 P.M. Stated Meeting 650 Wilkina Dr., Waiwala Schofield Lodge No. 443

TUESDAY, Sept. 14th, 7:30 P.M. Third Degree Honolulu Lodge No. 409

WEDNESDAY, Sept. 15th, DARK Constitution Officers Meeting SATURDAY, Sept. 18th, 8:30 A.M. Joint Officers Asso. Meeting at Masonic Temple Hawaiian Lodge #31

WEDNESDAY, Sept. 15th, 7:30 P.M. Koolau Lodge #601 Kokokahi YWCA

FRIDAY, Sept. 17th, 7:30 P.M. Third Degree Shrine Visitation Le Progres De L'Oceanic #371

FRIDAY, Sept. 17th First Degree—7:30 P.M. Walkin' Lodge #274 Scottish Rite Cathedral

Knights of Pythias Mystic Lodge No. 2 Meets at 7:30 P.M. 1st, 3rd & 5th Wed. PYTHIAN CASTLE HALL

826 Kahala St. Phone: 946-4006 J. M. Braga C.C. Phone: 536-0649 L. Camara, sec. Phone: 262-4166

Knights of Columbus COUNCIL NO. 5000 Meets 2nd & 4th Mon. 8 P.M. Cathedral School 1728 Nuuanu Ave. Phone Flin. Sec. 946-6070

Meets Every Monday at 7:30 P.M. 2933 Kalanale Ave. HONOLULU LODGE No. 616 B.P.O. Elks

KAILUA LODGE No. 7230 B.P.O. Elks 7:30 P.M. 1st & 3rd Tues. Mid-Pacific Country Club

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2 plots at Sunset Memorial Park. \$100 each. Phone 247-5850

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AIRLINE & TRAVEL INSTITUTE 307 Lewars St., 6th Floor (valided parking at Bank of Hawaii Bldg.)

123—Lost & Found \$100 REWARD For information leading to recovery of '71 Yamaha 175cc, Lic. 25539, serial # CT-1058700, Ph. 571-7639.

LOST: Chinese Gold Pendant at Ala Moana Park showers. Ph: 732-2766 REWARD Substantial. Anyone knowing whereabouts of '69 Pontiac Catalina Gold Wagon, formerly driven by Mike Purdy, lic. #4C-4142, Ph. 923-0810 after 7 P.M.

LOST: Male, Lilac Point Siamese—Kailua area. REWARD, Call 261-4548

LOST 2 black sulcaties, Sat. Sept. 14th, H-1 Freeway, Koko Hd, bound, reward. 324-9577

LOST: Irish setter, "Caesar" 6 mos. old male pup, needs medication. Reward. Contact 261-4339

LOST: Sept. 3rd, lady's gold Timex watch. Ph. 923-8977

LOST: English Female Pointer, orange & white. Mr. Kalakaua Ave. Name plate says, Chandler Keimel-Texas. Reward. 946-6476.

LOST: Part Persian yellow kitten, flea collar, Kahala area. 737-4921.

LOST: Black & white striped male kitten, Kapahulu area, 737-5339.

LOST: airport, gold watch/bangle. \$100 reward. 946-3372, 262-5615.

LOST: IRISH SETTER, male pup, & mos. old, Walkiki area, Kuhio Ave. Needs medication. Reward. Please call 261-4339.

LOST: black Sapphire ring, yellow gold, 2 diamonds. Great sentimental value. \$100 REWARD. 241-3038, Bob.

REWARD for Lost Ladies' Hamilton wrist watch, silver, Engraved "Lorraine to Warren." 262-7637.

The people who got my suitcase by mistake & I threw, on the morning of Aug. 24, at Honolulu Airport, 9:00 Hilo from Hilo, Hawaiian Airlines. PLEASE call me collect at this number, 948-6134. Urgent! Mrs. K. Yuen.

FOUND: On Sept. 11 nr. Idani School, half-grown BLACK kitten-pat Siamese. Affectionate & housebroken. Call Humane Society, 946-2187.

FOUND: Lady's wrist watch, Ala Moana Shopping Center. Owner describes 261-4339.

Found on Kulo Beach: Men's black-rim glasses, 946-4740, after 5.

LOST—ROLLIFLEX—camera—REWARD. Piliot & Wilder, 537-4883.

71 National Directory, Address, Telephone, & Universally book, 9x7", white with American Flag on back cover. Please return to Fagan, c/o KHVH TV.

LOST: Vicinity of Tropicana Village in Waikeolu, male, miniature poodle, 2 yrs. old, black, wearing pink collar. Children hearbroke. Answers to Popo, Ph. 671-0186 before 3 p.m. & describe 261-4339.

125—Personals Wanted: donations of grown cats & dogs for studying human & animal diseases at University of Hawaii. Call Dr. Lockwood, 944-8936.

Attractive lady wishes to correspond with Caucasian gentlemen 25-65. Advertiser's Box B-3266.

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SERVICE SPECIALISTS, LTD. Employment Agency 1270 Queen Emma St., Rm. 404

Hair Stylist Guarantee plus commission. Licensed with 2 yrs. experience.

TSUKI'S HAIRSTYLING Ph. 946-3902 ELECTRICIANS \$1.14 minimum

HOUSE WIRING No. l.c. necessary just knowing something about house wiring. If you have more exper, they will be happy to pay more. Call Chuck Baker, 521-4511.

SERVICE SPECIALISTS, LTD. Employment Agency 1270 Queen Emma St., Rm. 404

1st Class Mechanic \$4 to \$4.60 per hour 1406 S. Beretania (no phone calls)

WAREHOUSEMAN 12.50 UP JACK OF ALL TRADES Tools furnished some welding & assembly work. General mechanical ability will land you this position with local firm. Full of nice people. Call Chuck Baker, 521-4511.

SERVICE SPECIALISTS, LTD. Employment Agency 1270 Queen Emma St., Rm. 404

DANCE HOSTESS For ballroom. No exper. required. FREE Transportation to work.

Commission possible Lani, 533-4770

HIGH CALIBRE SALESMAN TO SELL MODULAR HOMES to qualified buyers. High potential earnings for capable person. Call for appointment

Mr. Caldwell, 531-0461

WANTED TELEPHONE SALES PEOPLE Full or part time. Days, evens, Saturdays \$50 weekly. 955-6595

RESERVATIONIST Good voice, polite, mature & dependable with exper. to \$25. Without \$350-\$375. Growing local firm of wonderful people. Much phone contact & decision making for tours. See Pat Stacy, 521-4511.

SERVICE SPECIALISTS, LTD. Employment Agency 1270 Queen Emma St., Rm. 404

YAKKERI Much phone work & some PBX but will train. General office exper. & outgoing personality. Will be trained 2 wks. Call Pat Stacy, 521-4511.

SERVICE SPECIALISTS, LTD. Employment Agency 1270 Queen Emma St., Rm. 404

PATTERN MAKER Malia Hawaii Sportswear Mfg. Phone 531-8519

\$300 wkly. comm. possible. No exper. required. DANCE HOSTESS

STATUS REPORT

This Report (and any revisions thereto) is issued for the sole benefit of the Purchaser of this Report identified in the Order No. referenced below. Title Guaranty of Hawaii, Incorporated's responsibility for any actual loss incurred by reason of any incorrectness herein is limited to the greater of \$3,500 or two times the amount paid for this Report.

SCHEDULE A

Title Guaranty of Hawaii, Incorporated, hereby reports as follows as to the title of the Parties named in Schedule A in and to the title to land described in Schedule C, subject to the matters set forth in Schedule B, based solely upon an abstract and examination of the following Indices in the State of Hawaii: (a) the Office of the Clerks of the Circuit Court of the Judicial Circuit within which the land is located; (b) the Office of the Clerk of the District Court of the United States for the District of Hawaii; (c) the Office of the Registrar of Conveyances; and (d) the Office of the Real Property Tax Assessment Division of the County within which the land is located.

ELIZABETH K. KALAHIKI,
as Fee Owner

This report is subject to the Conditions and Stipulations set forth in Schedule D and is dated as of May 16, 2014 at 8:00 a.m.

Inquiries concerning this report should be directed to PHILIP GARTLAND.
Email pgartland@tghawaii.com
Fax (808) 521-0287
Telephone (808) 521-0218.
Refer to Order No. 201421220.

**SCHEDULE B
EXCEPTIONS**

1. Real Property Taxes, if any, that may be due and owing.
Tax Key: [\(1\) 1-2-010-072](#) Area Assessed: 4,650 sq. ft.
2. Any and all matters not shown in the Indices described in Schedule A.
3. Mineral and water rights of any nature in favor of the State of Hawaii.
4. Any unrecorded leases and matters arising from or affecting the same.
5. Discrepancies, conflicts in boundary lines, shortage in area, encroachments or any other matters which a correct survey or archaeological study would disclose.

-Note:- A current survey, with metes and bounds description, should be made of said premises.

END OF SCHEDULE B

SCHEDULE C

All of that certain parcel of land situate, lying and being at Mokauea, Kalihi, Honolulu, City and County of Honolulu, State of Hawaii, and being LOT 18, BLOCK 7 of the "KAPIOLANI TRACT", as shown on the Map thereof recorded in the Bureau of Conveyances of the State of Hawaii in Liber [245](#) at Page [409](#), and containing an area of 5,000 square feet, more or less.

BEING THE PREMISES ACQUIRED BY DEED

GRANTOR : JAY HOP, wife of Lum Kam

GRANTEE : ELIZABETH K. KALAHIKI, wife of Mack K. Kalahiki

DATED : December 24, 1925

RECORDED : Liber [804](#) Page [181](#)

Excepting and reserving from the above described parcel of land all that portion thereof conveyed to CITY AND COUNTY OF HONOLULU, a municipal corporation, by DEED of ELIZABETH K. KALAHIKI, wife of Mack K. Kalahiki, dated December 15, 1938, recorded in Liber [1479](#) at Page [455](#), and more particularly described as follows:

All of that certain parcel of land (being portion(s) of the land(s) described in and covered by Royal Patent Number 8194, Land Commission Award Number 6450, Apana 1 to Kaumohua no Moehonua) situate, lying and being at Mokauea, Kalihi, Honolulu, City and County of Honolulu, State of Hawaii, being PARCEL 31 of "DILLINGHAM BOULEVARD WIDENING, being a portion of Lot 18, Block 7 of "Kapiolani Tract", as shown on Map recorded at the Bureau of Conveyances of the State of Hawaii in Liber [245](#) at Page [409](#), and thus bounded and described:

SCHEDULE C CONTINUED

Beginning at the north corner of this parcel of land, on the new northeast side of Dillingham Boulevard, the coordinates of said point of beginning referred to a City and County Survey Street Monument at the intersection of the center lines of Dillingham Boulevard and Mokauea Street being 279.87 feet north and 252.28 feet west, and the coordinates of said Monument referred to Government Survey Triangulation Station "MOKAUEA" being 4,457.58 feet south and 5,032.76 feet west, and running by azimuths measured clockwise from true South:

- | | | | |
|----|----------|-------|---|
| 1. | 312° 20' | 50.00 | feet along the new northeast side of Dillingham Boulevard; |
| 2. | 42° 20' | 7.00 | feet along Lot 20, Block 7, "Kapiolani Tract"; |
| 3. | 132° 20' | 50.00 | feet along the present northeast side of Dillingham Boulevard; |
| 4. | 222° 20' | 7.00 | feet along Lot 16, Block 7, "Kapiolani Tract", to the point of beginning and containing an area of 350 square feet, more or less. |

END OF SCHEDULE C

GENERAL NOTES

1. The records in the Bureau of Health Statistics reveal the death of MACK KAMAKA KALAHIKI on March 6, 1949, at Honolulu, Hawaii.

SCHEDULE D**CONDITIONS AND STIPULATIONS**

1. This Status Report (which term shall include any revisions thereto) is a report of the record title only, based solely upon an abstract and examination of the Indices described in Schedule A as of the date of the Report. No responsibility is assumed for (a) matters which may affect the title but either were not disclosed or were incorrectly disclosed in said indices at the date hereof; or (b) matters created, suffered, assumed, or agreed to by Purchaser; or (c) matters not shown herein but actually know to Purchaser. Title Guaranty of Hawaii, Incorporated (the "Company") makes no representation as to the legal effect, validity or priority of matters shown or referred to herein.
2. If the Report is incorrect in any respect, the responsibility of the Company shall be limited to the resulting actual loss, including any attorney's fees and legal costs, but in no event shall exceed the greater of \$3,500 or two times the amount paid for the Report. Upon payment of any loss hereunder, the Company shall be subrogated to all rights the Purchaser may have against any person or property as a result of such loss.
3. If the Purchaser of this Report shall suffer an actual loss by reason of the incorrectness of the Report, the Purchaser shall promptly notify the Company in writing. After receipt of such notice, the Company shall be allowed a reasonable time in which to investigate the claim. At its sole option, the Company may litigate the validity of the claim, negotiate a settlement or pay to Purchaser the amount the Company is obligated to pay under this Report. The Company's responsibility hereunder constitutes indemnity only and nothing herein shall obligate the Company to assume the defense of the Purchaser with respect to any claim made hereunder.
4. This report is the entire contract between the Purchaser and the Company and any claim by Purchaser against the Company, arising hereunder, shall be enforceable only in accordance with the provisions herein.
5. Notice required to be given the Company shall include the Order Number of this Report and shall be addressed to Title Guaranty of Hawaii, Inc., P.O. Box 3084, Honolulu, HI 96802, Attention: Legal Department.

DATE PRINTED: 5/21/2014

STATEMENT OF ASSESSED VALUES AND REAL PROPERTY TAXES DUE

TAX MAP KEY

DIVISION ZONE SECTION PLAT PARCEL HPR NO.
 (1) 1 2 010 072 0000

CLASS: COMMERCIAL AREA ASSESSED: 4,650 SF

ASSESSED VALUES FOR CURRENT YEAR TAXES: 2014

The records of this division show the assessed values and taxes on the property designated by Tax Key shown above are as follows:

| | | |
|-----------------|----|---------|
| BUILDING | \$ | 25,700 |
| EXEMPTION | \$ | 0 |
| NET VALUE | \$ | 25,700 |
| LAND | \$ | 604,500 |
| EXEMPTION | \$ | 0 |
| NET VALUE | \$ | 604,500 |
| TOTAL NET VALUE | \$ | 630,200 |

Installment (1 - due 8/20; 2 - due 2/20) Tax Info As Of - 2/20/2014

| Tax Year | Installment | Tax Amount | Penalty Amount | Interest Amount | Other Amount | Total Amount | |
|-------------------|-------------|------------|----------------|-----------------|--------------|--------------|------------|
| 2013 | 2 | 3,909.10 | 234.54 | 82.87 | | 4,226.51 | DELINQUENT |
| 2013 | 1 | 3,909.10 | | 70.88 | | 2,433.52 | DELINQUENT |
| 2012 | 2 | 3,909.10 | | 57.82 | | 3,966.92 | PAID |
| 2012 | 1 | 3,909.10 | 234.54 | 82.09 | | 4,225.73 | PAID |
| Total Amount Due: | | | | | | 6,660.03 | |

Penalty and Interest Computed to: 2/20/2014

PL 1406
READ COR
RW
L 15 R

AP00R0W
CMS01495

REVISED - 09/22/14
report date unchanged

HART-ROW

2014 OCT 14 AM 7 45 STATUS REPORT

This Report (and any revisions thereto) is issued for the sole benefit of the Purchaser of this Report identified in the Order No. referenced below. Title Guaranty of Hawaii, Incorporated's responsibility for any actual loss incurred by reason of any incorrectness herein is limited to the lesser of \$3,500 or two times the amount paid for this Report.

SCHEDULE A

Title Guaranty of Hawaii, Incorporated, hereby reports as follows as to the title of the Parties named in Schedule A in and to the title to land described in Schedule C, subject to the matters set forth in Schedule B, based solely upon an abstract and examination of the following Indices in the State of Hawaii: (a) the Office of the Clerks of the Circuit Court of the Judicial Circuit within which the land is located; (b) the Office of the Clerk of the District Court of the United States for the District of Hawaii; (c) the Office of the Registrar of Conveyances; and (d) the Office of the Real Property Tax Assessment Division of the County within which the land is located.

THE HEIRS OR DEVISEES OF
ELIZABETH K. KALAHIKI, DECEASED,
as Fee Owner

This report is subject to the Conditions and Stipulations set forth in Schedule D and is dated as of May 16, 2014 at 8:00 a.m.

Inquiries concerning this report should be directed to PHILIP GARTLAND.
Email pgartland@tghawaii.com
Fax (808) 521-0287
Telephone (808) 521-0218.
Refer to Order No. 201421220.

1-2-010-072

**SCHEDULE B
EXCEPTIONS**

1. Real Property Taxes, if any, that may be due and owing.
Tax Key: (1) 1-2-010-072 Area Assessed: 4,650 sq. ft.

2. Any and all matters not shown in the Indices described in Schedule A.

3. Mineral and water rights of any nature in favor of the State of Hawaii.

4. Administration of the Estate of ELIZABETH K. KALAHIKI, deceased.
-Note:- (A) Elizabeth K. Kalahiki died on September 8, 1971, at Honolulu, Hawaii.

(B) No probate proceedings for the Estate of ELIZABETH K. KALAHIKI, deceased, has been located.

5. Any unrecorded leases and matters arising from or affecting the same.

6. Discrepancies, conflicts in boundary lines, shortage in area, encroachments or any other matters which a correct survey or archaeological study would disclose.
-Note:- A current survey, with metes and bounds description, should be made of said premises.

END OF SCHEDULE B

SCHEDULE C

All of that certain parcel of land situate, lying and being at Mokauea, Kalihi, Honolulu, City and County of Honolulu, State of Hawaii, and being LOT 18, BLOCK 7 of the "KAPIOLANI TRACT", as shown on the Map thereof recorded in the Bureau of Conveyances of the State of Hawaii in Liber 245 at Page 409, and containing an area of 5,000 square feet, more or less.

BEING THE PREMISES ACQUIRED BY DEED

GRANTOR : JAY HOP, wife of Lum Kam

GRANTEE : ELIZABETH K. KALAHIKI, wife of Mack K. Kalahiki

DATED : December 24, 1925

RECORDED : Liber 804 Page 181

Excepting and reserving from the above described parcel of land all that portion thereof conveyed to CITY AND COUNTY OF HONOLULU, a municipal corporation, by DEED of ELIZABETH K. KALAHIKI, wife of Mack K. Kalahiki, dated December 15, 1938, recorded in Liber 1479 at Page 455, and more particularly described as follows:

All of that certain parcel of land (being portion(s) of the land(s) described in and covered by Royal Patent Number 8194, Land Commission Award Number 6450, Apana 1 to Kaumohua no Moehonua) situate, lying and being at Mokauea, Kalihi, Honolulu, City and County of Honolulu, State of Hawaii, being PARCEL 31 of "DILLINGHAM BOULEVARD WIDENING, being a portion of Lot 18, Block 7 of "Kapiolani Tract", as shown on Map recorded at the Bureau of Conveyances of the State of Hawaii in Liber 245 at Page 409, and thus bounded and described:

SCHEDULE C CONTINUED

Beginning at the north corner of this parcel of land, on the new northeast side of Dillingham Boulevard, the coordinates of said point of beginning referred to a City and County Survey Street Monument at the intersection of the center lines of Dillingham Boulevard and Mokauea Street being 279.87 feet north and 252.28 feet west, and the coordinates of said Monument referred to Government Survey Triangulation Station "MOKAUEA" being 4,457.58 feet south and 5,032.76 feet west, and running by azimuths measured clockwise from true South:

1. 312° 20' 50.00 feet along the new northeast side of Dillingham Boulevard;
2. 42° 20' 7.00 feet along Lot 20, Block 7, "Kapiolani Tract";
3. 132° 20' 50.00 feet along the present northeast side of Dillingham Boulevard;
4. 222° 20' 7.00 feet along Lot 16, Block 7, "Kapiolani Tract", to the point of beginning and containing an area of 350 square feet, more or less.

END OF SCHEDULE C

SCHEDULE D**CONDITIONS AND STIPULATIONS**

1. This Status Report (which term shall include any revisions thereto) is a report of the record title only, based solely upon an abstract and examination of the Indices described in Schedule A as of the date of the Report. No responsibility is assumed for (a) matters which may affect the title but either were not disclosed or were incorrectly disclosed in said indices at the date hereof; or (b) matters created, suffered, assumed, or agreed to by Purchaser; or (c) matters not shown herein but actually know to Purchaser. Title Guaranty of Hawaii, Incorporated (the "Company") makes no representation as to the legal effect, validity or priority of matters shown or referred to herein.
2. If the Report is incorrect in any respect, the responsibility of the Company shall be limited to the resulting actual loss, including any attorney's fees and legal costs, but in no event shall exceed the lesser of \$3,500 or two times the amount paid for the Report. Upon payment of any loss hereunder, the Company shall be subrogated to all rights the Purchaser may have against any person or property as a result of such loss.
3. If the Purchaser of this Report shall suffer an actual loss by reason of the incorrectness of the Report, the Purchaser shall promptly notify the Company in writing. After receipt of such notice, the Company shall be allowed a reasonable time in which to investigate the claim. At its sole option, the Company may litigate the validity of the claim, negotiate a settlement or pay to Purchaser the amount the Company is obligated to pay under this Report. The Company's responsibility hereunder constitutes indemnity only and nothing herein shall obligate the Company to assume the defense of the Purchaser with respect to any claim made hereunder.
4. This report is the entire contract between the Purchaser and the Company and any claim by Purchaser against the Company, arising hereunder, shall be enforceable only in accordance with the provisions herein.
5. Notice required to be given the Company shall include the Order Number of this Report and shall be addressed to Title Guaranty of Hawaii, Inc., P.O. Box 3084, Honolulu, HI 96802, Attention: Legal Department.

DATE PRINTED: 9/22/2014

STATEMENT OF ASSESSED VALUES AND REAL PROPERTY TAXES DUE

TAX MAP KEY

DIVISION ZONE SECTION PLAT PARCEL HPR NO.
 (1) 1 2 010 072 0000

CLASS: COMMERCIAL AREA ASSESSED: 4,650 SF

ASSESSED VALUES FOR CURRENT YEAR TAXES: 2014

The records of this division show the assessed values and taxes on the property designated by Tax Key shown above are as follows:

| | | |
|-----------------|----|---------|
| BUILDING | \$ | 25,700 |
| EXEMPTION | \$ | 0 |
| NET VALUE | \$ | 25,700 |
| LAND | \$ | 604,500 |
| EXEMPTION | \$ | 0 |
| NET VALUE | \$ | 604,500 |
| TOTAL NET VALUE | \$ | 630,200 |

Installment (1 - due 8/20; 2 - due 2/20) Tax Info As Of - 8/20/2014

| Tax Year | Installment | Tax Amount | Penalty Amount | Interest Amount | Other Amount | Total Amount | |
|----------|-------------|------------|----------------|-----------------|--------------|--------------|------------|
| 2014 | 2 | 3,907.24 | | | | 3,907.24 | PENDING |
| 2014 | 1 | 3,907.24 | | | | 3,907.24 | PENDING |
| 2013 | 2 | 3,909.10 | | 38.20 | | 3,858.69 | DELINQUENT |
| 2013 | 1 | 3,909.10 | | 70.88 | | 3,979.98 | PAID |
| 2012 | 2 | 3,909.10 | | 57.82 | | 3,966.92 | PAID |
| 2012 | 1 | 3,909.10 | 234.54 | 82.09 | | 4,225.73 | PAID |

Total Amount Due: 11,673.17

Penalty and Interest Computed to: 8/20/2014



IN REPLY REFER TO:
CMS-AP00ROW-00607

HONOLULU AUTHORITY for RAPID TRANSPORTATION

Daniel A. Grabauskas
EXECUTIVE DIRECTOR AND CEO

HAND-DELIVERED

September 5, 2014

Daniel A. Grabauskas
Received
LORRAINE L. PAHIO 9/15/14
Print Name Date

BOARD OF DIRECTORS

Ivan M. Lui-Kwan, Esq.
CHAIR

Donald G. Horner
VICE CHAIR

George I. Atta
Robert Bunda
Michael D. Formby
Ford N. Fuchigami
William "Buzz" Hong
Kestle W.K. Hui
Damien T.K. Kim
Carrie K.S. Okinaga, Esq.

Ms. Elizabeth Kalahiki
c/o Ms. Loraine L. Pahio
1968 Dillingham Boulevard
Honolulu, Hawaii 96819

Dear Ms. Kalahiki:

Subject: Honolulu Rail Transit Project (H RTP)
1968 Dillingham Boulevard
Parcel 429: Tax Map Key 1-2-010-072 (Portion)
Letter of Offer

This is a follow-up to previous correspondence regarding the appraisal and acquisition of the subject property. An appraisal of your property has been completed. Based on our findings as contained in the enclosed Statement of Just Compensation, Honolulu Authority for Rapid Transportation (HART) offers to purchase a 141 square foot portion of your property for a Permanent HECO Transformer Box Easement, identified as Tax Map Key 1-2-010-072 (shown colored in blue on the enclosed tax map), for the total consideration of \$24,300 (Twenty-Four Thousand Three Hundred Dollars). Included as part of the consideration is compensation for severance damage related to the removal of the Noni Tree and damage to the Wall and Sidewalk.

If this offer is acceptable, please sign the duplicate of this letter and the Consent to Enter and return them in the enclosed envelope by October 5, 2014. The remaining copies are for your files.

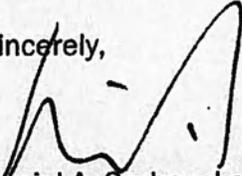
Also enclosed for your information are the Appraisal Summary Statement and the General Acquisition & Relocation Information Brochure.

In accordance with federal regulations affecting real property transactions, we request your cooperation in providing us with your Taxpayer Identification Number. Please execute and return the enclosed IRS Form W-9 at the same time. The W-9 is required by our Department of Budget and Fiscal Services to release the check.

Ms. Elizabeth Kalahiki
Page 2
September 5, 2014

Please call Mr. Alex Sutterer at 441-0546 if you have any questions regarding this matter.

Sincerely,



Daniel A. Grabauskas
Executive Director and CEO

Enclosures

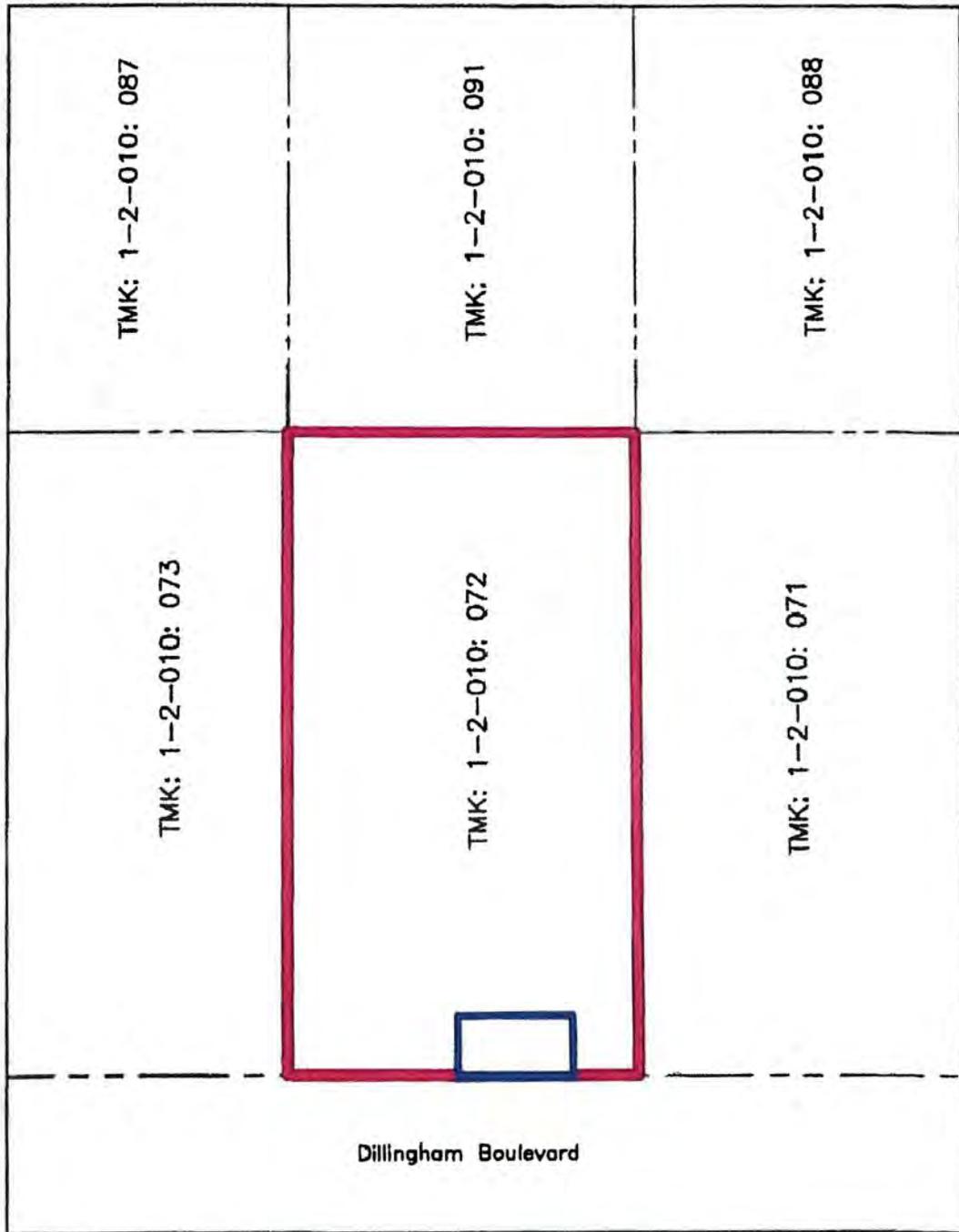
ACCEPTED:

ELIZABETH K. KALAHIKI

By _____
Its

Print Name: _____

Dated: _____



-  Proposed Partial Acquisition
-  TMK 1-2-010:072



5/5/2014

STATEMENT OF JUST COMPENSATION

PROJECT: HONOLULU RAIL TRANSIT PROJECT (H RTP)
LOCATION: 1968 Dillingham Boulevard, Honolulu, Oahu, Hawaii
TAX MAP KEY: (1) 1-2-010-072
OWNER(S): ELIZABETH K. KALAHIKI

INTEREST TO BE ACQUIRED: Permanent Easement

PARCEL TO BE ACQUIRED: Partial easement taking consisting of ± 141 square feet

ZONING: BMX-3, Business Mixed Use

IMPROVEMENTS: N/A.

PURPOSE: Under the United States and Hawaii Constitutions, private property cannot be taken for public use without payment of just compensation. In accordance with the Code of Federal Regulations, Honolulu Authority of Rapid Transportation submits a written statement of and summary of the basis for the amount it has established as just compensation for the above identified property.

In estimating just compensation, an appraisal was performed by a State of Hawaii licensed appraiser. The amount established as just compensation is not less than the approved appraisal of the fair market value of the property being acquired.

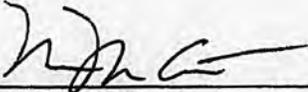
Unless otherwise stated in the attached letter of offer, the amount established as just compensation is for the real property being acquired, which includes land, buildings, structures, or improvements located on, or damaged as a result of the taking of the areas and interest described in the attached letter of offer.

The amount established as just compensation does not include items of personal property such as household furnishings, clothing and appliances.

JUST COMPENSATION: Based on the completed appraisal report and the appraisal review the just compensation amount for the property being acquired is:

| | |
|--|-----------------|
| Permanent HECO Transformer Box Easement: | \$23,000 |
| Severance Damages: | \$ 1,300 |
| TOTAL: | \$24,300 |

The original of this statement to be tendered to the above named owner has been signed in ink. If the signature is not in original ink, as opposed to duplicating, electrostatic or other media, this Statement of Just Compensation is not valid.



 Morris M. Atta
 Deputy Director of Right-of-Way

APPRAISAL SUMMARY STATEMENT

PROJECT: HONOLULU RAIL TRANSIT PROJECT (HRTP)
ADDRESS: 1968 Dillingham Boulevard, Honolulu, Oahu, Hawaii
TAX MAP KEY: (1) 1-2-010-072
OWNER(S): ELIZABETH K. KALAHIKI

PARCEL TOTAL AREA: ± 4,650 square feet
PARTIAL TAKE AREA: ± 141 square feet
PROPERTY ACQUIRED: ALL: PART: X
INTEREST TO BE ACQUIRED: Permanent Easement
ZONING: BMX-3, Business Mixed Use
HIGHEST & BEST USE: Office or Commercial Use

ASSESSED VALUE (2014):
 for total

| | |
|---------------|-------------------------|
| Land | \$604,500 |
| Improvements: | <u>\$ 25,700</u> |
| TOTAL | <u>\$630,200</u> |

| | |
|---|-----------------|
| The estimate for the easement is: | \$23,000 |
| The estimate for the Severance Damages are: | <u>\$ 1,300</u> |
| Total Appraisal Estimate: | \$24,300 |

The value of the property being acquired is based upon an appraisal prepared in accordance with accepted appraisal practices. Full and careful consideration has been given to the highest and best use for development of the property and to all features inherent in your property in order that the highest valuation possible can be made. The Appraisal Estimate and appraisal were developed and reported in conformity with Federal regulations, State statutes, and City ordinances.

CONSENT TO ENTER

The undersigned, being the owner of that certain property bearing the tax map key listed hereinbelow, hereby consents to the entry by the Honolulu Authority for Rapid Transportation ("HART"), a semi-autonomous agency of the City and County of Honolulu, and /or its representatives and consultants for the purpose stated:

PROJECT: Honolulu Rail Transit Project (H RTP)
TAX MAP KEY: (1) 1-2-010-072
LOCATION: 1968 Dillingham Boulevard, Honolulu, Oahu, Hawaii
PURPOSE: Construction Activities

It is understood that this consent to enter is granted upon the following terms:

(1) That the area covered by this consent document is colored in yellow and blue outlined on the attached map. That this consent includes the right of ingress to and egress from said consent to enter area over the land of the undersigned, adjacent thereto for all purposes in connection with this consent to enter.

(2) That this consent to enter is granted for a **nominal** consideration of \$1.00.

(3) That HART shall indemnify the undersigned against loss or damage to the property of the undersigned and from liability for injury to or death of persons in the manner provided by law when such loss, damage, injury or death is caused by the negligent use of said property by HART and/or its representatives and consultants, resulting from this consent to enter.

(4) That the entire cost of the work proposed to be done and all other expenses incidental thereto will be borne by HART.

(5) That HART will, in its discretion, determine the extent of the work to be done.

(6) That this consent to enter is granted for a period of thirty-six (36) months commencing from the date of actual entry and terminating at the end of the period or upon completion of work, whichever is sooner.

(7) That HART or its representative will provide the undersigned written notification at least two weeks prior to the entry into said property by HART's contractor.

TAX MAP KEY: (1) 1-2-010-072
Consent to Enter – Page 2

(8) That this consent to enter shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, devisees, personal representatives, successors in trust, successors and assigns.

(9) That this consent to enter shall be null and void upon recordation of the deed or other document conveying said property to HART.

DATED: HONOLULU, HAWAII _____.

ELIZABETH K. KALAHIKI

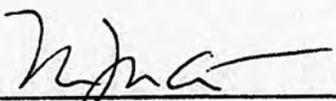
By _____
Its

Phone _____

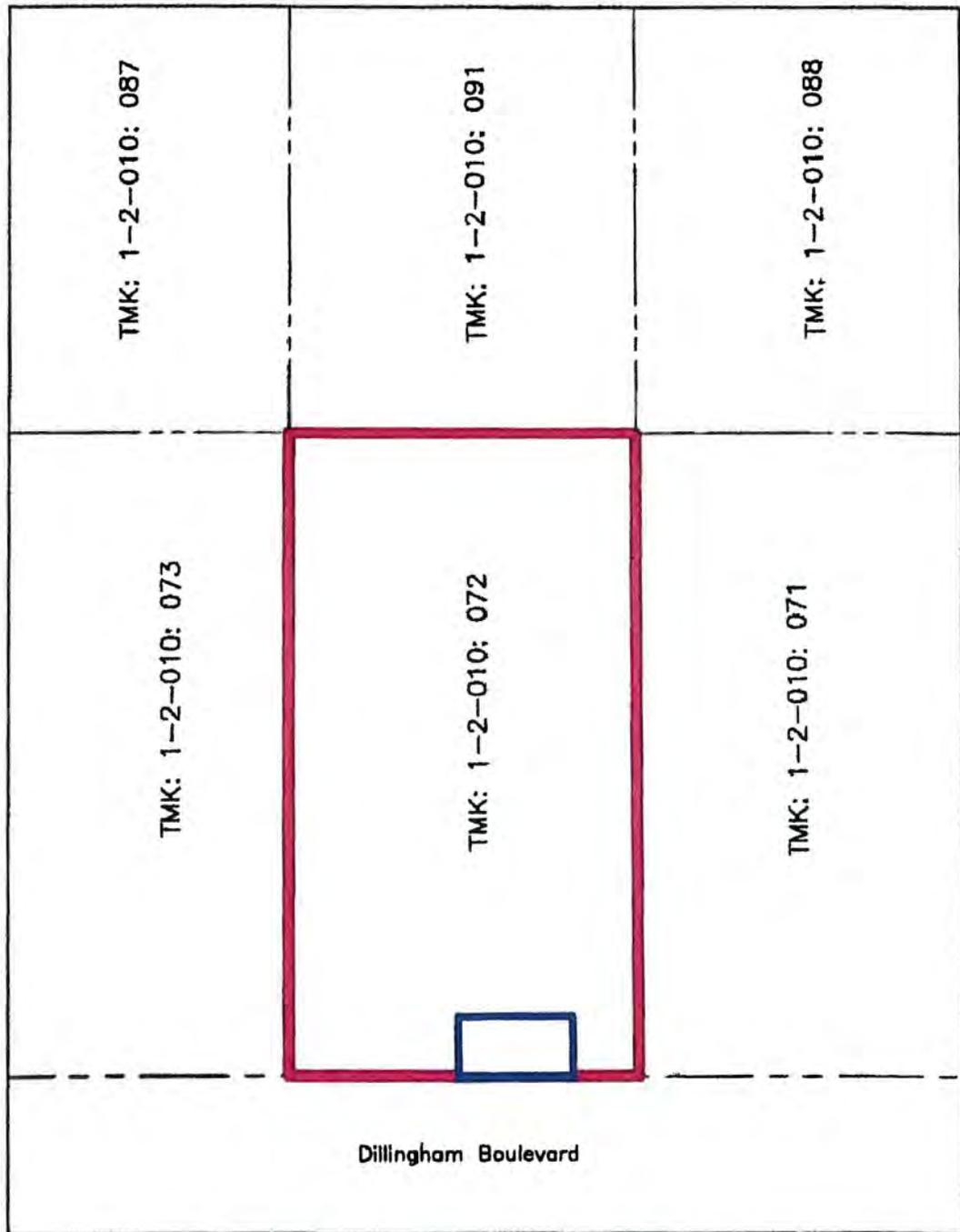
APPROVED AS TO FORM AND
LEGALITY

Deputy Corporation Counsel

APPROVED AS TO CONTENTS



Honolulu Authority for Rapid Transportation



-  Proposed Partial Acquisition
-  TMK 1-2-010:072



5/5/2014

Form **W-9**
(Rev. January 2011)
Department of the Treasury
Internal Revenue Service

Request for Taxpayer Identification Number and Certification

**Give Form to the
requester. Do not
send to the IRS.**

| | | |
|--|---|---|
| Print or type See Specific Instructions on page 2. | Name (as shown on your income tax return) | |
| | Business name/disregarded entity name, if different from above | |
| | Check appropriate box for federal tax classification (required): <input type="checkbox"/> Individual/sole proprietor <input type="checkbox"/> C Corporation <input type="checkbox"/> S Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Trust/estate <input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) ▶ _____ <input type="checkbox"/> Other (see instructions) ▶ _____ | |
| | <input type="checkbox"/> Exempt payee | |
| | Address (number, street, and apt. or suite no.) | Requester's name and address (optional) |
| City, state, and ZIP code | | |
| List account number(s) here (optional) | | |

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on the "Name" line to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I Instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Social security number

| | | | | | | | | | | |
|--|--|--|--|---|--|--|---|--|--|--|
| | | | | - | | | - | | | |
|--|--|--|--|---|--|--|---|--|--|--|

Employer identification number

| | | | | | | | | | | |
|--|--|--|--|---|--|--|--|--|--|--|
| | | | | - | | | | | | |
|--|--|--|--|---|--|--|--|--|--|--|

Note. If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

Part II Certification

Under penalties of perjury, I certify that:

- The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
- I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
- I am a U.S. citizen or other U.S. person (defined below).

Certification Instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions on page 4.

| | | |
|------------------|----------------------------|--------|
| Sign Here | Signature of U.S. person ▶ | Date ▶ |
|------------------|----------------------------|--------|

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Purpose of Form

A person who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

- Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
- Certify that you are not subject to backup withholding, or
- Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income.

Note. If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States,
- An estate (other than a foreign estate), or
- A domestic trust (as defined in Regulations section 301.7701-7).

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax on any foreign partners' share of income from such business. Further, in certain cases where a Form W-9 has not been received, a partnership is required to presume that a partner is a foreign person, and pay the withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid withholding on your share of partnership income.

The person who gives Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States is in the following cases:

- The U.S. owner of a disregarded entity and not the entity,
- The U.S. grantor or other owner of a grantor trust and not the trust, and
- The U.S. trust (other than a grantor trust) and not the beneficiaries of the trust.

Foreign person. If you are a foreign person, do not use Form W-9. Instead, use the appropriate Form W-8 (see Publication 515, Withholding of Tax on Nonresident Aliens and Foreign Entities).

Nonresident alien who becomes a resident alien. Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the payee has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items:

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.
2. The treaty article addressing the income.
3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.
4. The type and amount of income that qualifies for the exemption from tax.
5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

Example. Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity not subject to backup withholding, give the requester the appropriate completed Form W-8.

What is backup withholding? Persons making certain payments to you must under certain conditions withhold and pay to the IRS a percentage of such payments. This is called "backup withholding." Payments that may be subject to backup withholding include interest, tax-exempt interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

Payments you receive will be subject to backup withholding if:

1. You do not furnish your TIN to the requester,
2. You do not certify your TIN when required (see the Part II instructions on page 3 for details),
3. The IRS tells the requester that you furnished an incorrect TIN,
4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or
5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See the instructions below and the separate instructions for the Requester of Form W-9.

Also see *Special rules for partnerships* on page 1.

Updating Your Information

You must provide updated information to any person to whom you claimed to be an exempt payee if you are no longer an exempt payee and anticipate receiving reportable payments in the future from this person. For example, you may need to provide updated information if you are a C corporation that elects to be an S corporation, or if you no longer are tax exempt. In addition, you must furnish a new Form W-9 if the name or TIN changes for the account, for example, if the grantor of a grantor trust dies.

Penalties

Failure to furnish TIN. If you fail to furnish your correct TIN to a requester, you are subject to a penalty of \$50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

Civil penalty for false information with respect to withholding. If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a \$500 penalty.

Criminal penalty for falsifying information. Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

Misuse of TINs. If the requester discloses or uses TINs in violation of federal law, the requester may be subject to civil and criminal penalties.

Specific Instructions

Name

If you are an individual, you must generally enter the name shown on your income tax return. However, if you have changed your last name, for instance, due to marriage without informing the Social Security Administration of the name change, enter your first name, the last name shown on your social security card, and your new last name.

If the account is in joint names, list first, and then circle, the name of the person or entity whose number you entered in Part I of the form.

Sole proprietor. Enter your individual name as shown on your income tax return on the "Name" line. You may enter your business, trade, or "doing business as (DBA)" name on the "Business name/disregarded entity name" line.

Partnership, C Corporation, or S Corporation. Enter the entity's name on the "Name" line and any business, trade, or "doing business as (DBA)" name on the "Business name/disregarded entity name" line.

Disregarded entity. Enter the owner's name on the "Name" line. The name of the entity entered on the "Name" line should never be a disregarded entity. The name on the "Name" line must be the name shown on the income tax return on which the income will be reported. For example, if a foreign LLC that is treated as a disregarded entity for U.S. federal tax purposes has a domestic owner, the domestic owner's name is required to be provided on the "Name" line. If the direct owner of the entity is also a disregarded entity, enter the first owner that is not disregarded for federal tax purposes. Enter the disregarded entity's name on the "Business name/disregarded entity name" line. If the owner of the disregarded entity is a foreign person, you must complete an appropriate Form W-8.

Note. Check the appropriate box for the federal tax classification of the person whose name is entered on the "Name" line (Individual/sole proprietor, Partnership, C Corporation, S Corporation, Trust/estate).

Limited Liability Company (LLC). If the person identified on the "Name" line is an LLC, check the "Limited liability company" box only and enter the appropriate code for the tax classification in the space provided. If you are an LLC that is treated as a partnership for federal tax purposes, enter "P" for partnership. If you are an LLC that has filed a Form 8832 or a Form 2553 to be taxed as a corporation, enter "C" for C corporation or "S" for S corporation. If you are an LLC that is disregarded as an entity separate from its owner under Regulation section 301.7701-3 (except for employment and excise tax), do not check the LLC box unless the owner of the LLC (required to be identified on the "Name" line) is another LLC that is not disregarded for federal tax purposes. If the LLC is disregarded as an entity separate from its owner, enter the appropriate tax classification of the owner identified on the "Name" line.

Other entities. Enter your business name as shown on required federal tax documents on the "Name" line. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on the "Business name/disregarded entity name" line.

Exempt Payee

If you are exempt from backup withholding, enter your name as described above and check the appropriate box for your status, then check the "Exempt payee" box in the line following the "Business name/disregarded entity name," sign and date the form.

Generally, individuals (including sole proprietors) are not exempt from backup withholding. Corporations are exempt from backup withholding for certain payments, such as interest and dividends.

Note. If you are exempt from backup withholding, you should still complete this form to avoid possible erroneous backup withholding.

The following payees are exempt from backup withholding:

1. An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2),
 2. The United States or any of its agencies or instrumentalities,
 3. A state, the District of Columbia, a possession of the United States, or any of their political subdivisions or instrumentalities,
 4. A foreign government or any of its political subdivisions, agencies, or instrumentalities, or
 5. An international organization or any of its agencies or instrumentalities.
- Other payees that may be exempt from backup withholding include:
6. A corporation,
 7. A foreign central bank of issue,
 8. A dealer in securities or commodities required to register in the United States, the District of Columbia, or a possession of the United States,
 9. A futures commission merchant registered with the Commodity Futures Trading Commission,
 10. A real estate investment trust,
 11. An entity registered at all times during the tax year under the Investment Company Act of 1940,
 12. A common trust fund operated by a bank under section 584(a),
 13. A financial institution,
 14. A middleman known in the investment community as a nominee or custodian, or
 15. A trust exempt from tax under section 664 or described in section 4947

The following chart shows types of payments that may be exempt from backup withholding. The chart applies to the exempt payees listed above, 1 through 15.

| IF the payment is for . . . | THEN the payment is exempt for . . . |
|---|---|
| Interest and dividend payments | All exempt payees except for 9 |
| Broker transactions | Exempt payees 1 through 5 and 7 through 13. Also, C corporations. |
| Barter exchange transactions and patronage dividends | Exempt payees 1 through 5 |
| Payments over \$600 required to be reported and direct sales over \$5,000 | Generally, exempt payees 1 through 7 ² |

¹ See Form 1099-MISC, Miscellaneous Income, and its instructions.

² However, the following payments made to a corporation and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees, gross proceeds paid to an attorney, and payments for services paid by a federal executive agency.

Part I. Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. If you are a resident alien and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see *How to get a TIN* below.

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN. However, the IRS prefers that you use your SSN.

If you are a single-member LLC that is disregarded as an entity separate from its owner (see *Limited Liability Company (LLC)* on page 2), enter the owner's SSN (or EIN, if the owner has one). Do not enter the disregarded entity's EIN. If the LLC is classified as a corporation or partnership, enter the entity's EIN.

Note. See the chart on page 4 for further clarification of name and TIN combinations.

How to get a TIN. If you do not have a TIN, apply for one immediately. To apply for an SSN, get Form SS-5, Application for a Social Security Card, from your local Social Security Administration office or get this form online at www.ssa.gov. You may also get this form by calling 1-800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can apply for an EIN online by accessing the IRS website at www.irs.gov/businesses and clicking on Employer Identification Number (EIN) under Starting a Business. You can get Forms W-7 and SS-4 from the IRS by visiting IRS.gov or by calling 1-800-TAX-FORM (1-800-829-3676).

If you are asked to complete Form W-9 but do not have a TIN, write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

Note. Entering "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.

Caution: A disregarded domestic entity that has a foreign owner must use the appropriate Form W-8.

Part II. Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if item 1, below, and items 4 and 5 on page 4 indicate otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). In the case of a disregarded entity, the person identified on the "Name" line must sign. Exempt payees, see *Exempt Payee* on page 3.

Signature requirements. Complete the certification as indicated in items 1 through 3, below, and items 4 and 5 on page 4.

1. **Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983.** You must give your correct TIN, but you do not have to sign the certification.
2. **Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983.** You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.
3. **Real estate transactions.** You must sign the certification. You may cross out item 2 of the certification.

4. Other payments. You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).

5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), IRA, Coverdell ESA, Archer MSA or HSA contributions or distributions, and pension distributions. You must give your correct TIN, but you do not have to sign the certification.

Note. If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

Secure Your Tax Records from Identity Theft

Identity theft occurs when someone uses your personal information such as your name, social security number (SSN), or other identifying information, without your permission, to commit fraud or other crimes. An identity thief may use your SSN to get a job or may file a tax return using your SSN to receive a refund.

To reduce your risk:

- Protect your SSN,
- Ensure your employer is protecting your SSN, and
- Be careful when choosing a tax preparer.

If your tax records are affected by identity theft and you receive a notice from the IRS, respond right away to the name and phone number printed on the IRS notice or letter.

If your tax records are not currently affected by identity theft but you think you are at risk due to a lost or stolen purse or wallet, questionable credit card activity or credit report, contact the IRS Identity Theft Hotline at 1-800-908-4490 or submit Form 14039.

For more information, see Publication 4535, Identity Theft Prevention and Victim Assistance.

Victims of identity theft who are experiencing economic harm or a system problem, or are seeking help in resolving tax problems that have not been resolved through normal channels, may be eligible for Taxpayer Advocate Service (TAS) assistance. You can reach TAS by calling the TAS toll-free case intake line at 1-877-777-4778 or TTY/TDD 1-800-829-4059.

Protect yourself from suspicious emails or phishing schemes. Phishing is the creation and use of email and websites designed to mimic legitimate business emails and websites. The most common act is sending an email to a user falsely claiming to be an established legitimate enterprise in an attempt to scam the user into surrendering private information that will be used for identity theft.

The IRS does not initiate contacts with taxpayers via emails. Also, the IRS does not request personal detailed information through email or ask taxpayers for the PIN numbers, passwords, or similar secret access information for their credit card, bank, or other financial accounts.

If you receive an unsolicited email claiming to be from the IRS, forward this message to phishing@irs.gov. You may also report misuse of the IRS name, logo, or other IRS property to the Treasury Inspector General for Tax Administration at 1-800-366-4484. You can forward suspicious emails to the Federal Trade Commission at: spam@uce.gov or contact them at www.ftc.gov/idtheft or 1-877-IDTHEFT (1-877-438-4338).

Visit IRS.gov to learn more about identity theft and how to reduce your risk.

What Name and Number To Give the Requester

| For this type of account: | Give name and SSN of: |
|---|---|
| 1. Individual | The individual |
| 2. Two or more individuals (joint account) | The actual owner of the account or, if combined funds, the first individual on the account ¹ |
| 3. Custodian account of a minor (Uniform Gift to Minors Act) | The minor ² |
| 4. a. The usual revocable savings trust (grantor is also trustee) b. So-called trust account that is not a legal or valid trust under state law | The grantor-trustee ³ The actual owner |
| 5. Sole proprietorship or disregarded entity owned by an individual | The owner ³ |
| 6. Grantor trust filing under Optional Form 1099 Filing Method 1 (see Regulation section 1.671-4(b)(2)(i)(A)) | The grantor ⁴ |
| For this type of account: | Give name and EIN of: |
| 7. Disregarded entity not owned by an individual | The owner |
| 8. A valid trust, estate, or pension trust | Legal entity ⁴ |
| 9. Corporation or LLC electing corporate status on Form 8832 or Form 2553 | The corporation |
| 10. Association, club, religious, charitable, educational, or other tax-exempt organization | The organization |
| 11. Partnership or multi-member LLC | The partnership |
| 12. A broker or registered nominee | The broker or nominee |
| 13. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments | The public entity |
| 14. Grantor trust filing under the Form 1041 Filing Method or the Optional Form 1099 Filing Method 2 (see Regulation section 1.671-4(b)(2)(i)(B)) | The trust |

List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

² Circle the minor's name and furnish the minor's SSN.

³ You must show your individual name and you may also enter your business or "DBA" name on the "Business name/disregarded entity" name line. You may use either your SSN or EIN (if you have one), but the IRS encourages you to use your SSN.

⁴ List first and circle the name of the trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.) Also see *Special rules for partnerships* on page 1.

*Note. Grantor also must provide a Form W-9 to trustee of trust.

Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons (including federal agencies) who are required to file information returns with the IRS to report interest, dividends, or certain other income paid to you; mortgage interest you paid; the acquisition or abandonment of secured property; the cancellation of debt; or contributions you made to an IRA, Archer MSA, or HSA. The person collecting this form uses the information on the form to file information returns with the IRS, reporting the above information. Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation and to cities, states, the District of Columbia, and U.S. possessions for use in administering their laws. The information also may be disclosed to other countries under a treaty, to federal and state agencies to enforce civil and criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism. You must provide your TIN whether or not you are required to file a tax return. Under section 3406, payers must generally withhold a percentage of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to the payer. Certain penalties may also apply for providing false or fraudulent information.

More Relocation Information



Business

A business that is relocated as a result of the project may

be entitled to benefits such as:

1. *Moving and Related Costs*
2. *Reestablishment Costs*
3. *Fixed Payment*

Statements applicable to all categories and benefits listed

Please keep in mind that there are specific benefit requirements that must be met to receive any of the funds mentioned above. Your assigned relocation agent will assist you to fully understand the payments and requirements.

No one may be displaced until adequate housing has been made available to them.

All persons required to move personal property, their home, or business must be given at least 90 days to vacate.

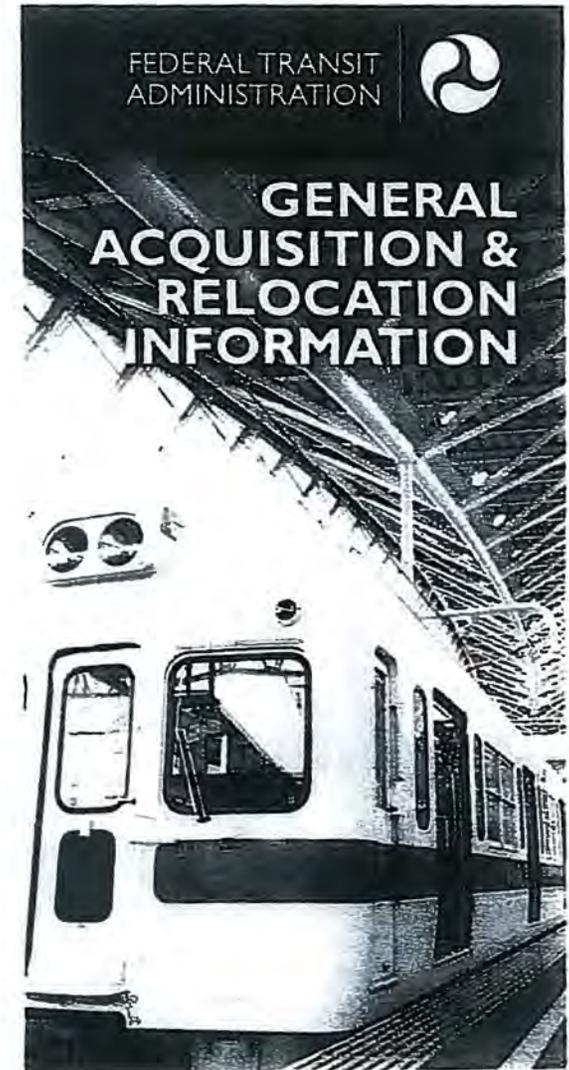
Your Local Transit Agency will establish an appeal process should you be aggrieved by a denial of benefits or if you feel the benefits are inadequate.

A message from the FTA and your local transit agency

It is sometimes necessary to acquire private property and displace persons and businesses in order to build a transit facility that will benefit the entire community. However, we will work with you to minimize the inevitable disruption that this causes. Please feel free to contact the agency and person listed below should you have any further questions.

Revised rules for the Uniform Act were published in the Federal Register on January 4, 2005. The rules are reprinted each year in the Code of Federal Regulations, Title 49, Part 24. All Federal, State and local government agencies, as well as others receiving Federal financial assistance for public programs and projects, that require the acquisition of real property, must comply with the policies and provisions set forth in the Uniform Act and the regulation.

For further information, please contact:



FTA | U.S. DEPARTMENT OF TRANSPORTATION  **Exhibit 5**
FEDERAL TRANSIT ADMINISTRATION

SEE THE BACK PANEL OF THIS BROCHURE FOR INFORMATION ON CONTACTING YOUR LOCAL AGENCY.



GENERAL INFORMATION

Your local transit agency may need to purchase property from you with funding from the Federal Transit



Administration (FTA) in order to benefit the general public. To assure fair and consistent treatment of all

persons, the FTA will require your local transit agency to follow the Uniform Relocation Assistance and Real Property Policies Act of 1970, as amended. The Uniform Act is a law passed by Congress to promote uniformity and fairness when a local transit agency must acquire property or displace persons. There are two main parts of this process:

1. *Acquisition, which is the purchase of your real estate.*
2. *Relocation which offers additional benefits should you or your business be displaced.*

Acquisition of Real Property

The purchase of real estate by a transit agency begins with the appraisal of your property. An appraiser will inspect your property to determine the value. The property owner should accompany the appraiser while making this inspection. A second appraiser will then review and approve the work of the first appraiser and will recommend a value to the local transit agency.

You should then receive a written offer to purchase your property. You will have sufficient time to consider the offer or make any counter offers that you believe is fair.

If you elect to sell your property to the local transit agency, you will be paid the full amount less any encumbrances (mortgage, lien, etc.) owed on that property. Possession of vacant property may be taken the day of closing by the local transit agency; possession of occupied property will be at an agreed future date.



Relocation



Advisory Assistance will be offered to every displaced person. A Relocation Agent will visit you to explain all of the benefits and services that you may be eligible to receive.

Below is a very brief outline of the various types of financial benefits available if you or your business are required to move.

Residential Homeowner Occupants, are those that have owned and occupied their home for at least 180 days. Typical benefits include:

1. *Moving Costs*
2. *Price Differential Payment*
3. *Increased Mortgage Interest*
4. *Incidental Closing Costs*

90 day Occupant or Tenant, is either a tenant or a homeowner that has occupied their home for less than 180 days but at least 90 days. Relocation benefits include:

1. *Moving Costs*
2. *Rental Assistance Payment/Down Payment*

**THE FORT WORTH FOUNDATION TRUST
306 WEST 7TH STREET
SUITE 903
FORT WORTH, TX 76102
817/887-9207**

November 11, 2014

*Mr. Ryan Ng
Honolulu Rail Transit Project
Paragon Partners, Ltd.
1099 Alakea Street
Suite 1700
Honolulu, HI 96815*

RE: Tax Map Key #9-9-003-066

Dear Ryan:

Per our phone conversation yesterday, I believe the Fort Worth Foundation Trust is the owner of the property identified at Tax Map Key 9-9-003-066 in Honolulu, Hawaii, as per the affidavit and accompanying documents I provided to you in August 2014. I understand that the title company you are working with is unable to ensure clear title based on the documentation provided. Please consider this my request, as Administrative Trustee of The Fort Worth Foundation Trust, that your office move forward with friendly eminent domain condemnation proceedings in order to clear title to the property and to purchase the property from The Fort Worth Foundation Trust at the previously agreed-upon price of \$45,000.

Please let me know if you need any further information or authorization to proceed.

*Sincerely,
The Fort Worth Foundation Trust*



*Sandra Knight
Administrative Trustee*

Honolulu Authority for Rapid Transportation

RESOLUTION NO. 2014-5

APPROVING NOTIFICATION TO THE CITY COUNCIL OF INTENTION TO ACQUIRE THE REAL PROPERTY IDENTIFIED AS TAX MAP KEY 9-9-003:066 BY EMINENT DOMAIN AND PUBLICATION OF A RESOLUTION AUTHORIZING ACQUISITION OF SAID PROPERTY BY EMINENT DOMAIN

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

WHEREAS, Section 17-103.2(b) of the Charter empowers HART "to acquire by eminent domain ... all real property or any interest therein necessary for the construction, maintenance, repair, extension or operation of the fixed guideway system;" and

WHEREAS, prior to such acquisition the Charter directs HART to submit a list of real property to be acquired by eminent domain to the City Council; and

WHEREAS, the City Council may approve the acquisition by eminent domain or may object by adoption of a resolution within 45 days of the notification to acquire the real property; and

WHEREAS, the acquisition by eminent domain in fee simple of the real property identified as Tax Map Key (TMK) 9-9-003:066 and more particularly described in the attached legal description marked as Exhibit A, is necessary for the Honolulu Rail Transit Project fixed guideway system, a valid public use and purpose;

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

1. That written notification to the City Council is approved, for the acquisition by eminent domain in fee simple of the real property identified as TMK 9-9-003:066; and
2. That in the event the City Council approves or does not object to the acquisition within 45 days of notification, then HART is authorized to publish in a daily newspaper at least three days prior to Board action, the attached resolution marked as Exhibit B, authorizing acquisition by eminent domain in fee simple of the above-identified real property.

ADOPTED by the Board of the Honolulu Authority for Rapid Transportation on

_____.

Exhibit A – Legal description of TMK 9-9-003:066

Exhibit B – Resolution No. 2014-____, Authorizing the Acquisition of the Real
Property Identified as Tax Map Key 9-9-003:066 by Eminent Domain.

Board Chair

ATTEST:

Board Administrator

DRAFT

PARCEL 1**Honolulu Rail Transit Project**

Being a Portion of Royal Patent 6717,

Land Commission Award 7712 and 8516-B to M. Kekuaaoa and Kamaikui

And Royal Patent 457, Land Commission Award 2131 Apana 1 to Kanihoalii for Kaukiwaa

Situate at Halawa, Ewa, Island of Oahu, Hawaii

Beginning at the West corner of this parcel of land and along the East side of Kamehameha Highway, the coordinates of said point of beginning referred to Government Survey Triangulation Station "SALT LAKE" being 653.17 feet North and 9,331.23 feet West, thence running by azimuths measured clockwise from true South:

1. 203° 32' 116.70 feet along the East side of Kamehameha Highway;
2. 293° 32' 15.00 feet along the East side of Kamehameha Highway;
3. 203° 32' 710.19 feet along the East side of Kamehameha Highway;
4. Thence along the East side of Kamehameha Highway, on a curve to the right with a radius of 5,679.65 feet, the chord azimuth and distance being:
203° 46' 00.5" 46.29 feet;
5. 267° 30' 17.39 feet along Lot A, being a portion of R. P. 6717, L.C. Aw. 7712 and 8516-B to M. Kekuaaoa and Kamaikui;
6. 17° 33' 30" 577.95 feet along Lot 4-B, being a portion of R. P. 6717, L.C. Aw. 7712 and 8516-B to M. Kekuaaoa and Kamaikui, a portion of R. P. 157, L. C. Aw. 2131, Apana 1 to Kanihoalii for Kaukiwaa, Kalaloa Street, and Lot A, being a portion of R. P. 6717, L.C. Aw. 7712 and 8516-B to M. Kekuaaoa and Kamaikui;
7. 23° 32' 322.54 feet along Lot A, being a portion of R. P. 6717, L.C. Aw. 7712 and 8516-B to M. Kekuaaoa and Kamaikui;

-1-



8. 123° 50'

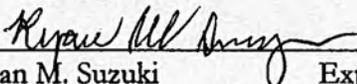
92.49 feet along Kamehameha Highway, to the point of beginning and containing an area of 1.196 Acres, more or less.



R. M. TOWILL CORPORATION

Description prepared by:

2024 North King Street, Suite 200
Honolulu, Hawaii 96819
December 19, 2012


Ryan M. Suzuki Exp: 4/30/16
Licensed Professional Land Surveyor
Certificate Number 10059

This description is for exhibit purposes and does not purport a legally subdivided lot.



Honolulu Authority for Rapid Transportation

RESOLUTION NO. 2014-__

**AUTHORIZING THE ACQUISITION OF THE REAL PROPERTY IDENTIFIED
AS TAX MAP KEY 9-9-003:066 BY EMINENT DOMAIN**

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

WHEREAS, Section 17-103.2(b) of the Charter empowers HART “to acquire by eminent domain. . . all real property or any interest therein necessary for the construction, maintenance, repair, extension or operation of the fixed guideway system;” and

WHEREAS, the City Council approved or did not object to the acquisition of the real property identified as Tax Map Key (TMK) 9-9-003:066 by eminent domain in fee simple after written notification by HART; and

WHEREAS, the acquisition by eminent domain in fee simple of the above-identified real property, which is more particularly described in the attached legal description marked as Exhibit A, is necessary for the Honolulu Rail Transit Project fixed guideway system, a valid public use and purpose;

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

1. That acquisition by eminent domain in fee simple of the real property identified as TMK 9-9-003:066 is hereby authorized and the Corporation Counsel of the City and County of Honolulu is empowered to institute eminent domain proceedings as provided by law for the acquisition thereof; and
2. That the acquisition of the above-identified property by eminent domain is determined and declared to be for a valid public use and purpose as aforesaid; and
3. That the acquisition of the above-identified property by eminent domain is determined and declared to be necessary for the aforesaid public use and purpose; and
4. That in the process of said proceedings in eminent domain, the Corporation Counsel is authorized and empowered to negotiate

terms of settlement, subject to the approval of HART and/or the Court before which such proceedings are commenced; and

5. That the Board Administrator be directed to transmit copies of this resolution to HART and the Department of the Corporation Counsel.

ADOPTED by the Board of the Honolulu Authority for Rapid Transportation on _____.

Board Chair

ATTEST:

Board Administrator

Exhibit A – Legal description of TMK 9-9-003:066

DRAFT

PARCEL 1**Honolulu Rail Transit Project**

Being a Portion of Royal Patent 6717,

Land Commission Award 7712 and 8516-B to M. Kekuaaoa and Kamaikui

And Royal Patent 457, Land Commission Award 2131 Apana 1 to Kanihoalii for Kaukiwaa

Situate at Halawa, Ewa, Island of Oahu, Hawaii

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4. Thence along the East side of Kamehameha Highway, on a curve to the right with a radius of 5,679.65 feet, the chord azimuth and distance being:
203° 46' 00.5" 46.29 feet;
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6. 17° 33' 30" 577.95 feet along Lot 4-B, being a portion of R. P. 6717, L.C. Aw. 7712 and 8516-B to M. Kekuaaoa and Kamaikui, a portion of R. P. 157, L. C. Aw. 2131, Apana 1 to Kanihoalii for Kaukiwaa, Kalaloa Street, and Lot A, being a portion of R. P. 6717, L.C. Aw. 7712 and 8516-B to M. Kekuaaoa and Kamaikui;
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-1-



8. 123° 50'

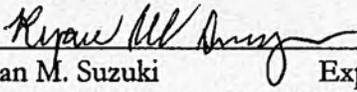
92.49 feet along Kamehameha Highway, to the point of beginning and containing an area of 1.196 Acres, more or less.



R. M. TOWILL CORPORATION

Description prepared by:

2024 North King Street, Suite 200
Honolulu, Hawaii 96819
December 19, 2012



Ryan M. Suzuki Exp: 4/30/16
Licensed Professional Land Surveyor
Certificate Number 10059

This description is for exhibit purposes and does not purport a legally subdivided lot.



Honolulu Authority for Rapid Transportation

STAFF SUMMARY

| | | |
|--|--------------------------------------|----------------------------------|
| TITLE: RESOLUTION NO. 2014-5 APPROVING NOTIFICATION TO THE CITY COUNCIL OF INTENTION TO ACQUIRE THE REAL PROPERTY IDENTIFIED AS TAX MAP KEY 9-9-003:066 BY EMINENT DOMAIN AND PUBLICATION OF A RESOLUTION AUTHORIZING ACQUISITION OF SAID PROPERTY BY EMINENT DOMAIN | STAFF CONTACT: Morris Atta | DATE: November 7, 2014 |
|--|--------------------------------------|----------------------------------|

| Type: | Goal | Focus | Area | Reference Notes |
|---|--|--|------|-----------------|
| <input checked="" type="checkbox"/> Action/Approval | <input checked="" type="checkbox"/> Project Delivery | <input type="checkbox"/> Livability/Land Use | | |
| <input type="checkbox"/> Information | <input type="checkbox"/> Service Delivery | <input type="checkbox"/> Partnerships | | |
| <input type="checkbox"/> Follow-up | <input type="checkbox"/> Resource Stewardship | <input type="checkbox"/> Agency Admin. | | |

1. Purpose:
 Review of Notification to City Council for condemnation of land for public use, identified as Tax Map Key 9-9-003:066, and situated at Kamehameha Highway, Aiea, which is required for guideway construction of the Honolulu Rail Transit Project (H RTP). After discussions with the owners and their representatives, HART and Title Guaranty Escrow Services have determined a break in the chain of title has occurred and title cannot be insured for conveyance. A court order appointing a Trustee for the Harry B. Kronick Trust is required for title insurance.

HART recommends use of eminent domain to clear title on the property.

2. Background/Justification

The property (TMK (9-9-003:066) was designated as a taking in the Final Environmental Impact Statement (FEIS). As required under the Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA) and FTA C5010.1D, the owners were notified of HART's intent to acquire. Since the property was identified as a roadway parcel, it was determined that the value to acquire was nominal and a waiver valuation was used as per 49 CFR Part 24. An offer was tendered to the owner on record. An administrative settlement was subsequently reached on the value of the property and the property went into escrow.

Based on a completed survey from HART, it was determined that the majority of the parcel lies within the Kamehameha Highway right-of-way. Due to the majority of the parcel being comprised of paved highway and emergency shoulder area, the parcel was found to have a value of \$1,000, rendering an appraisal unnecessary; an offer was thereby made to the Harry B. Kronick Trust. A counteroffer of \$100,000 was made on behalf of the Trust. After re-evaluation based on the owner's lease income from the property, an administrative settlement was reached with the owner for a value of \$45,000.

Upon opening escrow with Title Guaranty, a break in the chain of title was determined. To remedy this issue, the owner's attorney drafted an affidavit and submitted it to the title company on behalf of the Trust. Title Guaranty was unable to accept the Affidavit as an instrument to establish an

appointed successor trustee. It has been determined that a court order is required to appoint a Trustee for the Harry B. Kronick Trust. Until a Trustee is legally appointed via court order, Title Guaranty is unable to insure title to the property.

It is noted that this is a friendly condemnation action as there is no dispute on the valuation of the property. However, with escrow unable to insure title to the property, HART's most prudent option would be to seek eminent domain to clear title.

3. Procurement Background

N/A

4. Financial/Budget Impact

The project budget includes an estimated cost for legal action associated with the condemnation of the property.

5. Policy Impact

There is no policy impact since this action conforms to the requirement of the Uniform Relocation Act, FTA 1050.1D and Article XVII of the Charter of the City and County of Honolulu.

6. Public Involvement

N/A

7. Alternatives

The alternative to condemnation is to allow the potential Trustees of Harry B. Kronick Trust to file a court order to establish a Trustee of the Trust. This alternative would be costly and time consuming. In the interest of time, condemnation is the faster method of HART obtaining clear title to the property.

Exhibits

- Exhibit 1 – Offer Letter
- Exhibit 2 – Revised Offer Letter
- Exhibit 3 – Administrative Settlement
- Exhibit 4 – Title Report
- Exhibit 5 – Affidavit of Title

Certified and Recommended by:


Executive Director and CEO



HONOLULU AUTHORITY for RAPID TRANSPORTATION

IN REPLY REFER TO:
CMS-APOOROW-00277CERTIFIED MAIL/RETURN RECEIPT REQUESTED
7012 3460 0002 2632 9292

September 27, 2013

Ms. Sandra Knight, Executor and Trustee for
Norman M. Kronick Trust
Harry B. Kronick Trust
2501 Gravel Drive
Fort Worth, Texas 76118

Dear Ma'am:

Subject: Honolulu Rail Transit Project (H RTP)
Letter of Offer
Parcel: Tax Map Key 9-9-003-066

This is a follow-up to previous correspondence regarding the acquisition of the subject property. Based on our findings as contained in the enclosed Statement of Just Compensation, the Honolulu Authority for Rapid Transportation (HART) offers to purchase your property, identified as Tax Map Key No. 9-9-003-066 (shown colored in yellow on the enclosed parcel map), in fee simple, free and clear of all liens and encumbrances, for the total consideration of \$1,000 (One Thousand Dollars).

If this offer is acceptable, please sign the duplicate of this letter and the Consent to Enter and return them in the enclosed envelope by October 25, 2013. The remaining copies are for your files.

Also enclosed for your information is the Waiver Valuation Statement and the General Acquisition & Relocation Information Brochure.

In accordance with federal regulations affecting real property transactions, we request your cooperation in providing us with your Taxpayer Identification Number. Please execute and return the enclosed IRS form W-9 at the same time. The W-9 is required by our Department of Budget and Fiscal Services to release the check.

Daniel A. Grabauskas
EXECUTIVE DIRECTOR AND CEO

BOARD OF DIRECTORS

Ivan M. Lui-Kwan, Esq.
CHAIRDonald G. Horner
VICE CHAIRGeorge I. Atta
Robert Bunda
Michael D. Formby
William "Buzz" Hong
Kestie W.K. Hui
Damien T.K. Kim
Glenn M. Okimoto, Ph.D.
Carrie K.S. Okinaga, Esq.

Ms. Sandra Knight, Executor and Trustee for
Page 2
September 27, 2013

Please call Mr. Ryan Ng at (808) 768-6199 if you have any questions regarding this matter.

Sincerely,



Daniel A. Grabauskas
Executive Director and CEO

Enclosures

ACCEPTED:

Norman M. Kronick
as Successor Trustee of the
Harry B. Kronick Trust, dated December 9, 1987

By _____
Its

Print Name: _____

Dated: _____

STATEMENT OF JUST COMPENSATION

PROJECT: HONOLULU RAIL TRANSIT PROJECT (H RTP)
LOCATION: Kamehameha Highway, Honolulu, Oahu, Hawaii
TAX MAP KEY: (1) 9-9-003-066
OWNER(S): Norman M. Kronick, as Successor Trustee of the Harry B. Kronick Trust, dated December 9, 1987.

INTEREST TO BE ACQUIRED: Unencumbered Fee Simple

PARCEL TO BE ACQUIRED: Parcel – approximately 52,089 square feet

ZONING: Residential District (R-5)

IMPROVEMENTS: Paved asphalt highway

PURPOSE: Under the United States and Hawaii Constitutions, private property cannot be taken for public use without payment of just compensation. In accordance with the Code of Federal Regulations, Honolulu Authority of Rapid Transportation submits a written statement of and summary of the basis for the amount it has established as just compensation for the above identified property.

In estimating just compensation, it was determined that the highest and best use of the subject parcel is its continued use as part of a major public roadway for right-of-way purposes. Acquiring a portion of the subject parcel for purposes of the Honolulu Trail Transit Project would leave an uneconomic remnant. Therefore, the amount established as just compensation reflects a nominal value for the entire parcel.

Unless otherwise stated in the attached letter of offer, the amount established as just compensation is for the real property being acquired, which includes land, buildings, structures, or improvements located on, or damaged as a result of the taking of the areas and interest described in the attached letter of offer.

The amount established as just compensation does not include items of personal property such as household furnishings, clothing and appliances.

JUST COMPENSATION: Based on the completed waiver valuation procedures as prescribed under 49 CFR Part 24 of the Code of Federal Regulations, the just compensation amount for the property being acquired is:

\$1,000

The original of this statement to be tendered to the above named owner has been signed in blue ink. If the signature is not in original ink, as opposed to duplicating, electrostatic or other media, this Statement of Just Compensation is not valid.



 Morris M. Atta
 Deputy Director, Right-of-Way

WAIVER VALUATION STATEMENT

PROJECT: HONOLULU RAIL TRANSIT PROJECT (H RTP)

ADDRESS: Kamehameha Highway, Oahu, Hawaii

TAX MAP KEY: (1) 9-9-003-066

OWNER(S): Norman M. Kronick, as Successor Trustee of the Harry B. Kronick Trust, dated December 9, 1987.

PARCEL TOTAL AREA: 52,089 square feet

PROPERTY ACQUIRED: ALL: X PART:

INTEREST TO BE ACQUIRED: Unencumbered Fee Simple

ZONING: Residential District (R-5)

HIGHEST & BEST USE: Continued use for public roadway and right-of-way purposes.

ASSESSED VALUE (2013/2014)

| | |
|---------------|-----------------|
| Land: | \$100.00 |
| Improvements: | \$0.00 |
| TOTAL | \$100.00 |

The Valuation Estimate is: \$1,000.00

The value of the property being acquired is based upon nominal consideration. A survey on the subject property determined that it is located as part of Kamehameha Highway, which is a State of Hawaii active public roadway. The bulk of the parcel is asphalt-paved and is an integral part of the highway and right-of-way. After careful analysis of the subject property, determination of its highest and best use, and its land use limitations and physical characteristics, it was concluded that the market value of the subject parcel was nominal. The valuation estimate and and waiver valuation were developed and reported in conformity with Federal regulations.

CONSENT TO ENTER

The undersigned, being the owner of that certain property bearing the tax map key listed hereinbelow, hereby consents to the entry by the Honolulu Authority for Rapid Transportation ("HART"), a semi-autonomous agency of the City and County of Honolulu, and /or its representatives and consultants for the purpose stated:

PROJECT: **Honolulu Rail Transit Project (H RTP)**

TAX MAP KEY: **(1) 9-9-003-066**

LOCATION: **Kamehameha Highway, Oahu, Hawaii**

PURPOSE: **Construction Activities**

It is understood that this consent to enter is granted upon the following terms:

(1) That the area covered by this consent document is colored in yellow outlined on the attached map. That this consent includes the right of ingress to and egress from said consent to enter area over the land of the undersigned, adjacent thereto for all purposes in connection with this consent to enter.

(2) That this consent to enter is granted for a **nominal** consideration of \$1.00.

(3) That HART shall indemnify the undersigned against loss or damage to the property of the undersigned and from liability for injury to or death of persons in the manner provided by law when such loss, damage, injury or death is caused by the negligent use of said property by HART and/or its representatives and consultants, resulting from this consent to enter.

(4) That the entire cost of the work proposed to be done and all other expenses incidental thereto will be borne by HART.

(5) That HART will, in its discretion, determine the extent of the work to be done.

(6) That this consent to enter is granted for a period of thirty-six (36) months commencing from the date of actual entry and terminating at the end of the period or upon completion of work, whichever is sooner.

(7) That HART or its representative will provide the undersigned written notification at least two weeks prior to the entry into said property by HART's contractor.

TAX MAP KEY: (1) 9-9-003-066

Consent to Enter – Page 2

(8) That this consent to enter shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, devisees, personal representatives, successors in trust, successors and assigns.

(9) That this consent to enter shall be null and void upon recordation of the deed or other document conveying said property to HART.

DATED: HONOLULU, HAWAII _____.

Norman M. Kronick, as Successor Trustee of
the Harry B. Kronick Trust,
dated December 9, 1987.

By _____

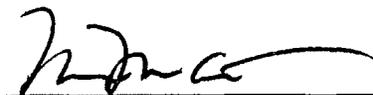
Its

Phone _____

APPROVED AS TO FORM AND
LEGALITY

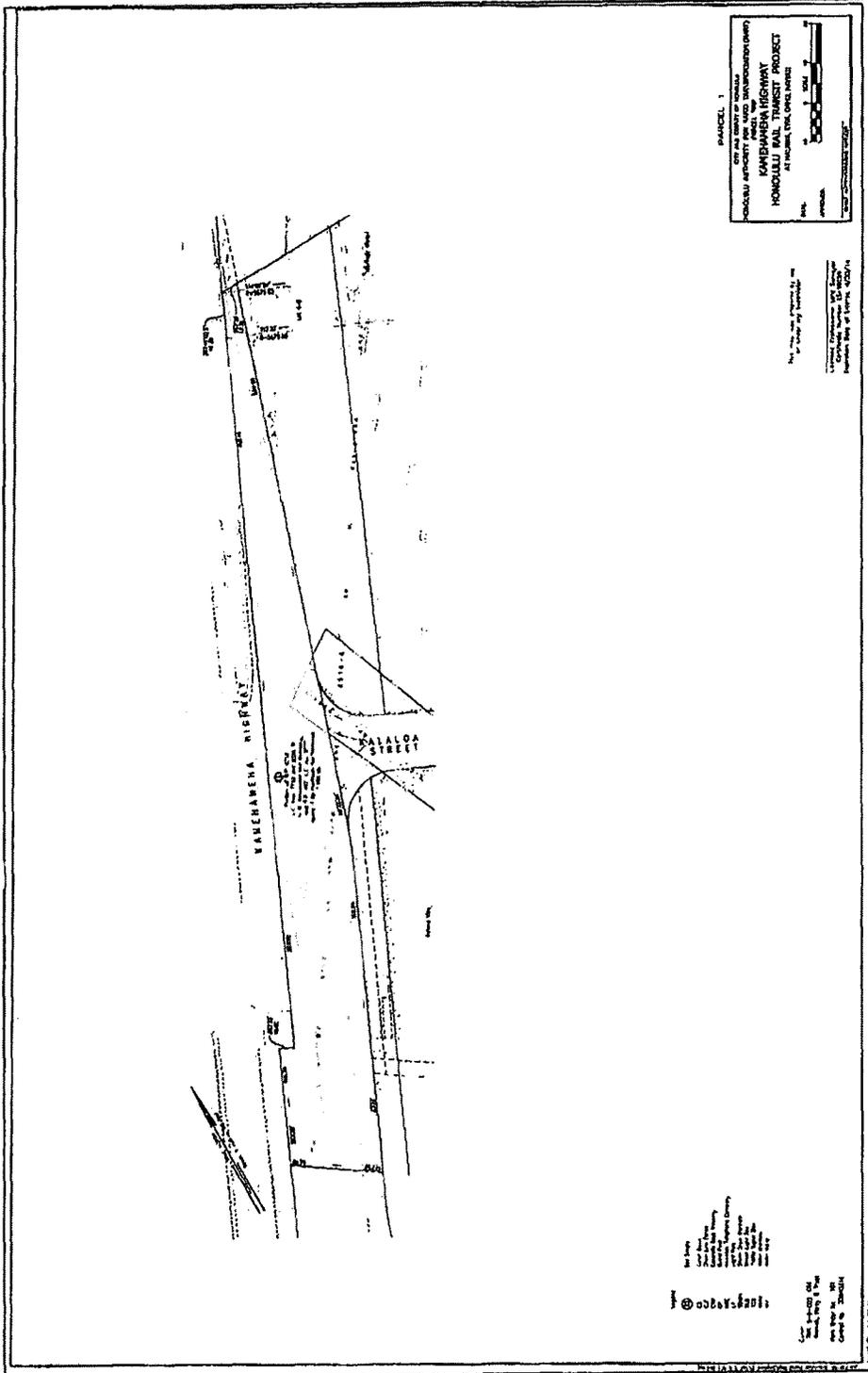
Winston K.Q. Wong
Deputy Corporation Counsel

APPROVED AS TO CONTENTS

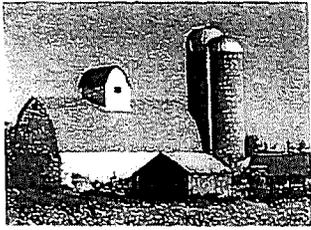


Morris M. Atta
Deputy Director, Right-of-Way
Honolulu Authority for Rapid Transportation

SURVEY MAP



More Relocation Information



Business

A business that is relocated as a result of the project may

be entitled to benefits such as:

1. *Moving and Related Costs*
2. *Reestablishment Costs*
3. *Fixed Payment*

Statements applicable to all categories and benefits listed

Please keep in mind that there are specific benefit requirements that must be met to receive any of the funds mentioned above. Your assigned relocation agent will assist you to fully understand the payments and requirements.

No one may be displaced until adequate housing has been made available to them.

All persons required to move personal property, their home, or business must be given at least 90 days to vacate.

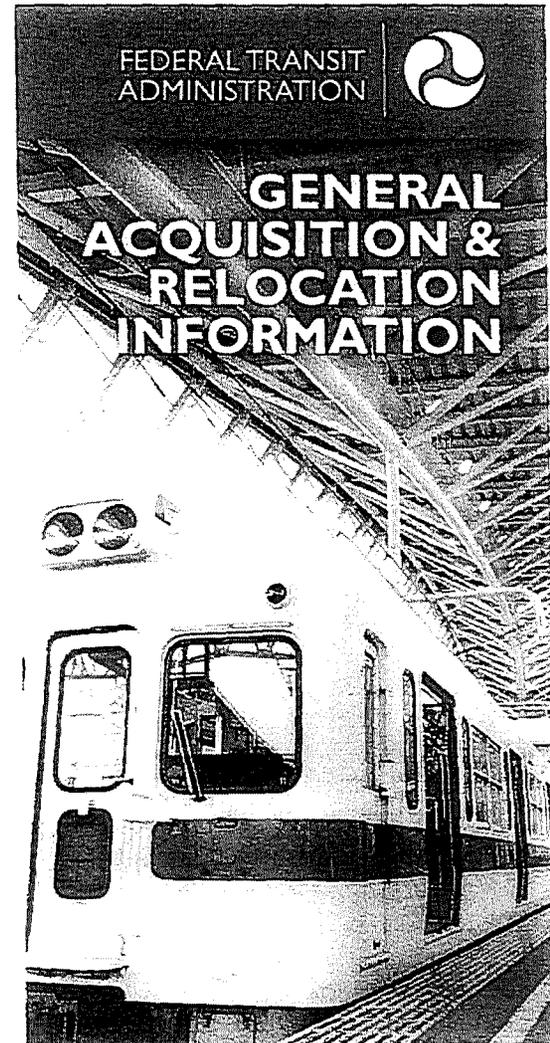
Your Local Transit Agency will establish an appeal process should you be aggrieved by a denial of benefits or if you feel the benefits are inadequate.

A message from the FTA and your local transit agency

It is sometimes necessary to acquire private property and displace persons and businesses in order to build a transit facility that will benefit the entire community. However, we will work with you to minimize the inevitable disruption that this causes. Please feel free to contact the agency and person listed below should you have any further questions.

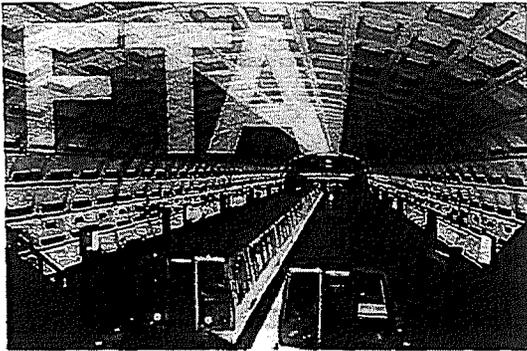
Revised rules for the Uniform Act were published in the Federal Register on January 4, 2005. The rules are reprinted each year in the Code of Federal Regulations, Title 49, Part 24. All Federal, State and local government agencies, as well as others receiving Federal financial assistance for public programs and projects, that require the acquisition of real property, must comply with the policies and provisions set forth in the Uniform Act and the regulation.

For further information, please contact:



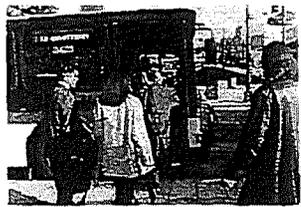
FTA | U.S. DEPARTMENT OF
TRANSPORTATION 
FEDERAL TRANSIT ADMINISTRATION

SEE THE BACK PANEL OF THIS BROCHURE FOR
INFORMATION ON CONTACTING YOUR LOCAL AGENCY.



GENERAL INFORMATION

Your local transit agency may need to purchase property from you with funding from the Federal Transit



Administration (FTA) in order to benefit the general public. To assure fair and consistent treatment of all

persons, the FTA will require your local transit agency to follow the Uniform Relocation Assistance and Real Property Policies Act of 1970, as amended. The Uniform Act is a law passed by Congress to promote uniformity and fairness when a local transit agency must acquire property or displace persons. There are two main parts of this process:

1. *Acquisition, which is the purchase of your real estate.*
2. *Relocation which offers additional benefits should you or your business be displaced.*

Acquisition of Real Property

The purchase of real estate by a transit agency begins with the appraisal of your property. An appraiser will inspect your property to determine the value. The property owner should accompany the appraiser while making this inspection. A second appraiser will then review and approve the work of the first appraiser and will recommend a value to the local transit agency.

You should then receive a written offer to purchase your property. You will have sufficient time to consider the offer or make any counter offers that you believe is fair.

If you elect to sell your property to the local transit agency, you will be paid the full amount less any encumbrances (mortgage, lien, etc.) owed on that property. Possession of vacant property may be taken the day of closing by the local transit agency; possession of occupied property will be at an agreed future date.



Relocation



Advisory Assistance will be offered to every displaced person. A Relocation Agent will visit you to explain all of the benefits and services that you may be eligible to receive.

Below is a very brief outline of the various types of financial benefits available if you or your business are required to move.

Residential Homeowner Occupants, are those that have owned and occupied their home for at least 180 days. Typical benefits include:

1. *Moving Costs*
2. *Price Differential Payment*
3. *Increased Mortgage Interest*
4. *Incidental Closing Costs*

90 day Occupant or Tenant, is either a tenant or a homeowner that has occupied their home for less than 180 days but at least 90 days. Relocation benefits include:

1. *Moving Costs*
2. *Rental Assistance Payment/Down Payment*

Form **W-9**
(Rev. December 2011)
Department of the Treasury
Internal Revenue Service

Request for Taxpayer Identification Number and Certification

**Give Form to the
requester. Do not
send to the IRS.**

| | | |
|---|--|---|
| Print or type See Specific Instructions on page 2. | Name (as shown on your income tax return) | |
| | Business name/disregarded entity name, if different from above | |
| | Check appropriate box for federal tax classification: <input type="checkbox"/> Individual/sole proprietor <input type="checkbox"/> C Corporation <input type="checkbox"/> S Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Trust/estate <input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) ▶ _____ <input type="checkbox"/> Other (see instructions) ▶ _____ | |
| | <input type="checkbox"/> Exempt payee | |
| | Address (number, street, and apt. or suite no.) | Requester's name and address (optional) |
| City, state, and ZIP code | | |
| List account number(s) here (optional) | | |

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on the "Name" line to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

| | | | | | | | | | | | | | |
|---|--|--|--|--|--|--|--|--|--|--|--|--|--|
| Social security number | | | | | | | | | | | | | |
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| | | | | | | | | | | | | | |

Note. If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

| | | | | | | | | | | | | | | | | | | | | | |
|---|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|
| Employer identification number | | | | | | | | | | | | | | | | | | | | | |
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| | | | | | | | | | | | | | | | | | | | | | |

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
3. I am a U.S. citizen or other U.S. person (defined below).

Certification Instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions on page 4.

| | | |
|------------------|----------------------------|--------|
| Sign Here | Signature of U.S. person ▶ | Date ▶ |
|------------------|----------------------------|--------|

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Purpose of Form

A person who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income.

Note. If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

- Definition of a U.S. person.** For federal tax purposes, you are considered a U.S. person if you are:
- An individual who is a U.S. citizen or U.S. resident alien,
 - A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States,
 - An estate (other than a foreign estate), or
 - A domestic trust (as defined in Regulations section 301.7701-7).

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax on any foreign partners' share of income from such business. Further, in certain cases where a Form W-9 has not been received, a partnership is required to presume that a partner is a foreign person, and pay the withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid withholding on your share of partnership income.

7012 3460 0002 2632 9292

| | |
|--|----------------|
| U.S. Postal Service | |
| CERTIFIED MAIL RECEIPT | |
| <i>(Domestic Mail Only; No Insurance Coverage Provided)</i> | |
| For delivery information visit our website at www.usps.com | |
| OFFICIAL USE | |
| Postage | \$ 1.32 |
| Certified Fee | 2.95 |
| Return Receipt Fee (Endorsement Required) | 2.35 |
| Restricted Delivery Fee (Endorsement Required) | |
| Total Postage & Fees | \$ 6.72 |
| Postmark Here | |
| Sent To: Ms. Sandra Knight | |
| Street, Apt. No., or PO Box No.: 2501 Gravel Drive | |
| City, State, ZIP+4: Fort Worth, Texas 76118 | |
| PS Form 3811, February 2004 See Reverse for Instructions | |

| | |
|---|---|
| <p>SENDER: COMPLETE THIS SECTION</p> <ul style="list-style-type: none"> Complete Items 1, 2, and 3. Also complete Item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. <p>1. Article Addressed to:</p> <p>Ms. Sandra Knight 2501 Gravel Drive Fort Worth, Texas 76118</p> | <p>COMPLETE THIS SECTION ON DELIVERY</p> <p>A. Signature <input type="checkbox"/> Agent <i>Margie Hale</i> <input type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name) <input type="checkbox"/> Agent <i>Margie Hale</i> <input type="checkbox"/> Addressee</p> <p>C. Date of Delivery <i>10-2-13</i></p> <p>D. Is delivery address different from Item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No <i>now need 10/7/13</i></p> <p>3. Service Type <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.</p> <p>4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes</p> |
|---|---|

2. Article Number (Transfer from service label) **7012 3460 0002 2632 9292**

PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M



IN REPLY REFER TO:
CMS-AP00ROW-00425

HONOLULU AUTHORITY for RAPID TRANSPORTATION

Daniel A. Grabauskas
EXECUTIVE DIRECTOR AND CEO

VIA CERTIFIED MAIL/RETURN RECEIPT REQUESTED
7014 0150 0000 6143 4642

BOARD OF DIRECTORS

Ivan M. Lui-Kwan, Esq.
CHAIR

April 14, 2014

Donald G. Horner
VICE CHAIR

Ms. Sandra Knight, Executor and Trustee for
Norman M. Kronick Trust
Harry B. Kronick Trust
2501 Gravel Drive
Fort Worth, Texas 76118

George I. Atta
Robert Bunda
Michael D. Formby
William "Buzz" Hong
Keslie W.K. Hui
Damien T.K. Kim
Glenn M. Okimoto, Ph.D.
Carrie K.S. Okinaga, Esq.

Dear Ms. Knight:

Subject: Honolulu Rail Transit Project (H RTP)
Parcel: Tax Map Key 9-9-003-066
Revised Offer

This is in reference to the Honolulu Authority for Rapid Transportation's (HART) offer dated September 27, 2013, to purchase the subject property in fee simple, free and clear of all liens and encumbrances. Submitted for your consideration and acceptance is a revised offer amount of \$45,000 (Forty-Five Thousand and No/100 Dollars). All other terms and conditions remain the same as contained in the September 27, 2013 letter.

If the revised offer is acceptable, please sign on the acceptance portion of the duplicate letter and return a signed copy to us in the enclosed envelope by April 28, 2014. At the same time, we request your cooperation in filling out and returning the enclosed IRS form W-9 with your Taxpayer Identification Number and the enclosed Consent to Enter. The W-9 is required by our Department of Budget and Fiscal Services to release the funds. HART will be using Title Guaranty as escrow for this transaction, with all closing fees borne by us.

Please contact Mr. Ryan Ng at (808) 768-6199 if you have any questions regarding this matter.

Sincerely,

A handwritten signature in black ink, appearing to read 'D. Grabauskas', is written over a white rectangular area.

Daniel A. Grabauskas
Executive Director & CEO

Enclosures

Ms. Sandra Knight, Executor and Trustee for
Norman M. Kronick Trust
Page 2
April 14, 2014

ACCEPTED:

~~Norman M. Kronick~~

as Successor Trustee of the

~~Harry B. Kronick Trust, dated December 9, 1987~~

*Sandra Knight, Trustee of the Fort Worth Foundation Trust,
successor*

By *Sandra Knight*
Its *Trustee*

Print Name: *Sandra Knight*

Dated: *5-15-14*

CONSENT TO ENTER

The undersigned, being the owner of that certain property bearing the tax map key listed hereinbelow, hereby consents to the entry by the Honolulu Authority for Rapid Transportation (“HART”), a semi-autonomous agency of the City and County of Honolulu, and /or its representatives and consultants for the purpose stated:

PROJECT: Honolulu Rail Transit Project (H RTP)

TAX MAP KEY: (1) 9-9-003-066

LOCATION: Kamehameha Highway, Oahu, Hawaii

PURPOSE: Construction Activities

It is understood that this consent to enter is granted upon the following terms:

(1) That the area covered by this consent document is colored in yellow outlined on the attached map. That this consent includes the right of ingress to and egress from said consent to enter area over the land of the undersigned, adjacent thereto for all purposes in connection with this consent to enter.

(2) That this consent to enter is granted for a **nominal** consideration of \$1.00.

(3) That HART shall indemnify the undersigned against loss or damage to the property of the undersigned and from liability for injury to or death of persons in the manner provided by law when such loss, damage, injury or death is caused by the negligent use of said property by HART and/or its representatives and consultants, resulting from this consent to enter.

(4) That the entire cost of the work proposed to be done and all other expenses incidental thereto will be borne by HART.

(5) That HART will, in its discretion, determine the extent of the work to be done.

(6) That this consent to enter is granted for a period of thirty-six (36) months commencing from the date of actual entry and terminating at the end of the period or upon completion of work, whichever is sooner.

(7) That HART or its representative will provide the undersigned written notification at least two weeks prior to the entry into said property by HART’s contractor.

TAX MAP KEY: (1) 9-9-003-066

Consent to Enter – Page 2

(8) That this consent to enter shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, devisees, personal representatives, successors in trust, successors and assigns.

(9) That this consent to enter shall be null and void upon recordation of the deed or other document conveying said property to HART.

DATED: HONOLULU, HAWAII 5-15-14.

~~Norman M. Kronick, as Successor
Trustee of the Harry B. Kronick Trust,
dated December 9, 1987.~~

*The Fort Worth Foundation
Trust*

By *Jandra Kuehler*
Its *Trustee*

Phone *817-887-9207*

APPROVED AS TO FORM AND
LEGALITY

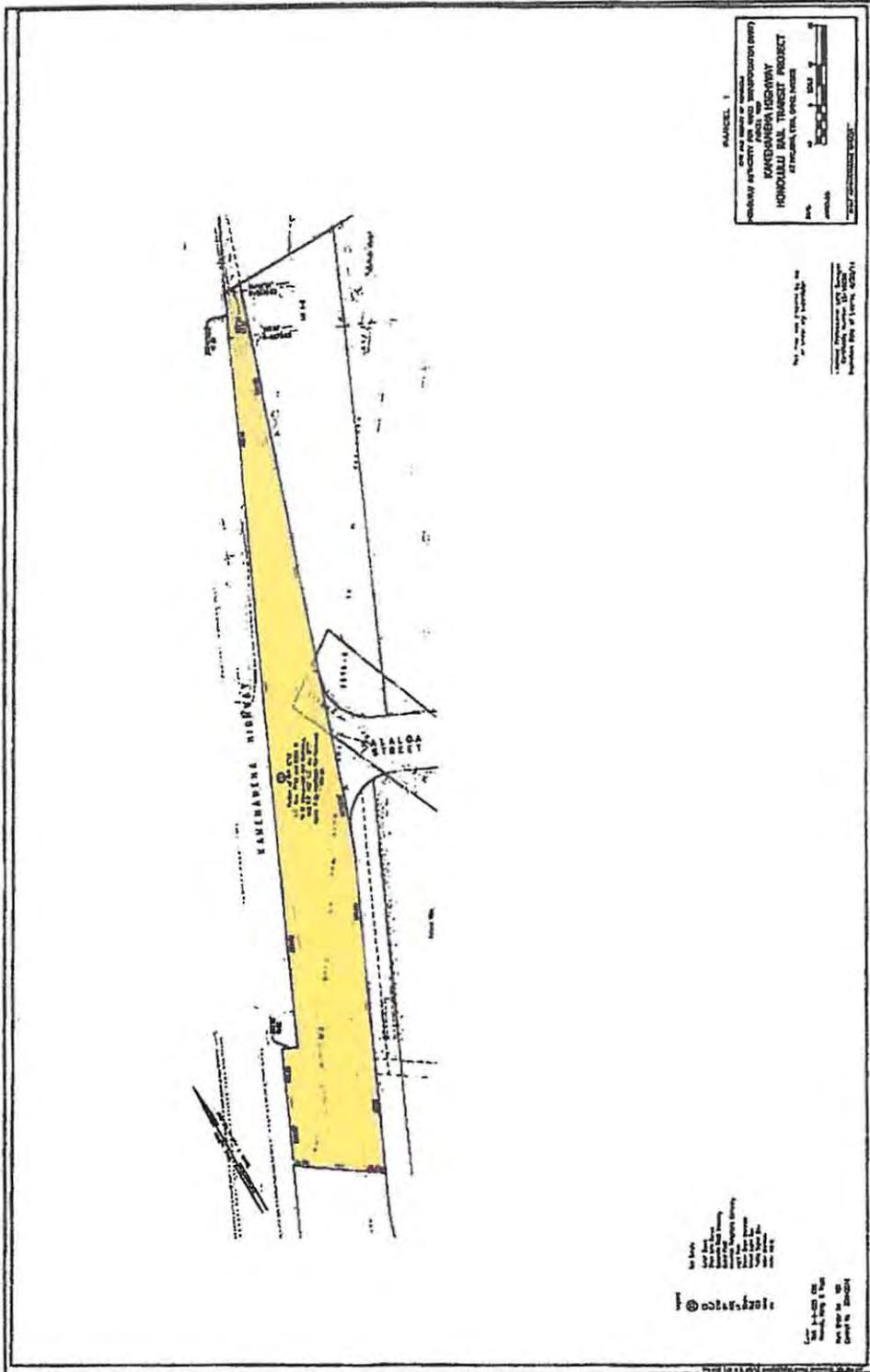
Winston K.Q. Wong
Deputy Corporation Counsel

APPROVED AS TO CONTENTS

Morris M. Atta

Morris M. Atta
Deputy Director of Right-of-Way
Honolulu Authority for Rapid Transportation

SURVEY MAP



Form **W-9**
 (Rev. January 2011)
 Department of the Treasury
 Internal Revenue Service

**Request for Taxpayer
 Identification Number and Certification**

Give Form to the
 requester. Do not
 send to the IRS.

Name (as shown on your income tax return)
The Fort Worth Foundation Trust

Business name/disregarded entity name, if different from above

Check appropriate box for federal tax classification (required):
 Individual/sole proprietor C Corporation S Corporation Partnership Trust/estate

Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) ▶ _____

Other (see instructions) ▶ _____

Address (number, street, and apt. or suite no.)
306 W. 7th Street, Suite 903

City, state, and ZIP code
Fort Worth, TX 76102

List account number(s) here (optional)

Requester's name and address (optional)

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on the "Name" line to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Social security number

| | | | | | | | | | |
|--|--|--|--|--|--|--|--|--|--|
| | | | | | | | | | |
|--|--|--|--|--|--|--|--|--|--|

Employer identification number

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| 8 | 0 | - | 6 | 0 | 6 | 4 | 7 | 6 | 4 |
|---|---|---|---|---|---|---|---|---|---|

Note. If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

Part II Certification

Under penalties of perjury, I certify that:

- The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
- I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
- I am a U.S. citizen or other U.S. person (defined below).

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions on page 4.

Sign Here Signature of U.S. person ▶ *Jennifer Hufst* Date ▶ *5-15-14*

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Purpose of Form

A person who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

- Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
- Certify that you are not subject to backup withholding, or
- Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income.

Note. If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States,
- An estate (other than a foreign estate), or
- A domestic trust (as defined in Regulations section 301.7701-7).

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax on any foreign partners' share of income from such business. Further, in certain cases where a Form W-9 has not been received, a partnership is required to presume that a partner is a foreign person, and pay the withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid withholding on your share of partnership income.

The person who gives Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States is in the following cases:

- The U.S. owner of a disregarded entity and not the entity,
- The U.S. grantor or other owner of a grantor trust and not the trust, and
- The U.S. trust (other than a grantor trust) and not the beneficiaries of the trust.

Foreign person. If you are a foreign person, do not use Form W-9. Instead, use the appropriate Form W-8 (see Publication 515, Withholding of Tax on Nonresident Aliens and Foreign Entities).

Nonresident alien who becomes a resident alien. Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the payee has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items:

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.
2. The treaty article addressing the income.
3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.
4. The type and amount of income that qualifies for the exemption from tax.
5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

Example. Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity not subject to backup withholding, give the requester the appropriate completed Form W-8.

What is backup withholding? Persons making certain payments to you must under certain conditions withhold and pay to the IRS a percentage of such payments. This is called "backup withholding." Payments that may be subject to backup withholding include interest, tax-exempt interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

Payments you receive will be subject to backup withholding if:

1. You do not furnish your TIN to the requester,
2. You do not certify your TIN when required (see the Part II instructions on page 3 for details),
3. The IRS tells the requester that you furnished an incorrect TIN,
4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or
5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See the instructions below and the separate instructions for the Requester of Form W-9.

Also see *Special rules for partnerships* on page 1.

Updating Your Information

You must provide updated information to any person to whom you claimed to be an exempt payee if you are no longer an exempt payee and anticipate receiving reportable payments in the future from this person. For example, you may need to provide updated information if you are a C corporation that elects to be an S corporation, or if you no longer are tax exempt. In addition, you must furnish a new Form W-9 if the name or TIN changes for the account, for example, if the grantor of a grantor trust dies.

Penalties

Failure to furnish TIN. If you fail to furnish your correct TIN to a requester, you are subject to a penalty of \$50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

Civil penalty for false information with respect to withholding. If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a \$500 penalty.

Criminal penalty for falsifying information. Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

Misuse of TINs. If the requester discloses or uses TINs in violation of federal law, the requester may be subject to civil and criminal penalties.

Specific Instructions

Name

If you are an individual, you must generally enter the name shown on your income tax return. However, if you have changed your last name, for instance, due to marriage without informing the Social Security Administration of the name change, enter your first name, the last name shown on your social security card, and your new last name.

If the account is in joint names, list first, and then circle, the name of the person or entity whose number you entered in Part I of the form.

Sole proprietor. Enter your individual name as shown on your income tax return on the "Name" line. You may enter your business, trade, or "doing business as (DBA)" name on the "Business name/disregarded entity name" line.

Partnership, C Corporation, or S Corporation. Enter the entity's name on the "Name" line and any business, trade, or "doing business as (DBA) name" on the "Business name/disregarded entity name" line.

Disregarded entity. Enter the owner's name on the "Name" line. The name of the entity entered on the "Name" line should never be a disregarded entity. The name on the "Name" line must be the name shown on the income tax return on which the income will be reported. For example, if a foreign LLC that is treated as a disregarded entity for U.S. federal tax purposes has a domestic owner, the domestic owner's name is required to be provided on the "Name" line. If the direct owner of the entity is also a disregarded entity, enter the first owner that is not disregarded for federal tax purposes. Enter the disregarded entity's name on the "Business name/disregarded entity name" line. If the owner of the disregarded entity is a foreign person, you must complete an appropriate Form W-8.

Note. Check the appropriate box for the federal tax classification of the person whose name is entered on the "Name" line (Individual/sole proprietor, Partnership, C Corporation, S Corporation, Trust/estate).

Limited Liability Company (LLC). If the person identified on the "Name" line is an LLC, check the "Limited liability company" box only and enter the appropriate code for the tax classification in the space provided. If you are an LLC that is treated as a partnership for federal tax purposes, enter "P" for partnership. If you are an LLC that has filed a Form 8832 or a Form 2553 to be taxed as a corporation, enter "C" for C corporation or "S" for S corporation. If you are an LLC that is disregarded as an entity separate from its owner under Regulation section 301.7701-3 (except for employment and excise tax), do not check the LLC box unless the owner of the LLC (required to be identified on the "Name" line) is another LLC that is not disregarded for federal tax purposes. If the LLC is disregarded as an entity separate from its owner, enter the appropriate tax classification of the owner identified on the "Name" line.

Other entities. Enter your business name as shown on required federal tax documents on the "Name" line. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on the "Business name/disregarded entity name" line.

Exempt Payee

If you are exempt from backup withholding, enter your name as described above and check the appropriate box for your status, then check the "Exempt payee" box in the line following the "Business name/disregarded entity name," sign and date the form.

Generally, individuals (including sole proprietors) are not exempt from backup withholding. Corporations are exempt from backup withholding for certain payments, such as interest and dividends.

Note. If you are exempt from backup withholding, you should still complete this form to avoid possible erroneous backup withholding.

The following payees are exempt from backup withholding:

1. An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2),
 2. The United States or any of its agencies or instrumentalities,
 3. A state, the District of Columbia, a possession of the United States, or any of their political subdivisions or instrumentalities,
 4. A foreign government or any of its political subdivisions, agencies, or instrumentalities, or
 5. An international organization or any of its agencies or instrumentalities.
- Other payees that may be exempt from backup withholding include:
6. A corporation,
 7. A foreign central bank of issue,
 8. A dealer in securities or commodities required to register in the United States, the District of Columbia, or a possession of the United States,
 9. A futures commission merchant registered with the Commodity Futures Trading Commission,
 10. A real estate investment trust,
 11. An entity registered at all times during the tax year under the Investment Company Act of 1940,
 12. A common trust fund operated by a bank under section 584(a),
 13. A financial institution,
 14. A middleman known in the investment community as a nominee or custodian, or
 15. A trust exempt from tax under section 664 or described in section 4947.

The following chart shows types of payments that may be exempt from backup withholding. The chart applies to the exempt payees listed above, 1 through 15.

| IF the payment is for . . . | THEN the payment is exempt for . . . |
|--|---|
| Interest and dividend payments | All exempt payees except for 9 |
| Broker transactions | Exempt payees 1 through 5 and 7 through 13. Also, C corporations. |
| Barter exchange transactions and patronage dividends | Exempt payees 1 through 5 |
| Payments over \$600 required to be reported and direct sales over \$5,000 ¹ | Generally, exempt payees 1 through 7 ² |

¹ See Form 1099-MISC, Miscellaneous Income, and its instructions.

² However, the following payments made to a corporation and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees, gross proceeds paid to an attorney, and payments for services paid by a federal executive agency.

Part I. Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. If you are a resident alien and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see *How to get a TIN* below.

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN. However, the IRS prefers that you use your SSN.

If you are a single-member LLC that is disregarded as an entity separate from its owner (see *Limited Liability Company (LLC)* on page 2), enter the owner's SSN (or EIN, if the owner has one). Do not enter the disregarded entity's EIN. If the LLC is classified as a corporation or partnership, enter the entity's EIN.

Note. See the chart on page 4 for further clarification of name and TIN combinations.

How to get a TIN. If you do not have a TIN, apply for one immediately. To apply for an SSN, get Form SS-5, Application for a Social Security Card, from your local Social Security Administration office or get this form online at www.ssa.gov. You may also get this form by calling 1-800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can apply for an EIN online by accessing the IRS website at www.irs.gov/businesses and clicking on Employer Identification Number (EIN) under Starting a Business. You can get Forms W-7 and SS-4 from the IRS by visiting IRS.gov or by calling 1-800-TAX-FORM (1-800-829-3676).

If you are asked to complete Form W-9 but do not have a TIN, write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

Note. Entering "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.

Caution: A disregarded domestic entity that has a foreign owner must use the appropriate Form W-8.

Part II. Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if item 1, below, and items 4 and 5 on page 4 indicate otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). In the case of a disregarded entity, the person identified on the "Name" line must sign. Exempt payees, see *Exempt Payee* on page 3.

Signature requirements. Complete the certification as indicated in items 1 through 3, below, and items 4 and 5 on page 4.

1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983. You must give your correct TIN, but you do not have to sign the certification.

2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983. You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.

3. Real estate transactions. You must sign the certification. You may cross out item 2 of the certification.

4. Other payments. You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).

5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), IRA, Coverdell ESA, Archer MSA or HSA contributions or distributions, and pension distributions. You must give your correct TIN, but you do not have to sign the certification.

Note. If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

Secure Your Tax Records from Identity Theft

Identity theft occurs when someone uses your personal information such as your name, social security number (SSN), or other identifying information, without your permission, to commit fraud or other crimes. An identity thief may use your SSN to get a job or may file a tax return using your SSN to receive a refund.

To reduce your risk:

- Protect your SSN,
- Ensure your employer is protecting your SSN, and
- Be careful when choosing a tax preparer.

If your tax records are affected by identity theft and you receive a notice from the IRS, respond right away to the name and phone number printed on the IRS notice or letter.

If your tax records are not currently affected by identity theft but you think you are at risk due to a lost or stolen purse or wallet, questionable credit card activity or credit report, contact the IRS Identity Theft Hotline at 1-800-908-4480 or submit Form 14039.

For more information, see Publication 4535, Identity Theft Prevention and Victim Assistance.

Victims of identity theft who are experiencing economic harm or a system problem, or are seeking help in resolving tax problems that have not been resolved through normal channels, may be eligible for Taxpayer Advocate Service (TAS) assistance. You can reach TAS by calling the TAS toll-free case intake line at 1-877-777-4778 or TTY/TDD 1-800-829-4059.

Protect yourself from suspicious emails or phishing schemes. Phishing is the creation and use of email and websites designed to mimic legitimate business emails and websites. The most common act is sending an email to a user falsely claiming to be an established legitimate enterprise in an attempt to scam the user into surrendering private information that will be used for identity theft.

The IRS does not initiate contacts with taxpayers via emails. Also, the IRS does not request personal detailed information through email or ask taxpayers for the PIN numbers, passwords, or similar secret access information for their credit card, bank, or other financial accounts.

If you receive an unsolicited email claiming to be from the IRS, forward this message to phishing@irs.gov. You may also report misuse of the IRS name, logo, or other IRS property to the Treasury Inspector General for Tax Administration at 1-800-366-4484. You can forward suspicious emails to the Federal Trade Commission at: spam@uce.gov or contact them at www.ftc.gov/idtheft or 1-877-IDTHEFT (1-877-438-4338).

Visit IRS.gov to learn more about identity theft and how to reduce your risk.

What Name and Number To Give the Requester

| For this type of account: | Give name and SSN of: |
|---|---|
| 1. Individual | The individual |
| 2. Two or more individuals (joint account) | The actual owner of the account or, if combined funds, the first individual on the account ¹ |
| 3. Custodian account of a minor (Uniform Gift to Minors Act) | The minor ² |
| 4. a. The usual revocable savings trust (grantor is also trustee) b. So-called trust account that is not a legal or valid trust under state law | The grantor-trustee ³ The actual owner ⁴ |
| 5. Sole proprietorship or disregarded entity owned by an individual | The owner ³ |
| 6. Grantor trust filing under Optional Form 1099 Filing Method 1 (see Regulation section 1.671-4(b)(2)(i)(A)) | The grantor* |
| For this type of account: | Give name and EIN of: |
| 7. Disregarded entity not owned by an individual | The owner |
| 8. A valid trust, estate, or pension trust | Legal entity ⁴ |
| 9. Corporation or LLC electing corporate status on Form 8832 or Form 2553 | The corporation |
| 10. Association, club, religious, charitable, educational, or other tax-exempt organization | The organization |
| 11. Partnership or multi-member LLC | The partnership |
| 12. A broker or registered nominee | The broker or nominee |
| 13. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments | The public entity |
| 14. Grantor trust filing under the Form 1041 Filing Method or the Optional Form 1099 Filing Method 2 (see Regulation section 1.671-4(b)(2)(i)(B)) | The trust |

¹ List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

² Circle the minor's name and furnish the minor's SSN.

³ You must show your individual name and you may also enter your business or "DBA" name on the "Business name/disregarded entity" name line. You may use either your SSN or EIN (if you have one), but the IRS encourages you to use your SSN.

⁴ List first and circle the name of the trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.) Also see *Special rules for partnerships* on page 1.

*Note. Grantor also must provide a Form W-9 to trustee of trust.

Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons (including federal agencies) who are required to file information returns with the IRS to report interest, dividends, or certain other income paid to you; mortgage interest you paid; the acquisition or abandonment of secured property; the cancellation of debt; or contributions you made to an IRA, Archer MSA, or HSA. The person collecting this form uses the information on the form to file information returns with the IRS, reporting the above information. Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation and to cities, states, the District of Columbia, and U.S. possessions for use in administering their laws. The information also may be disclosed to other countries under a treaty, to federal and state agencies to enforce civil and criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism. You must provide your TIN whether or not you are required to file a tax return. Under section 3406, payers must generally withhold a percentage of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to the payer. Certain penalties may also apply for providing false or fraudulent information.

ADMINISTRATIVE SETTLEMENT
Honolulu Rail Transit Project (HRTTP) 2014 APR 15 AM 10 20

With reference to 49 CFR Part 24 Subpart B 24.106(i), submitted is a recommendation to approve an administrative settlement for the acquisition of the property located at Kamehameha Highway, Honolulu, Hawaii, owned by Harry B. Kronick Trust. The property is required for the construction of the guideway and structure for the HRTTP which is located in the Airport (third) section.

Tax Map Key No. 9-9-003-066: The subject property contains 52,089 square feet and is improved as part of Kamehameha Highway, a State public roadway. The property consists of paved asphalt with portions within Halawa Stream and portions within the right of way shoulder area.

Based on HART's initial assessment of the property and a completed survey, it appeared that the majority of the parcel lies within the Kamehameha Highway right of way. Consequently, its highest and best use is for continued roadway use. After evaluating the parcel data, HART determined that the valuation problem was uncomplicated and an appraisal was unnecessary. Hence, HART proceeded to use a waiver valuation as prescribed under §24.102(c)(2) to establish just compensation for the full taking of the property. A waiver valuation is applicable if the Agency determines the valuation problem is uncomplicated and the anticipated value of the proposed acquisition is estimated at \$10,000 or less, based on a review of available data.

HART looked at the highest and best use of the property and determined that the parcel's use was limited to that of a highway. The shape of the parcel is slender and irregular which would limit the use of the parcel for development. Furthermore, the parcel is encumbered by several utility easements as well as the roadway. Comparable sales of similar roadway parcels transacted in the local market are rare and no sales data were available for review. In summary, HART concluded that the property had a market value range estimated at \$1,000 to \$2,500 and has arrived at a just compensation figure of \$1,000.

HART submitted an offer to acquire the property from the owner, the Harry B. Kronick Trust, on September 27, 2013. As no response was received, a follow-up offer was sent on December 18, 2013. The trustee for the Harry B. Kronick Trust responded to the follow-up offer with a counter-offer of \$100,000 on March 6, 2014. The owner claimed the property to be a marketable asset with income generating ability as evidenced by a prior lease which was submitted with the counter offer. The lease stated its use as a construction staging, storage, and parking area with a local trucking company as the lessee. The lease commenced in June 2004 with a one year term that could be renewed. According to the owner, the parcel was leased out for over six years. The net rent amount was \$300 per month or \$3,600 per annum.

Sandra Knight (Kronick)

Using an income capitalization approach to value, HART researched comparable capitalization rates in the area and found them to be in the range of 6.0 to 8.0 percent. The income of \$3,600 capitalized at 8% would value the income stream at \$45,000. HART believes that the lease presented is a bona fide agreement and should be given consideration in valuing the property.

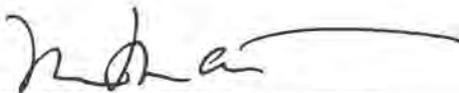
Using this methodology, HART offered to settle the acquisition at \$45,000, significantly less than the owner's initial counter-offer of \$100,000. After further discussion with the owner, the proposed settlement was agreed to by the owner.

The risks of condemnation were discussed with the Deputy Corporation Counsel who litigates eminent domain cases for the City. The Deputy Corporation Counsel advised that, depending on the evidence presented at trial, the trial risks in the Hawaii courts can be significant. Furthermore, the typical legal cost to acquire property by eminent domain is estimated to be in excess of \$150,000. The timeframe to obtain possession of the property under condemnation can take between six and nine months.

In addition, the Project is scheduled to begin construction in the Airport section at the end of 2014. The delay incurred by pursuing the parcel through condemnation is severe.

Based on the information presented by the owner, the associated risks and costs at trial, and the need to secure the property to avoid delays to the HRTTP schedule, the settlement amount of \$45,000 has been determined to be reasonable and in the public interest. HART recommends approval of this administrative settlement offer.

RECOMMENDED:



Morris M. Atta
Deputy Director of Right-of-Way

APPROVED:


Daniel A. Grabauskas
Executive Director and CEO

REVISED 05/28/14
report date unchanged

PRELIMINARY REPORT
(No Liability Hereunder)

This report (and any revisions thereto) is issued solely for the convenience of the titleholder, the titleholder's agent, counsel, purchaser or mortgagee, or the person ordering it for the purpose of facilitating the issuance of a policy of title insurance by Title Guaranty of Hawaii and no liability will arise under this report.

SCHEDULE A

Title Guaranty of Hawaii, Incorporated, hereby reports that, subject to those matters set forth in Schedule "B" hereof, the title to the estate or interest to the land described in Schedule "C" hereof is vested in:

NORMAN M. KRONICK
as Successor Trustee of the
Harry B. Kronick Trust,
dated December 9, 1987,
as Fee Owner

This report is dated as of May 15, 2014 at 8:00 a.m.

Inquiries concerning this report
should be directed to
WILLIAM SALVATERA.
Email wsalvatera@tghawaii.com.
Fax (808) 521-0288.
Telephone (808) 533-5809.
Refer to Order No. 201421874.

Inquiries concerning Escrow
should be directed to
Yali Kuang.
MAIN OFFICE
Email ykuang@tghawaii.com.
Fax (808) 521-0280.
Telephone (808) 539-7781.
Escrow No. 14043413

**SCHEDULE B
EXCEPTIONS**

1. Real Property Taxes, if any, that may be due and owing.
 Tax Key: [\(1\) 9-9-003-066](#) Area Assessed: 52,089 sq. ft.
 Land Classification: RESIDENTIAL

2. Mineral and water rights of any nature in favor of the State of Hawaii.

3. Location of the boundary of Halawa Stream and the effect, if any, upon the area of the land described herein, and the free flowage thereof.

4. GRANT
 TO : Territory of Hawaii, now the State of Hawaii
 DATED : July 9, 1948
 RECORDED : Liber [2161](#) Page [450](#)
 GRANTING : a perpetual easement for public highway and utility purposes, in, over, under and across Parcel 7-A and Parcel 7-B, being more particularly described therein

5. The terms and provisions contained in the following:
 INSTRUMENT : QUITCLAIM DEED
 DATED : April 13, 1964
 RECORDED : Liber [4893](#) Page [369](#)

The foregoing includes, but is not limited to, matters relating to a reservation in favor of the United States of America, its successors and assigns, of an easement for sanitary sewer line, on, over and across a strip of land ten (10.00) feet wide and further retained in that certain instrument dated June 12, 1970, recorded in Liber [7311](#) at Page [15](#).

SCHEDULE B CONTINUED

6. Rights of others who may have easement or access rights in the land described in Schedule C.

7. Discrepancies, conflicts in boundary lines, shortage in area, encroachments or any other matters which a correct survey or archaeological study would disclose.

-Note:- A current survey, with metes and bounds description, should be made of said premises.

8. The terms and provisions contained in the Harry B. Kronick Trust, dated December 9, 1987.

END OF SCHEDULE B

SCHEDULE C

All of that certain parcel of land (being portion(s) of the land(s) described in and covered by Royal Patent Number 6717, Land Commission Award Number 7712 and 8516-B to M. Kekuanaoa and Kamaikui and Royal Patent Number 457, Land Commission Award 2131, Apana 1 to Kanihoalii for Kaukiwaa, being also a portion of Portion A and a portion of Portion B of United States Condemnation, Civil No. 535) situate, lying and being at Halawa, Ewa, City and County of Honolulu, State of Hawaii, being LOT 2-B, bearing Tax Key designation [\(1\) 9-9-003-066](#), and containing an area of 52,089 square feet, more or less.

Said above described parcel of land having been acquired by NORMAN M. KRONICK, as Successor Trustee of the Harry B. Kronick Trust, dated December 9, 1987, by ORDER APPROVING FINAL ACCOUNT, DISTRIBUTION OF ESTATE AND DISCHARGE OF PERSONAL REPRESENTATIVE (ANCILLARY) AND EXHIBIT "A" had in the matter of the estate of HARRY B. KRONICK, deceased, dated November 16, 1990, filed in the Circuit Court of the First Circuit, State of Hawaii, Small Estate No. 90-0104, on November 19, 1990, recorded in the Bureau of Conveyances as Document No. [90-192807](#).

END OF SCHEDULE C

GENERAL NOTES

1. There is hereby omitted from any covenants, conditions and reservations contained herein any covenant or restriction based on race, color, religion, sex, sexual orientation, familial status, marital status, disability, handicap, national origin, ancestry, or source of income, as set forth in applicable state or federal laws, except to the extent that said covenant or restriction is permitted by applicable law. Lawful restrictions under state or federal law on the age of occupants in senior housing or housing for older persons shall not be construed as restrictions based on familial status.

2. Title Guaranty of Hawaii, Incorporated has been reliably informed of the death of NORMAN MARKS KRONICK on August 4, 2010, at Forth Worth, Texas.

BUYER(S) LIEN INFORMATION

1. Title Guaranty of Hawaii, Incorporated, finds no liens docketed against CITY AND COUNTY OF HONOLULU FOR THE USE AND BENEFIT OF THE HONOLULU AUTHORITY FOR THE RAPID TRANSPORTATION, the proposed purchaser(s).

GUIDELINES FOR THE ISSUANCE OF INSURANCE

- A. Taxes shown in Schedule B are as of the date such information is available from the taxing authority. Evidence of payment of all taxes and assessments subsequent to such date must be provided prior to recordation.
 - B. Evidence of authority regarding the execution of all documents pertaining to the transaction is required prior to recordation. This includes corporate resolutions, copies of partnership agreements, powers of attorney and trust instruments.
 - C. If an entity (corporation, partnership, limited liability company, etc.) is not registered in Hawaii, evidence of its formation and existence under the laws where such entity is formed must be presented prior to recordation.
 - D. If the transaction involves a construction loan, the following is required:
 - (1) a letter confirming that there is no construction prior to recordation; or
 - (2) if there is such construction, appropriate indemnity agreements, financial statements and other relevant information from the owner, developer, general contractor and major sub-contractors must be submitted to the Title Company for approval at least one week prior to the anticipated date of recordation.
- Forms are available upon request from Title Guaranty of Hawaii.
- E. Chapter 669, Hawaii Revised Statutes, sets forth acceptable tolerances for discrepancies in structures or improvements relative to private property boundaries for various classes of real property. If your survey map shows a position discrepancy that falls within the tolerances of Chapter 669, call your title officer as affirmative coverage may be available to insured lenders.
 - F. The right is reserved to make additional exceptions and/or requirements upon examination of all documents submitted in connection with this transaction.
 - G. If a policy of title insurance is issued, it will exclude from coverage all matters set forth in Schedule B of this report and in the printed Exclusions from Coverage contained in an ALTA policy or in the Hawaii Standard Owner's Policy, as applicable. Different forms may have different exclusions and should be reviewed. Copies of the policy forms are available upon request from Title Guaranty of Hawaii or on our website at www.tghawaii.com.

DATE PRINTED: 5/28/2014

STATEMENT OF ASSESSED VALUES AND REAL PROPERTY TAXES DUE

TAX MAP KEY

DIVISION ZONE SECTION PLAT PARCEL HPR NO.
 (1) 9 9 003 066 0000

CLASS: RESIDENTIAL AREA ASSESSED: 52,089 SF

ASSESSED VALUES FOR CURRENT YEAR TAXES: 2014

The records of this division show the assessed values and taxes on the property designated by Tax Key shown above are as follows:

| | | |
|-----------------|----|-----|
| BUILDING | \$ | 0 |
| EXEMPTION | \$ | 0 |
| NET VALUE | \$ | 0 |
| LAND | \$ | 100 |
| EXEMPTION | \$ | 100 |
| NET VALUE | \$ | 0 |
| TOTAL NET VALUE | \$ | 0 |

Installment (1 - due 8/20; 2 - due 2/20) Tax Info As Of - 1/01/2001

| Tax Year | Installment Tax Amount | Penalty Amount | Interest Amount | Other Amount | Total Amount |
|----------|------------------------|----------------|-----------------|--------------|--------------|
|----------|------------------------|----------------|-----------------|--------------|--------------|

AFFIDAVIT OF TITLE

BEFORE ME, the undersigned authority, on this day personally appeared Sandra Knight ("Affiant") who, being first duly sworn, upon her oath states:

My name is Sandra Knight and I reside in Fort Worth, Texas. I am personally familiar with the family and marital history of Harry B. Kronick ("Harry Kronick") and Norman M. Kronick ("Norman Kronick") and I have personal knowledge of the facts stated in this Affidavit.

I worked closely with Norman Kronick as his primary property and business manager for twelve years up to the date of his death on August 4, 2010 in Fort Worth, Tarrant County, Texas at the age of eighty-one years.

Norman Kronick was the only child of Harry Kronick and his first wife, Rosina Morris Kronick. Subsequent to the death of Rosina Kronick, Harry Kronick married Tressie Lee Kronick (previously Tressie Lee Pool). Harry Kronick and Tressie Lee Kronick did not have or adopt any children during their marriage. Harry Kronick died on May 23, 1988, and at the time of his death, he resided in Brevard County, Florida.

Attached to this Affidavit are true and correct copies of the following documents:

1. Last Will and Testament of Harry B. Kronick dated January 20, 1988.
2. Declaration of Trust by Harry B. Kronick dated December 9, 1987 and Amendment Number One dated January 20, 1988.
3. Charitable Trust Agreement dated January 11, 1988, by Harry B. Kronick, as Settlor, and Norman M. Kronick, as Trustee.
4. Plan of Dissolution of the Kronick Charitable Trust dated June 1, 2009.
5. Declaration of Trust of The Fort Worth Foundation Trust dated August 14, 2008.
6. First Amendment to The Fort Worth Foundation Trust dated July 14, 2009.
7. Appointment of Administrative Trustee dated September 21, 2010, by the Managing Trustees of The Fort Worth Foundation Trust.

Pursuant to Article IV of the Will of Harry B. Kronick, all of the remainder of his property and estate went to the Declaration of Trust by Harry B. Kronick dated December 9, 1987 (the "Harry Kronick Trust"). Article V of the Harry Kronick Declaration of Trust provides that after the death of Harry Kronick and the cash distributions specified by Article IV, the Trustee (who after Harry Kronick's death was his son, Norman Kronick) was to distribute all of the remainder of the Trust assets to a charitable trust to be formed after Harry Kronick's death. However, rather than waiting for such charitable trust to be formed after his death, Harry Kronick established the Kronick Charitable Trust on January 11, 1988 pursuant to the Charitable Trust Agreement described in item 3 above.

The Kronick Charitable Trust was the only charitable trust established by Harry Kronick and is the charitable trust which received the remainder of all Trust assets owned by the Harry Kronick Trust. Article V(a) of the Harry Kronick Declaration of Trust specifically states that the

Charitable Trust may merge with or transfer all of its assets to another charitable trust or corporation including but not limited to one having the name "Kronick" in the name thereof.

By the Declaration of Trust identified as item 5 above, Norman Kronick established The Fort Worth Foundation Trust, which is a charitable trust that qualifies as a charitable organization under Section 501(c)(3) of the Internal Revenue Code. Norman Kronick left substantially all of his assets and properties to The Fort Worth Foundation Trust upon his death.

During the remainder of his lifetime, Norman Kronick was the sole Trustee of the Kronick Charitable Trust and The Fort Worth Foundation Trust. As evidenced by the Plan of Dissolution identified as item 4 above, Norman Kronick determined that the Kronick Charitable Trust's charitable purposes could be more effectively and efficiently performed by transferring all of its assets to The Fort Worth Foundation Trust and dissolving the Kronick Charitable Trust. This action was expressly permitted by the terms of the Harry Kronick Trust as referenced above. Accordingly, all assets of the Kronick Charitable Trust (including all of the remaining assets and properties that passed through the Estate of Harry Kronick and the Harry Kronick Trust), are now owned by The Fort Worth Foundation Trust.

As evidenced by the Appointment identified in item 7 above, Affiant is the Administrative Trustee of The Fort Worth Foundation Trust, and in such capacity, is solely authorized to manage and operate all real property owned by The Fort Worth Foundation Trust.

This Affidavit is made to show that The Fort Worth Foundation Trust is the current beneficial owner of that certain real property located in the City and County of Honolulu, Hawaii identified as follows:

Tax Map Key #9-9-003-066

Affiant is aware that this Affidavit is being executed for the purpose of establishing title relative to the above-described real property, and that Title Guaranty of Hawaii, Inc. will rely on the statements herein for the purpose of insuring title with respect to the conveyance of the Property to the City and County of Honolulu for the use and benefit of the Honolulu Authority for Rapid Transportation.

SIGNED AND SWORN TO as of the date reflected in the jurat for the Affiant below.


SANDRA KNIGHT

STATE OF TEXAS §
 §
COUNTY OF TARRANT §

SUBSCRIBED, SWORN TO AND ACKNOWLEDGED before me on this ^{August}4th day of ~~July~~, 2014, by Sandra Knight.



Kristina K. Traver
Notary Public, State of Texas

\\SERVER\Docs\Kronick\Harry Kronick Trust\Affidavit of Title (MMKF 7-29-14).doc

ATTACHMENT 1

[see attached]

ORIGINAL WILL KEPT IN SAFE- LAST WILL AND TESTAMENT
 DEPOSIT BOX OF ROGERS, TOWERS
 BAILEY, JONES & GAY, P.A., OF
 JACKSONVILLE, FLORIDA

COPY

HARRY B. KRONICK

I, HARRY B. KRONICK, of Cocoa Beach, Brevard County, Florida, being of sound and disposing mind and memory, do make, publish, and declare this my last will and testament, hereby revoking any and all former wills, codicils, and testamentary papers heretofore made by me (but I expressly do not revoke the Antenuptial Agreement of December 21, 1982 referred to in Article III of this will), and I declare this my intention and purpose, to dispose of all lands, personal estate, and property of every kind which I may own or have the power to dispose of at the time of my death, including all contingent, executory, and future interests (but excluding, however, any property over which I may have a power of appointment), and also to dispose of and bequeath as part of my property the proceeds and benefits of all insurance on my life which may be payable to me, to my estate, or to my personal representatives, executors, administrators, or assigns, and all other insurance proceeds which are subject to disposition by last will and testament, all such insurance proceeds or benefits to pass as a part of my residuary estate except to the extent used as hereinafter provided in Article I with respect to using such proceeds in payment of expenses, debts, and taxes.

Harry B. Kronick

ARTICLE I

I direct my personal representative to pay my federal and state estate and inheritance taxes, funeral expenses, including expense of a suitable marker upon my grave, the expenses of my last illness, and all my valid debts. I direct that said expenses, debts, and taxes, including taxes levied on property constituting any part of my estate for federal estate tax purposes, whether passing under this will or otherwise, shall be paid out of my residuary estate (including the proceeds of any insurance forming a part thereof) without right of reim-

bürsement, and that no portion thereof shall be apportioned to or constitute a charge against any general legacy or any specific devise or bequest or any non-probate assets.

ARTICLE II

I give and devise to my son, NORMAN M. KRONICK, if he shall survive me, the following:

(a) Any automobile or automobiles and any boat or boats which I may own at the time of my death.

(b) All my purely personal effects, including jewelry, articles of personal adornment, and clothing.

(c) All of the household furniture, pictures, paintings, engravings, prints, statuary, plate, bric-a-brac, linen, china, silverware, household utensils, and all other tangible personal property which customarily is used or to be used in connection with, in, or upon all premises owned or occupied by me as my home or as any vacation home at the time of my decease.

Harry B. Kronick

ARTICLE III

There is in existence an Antenuptial Agreement executed by my wife, TRESSIE LEE KRONICK (then Tressie Lee Pool) and myself on December 21, 1982, whereby each of us waive any claim to the estate of the other on death. I intentionally leave none of my estate to my said wife, TRESSIE LEE KRONICK, whether or not we are still married at the date of my death.

ARTICLE IV

I give and devise all the rest, residue, and remainder of my property of every nature and description and wherever situated in trust to the then Trustee under the DECLARATION OF TRUST BY HARRY B. KRONICK DATED DECEMBER 9th, 1987, as amended which devise is to be added to the property then held in trust by the Trustee and to be held, managed, and distributed in accordance with the terms of said trust as they now exist or may be hereafter further amended.

If the above-described trust shall not be in existence at the time of my death, or if for any reason a court of competent jurisdiction shall declare the trust to be ineffective for disposition of the assets of my estate, I give and devise said residue of my estate to the successor Trustee named in said trust instrument, to be held, managed, and distributed in the manner described in the trust instrument for the period beginning with the date of my death, giving effect to all terms of the trust now in effect; and for those purposes I incorporate by reference the trust instrument and amendment as they now exist into this will.

If for any reason the bequest of the residue of my estate in both of the preceding paragraphs is invalid and cannot take effect, then I give and devise said residue of my estate to my said son, NORMAN M. KRONICK.

ARTICLE V

If any person referred to in this will shall die within sixty (60) days after my death, I direct that, for all purposes of this will, I shall be treated as having survived such person.

ARTICLE VI

I nominate and appoint my said son, NORMAN M. KRONICK, as personal representative of this will, and I direct that he shall serve without the necessity of posting bond as such personal representative. I grant my said personal representative the fullest power and authority in all matters and questions, including, without limitation, complete power and authority to sell, at public or private sale, for cash or credit, with or without security, mortgage, lease, and dispose of all property, real and personal, tangible and intangible, at such times and upon such terms and conditions as he may determine, all without the order or approval of any court, and including the power to settle and compromise any dispute or claim that may arise in the administration of my estate.

ARTICLE VII

All of the net income of my estate earned during the period of administration shall be allocated to my residuary estate and no income shall be allocated to any specific bequest or devise.

IN WITNESS WHEREOF, I, the said HARRY B. KRONICK, have hereunto subscribed my name and affixes my seal on this 20/17 day of January, 1988, to this my last will and testament, type-written on one side only on four (4) sheets of paper, upon each of which I have written my name, all at Cocoa Beach Brevard County, Florida, in the presence of the undersigned attesting witness.

HARRY B. KRONICK (SEAL)
HARRY B. KRONICK

The foregoing instrument was subscribed, sealed, published and declared by HARRY B. KRONICK on the above date as and for his Last Will and Testament in our presence and in the presence of each of us, and we, at the same time at his request and in his presence and in the presence of each other, hereunto subscribe our names as attesting witnesses.

Fred M. Rungel of 4478 Craven Rd W
Jacksonville, Florida.

Gayle Zeng of P.O. Box 548
Merritt Island, Florida.

William J. Howard of Same as above
M. J., Florida.

STATE OF FLORIDA)
COUNTY OF Brevard

We, HARRY B. KRONICK, Fred M. Ringel,
Gail Gough, and Wilma E. Wood,

the testator and the witnesses, respectively, whose names are signed to the foregoing instrument, having been duly sworn, do hereby declare to the undersigned officer that the testator, in the presence of the witnesses, signed the instrument as his last will and that he signed voluntarily, and that each of the witnesses, in the presence of the testator at his request, and in the presence of each other, signed the will as a witness, and that to the best of the knowledge of each witness, the testator was at that time of sound mind and under no constraint or undue influence.

Harry B. Kronick
Testator

Fred M. Ringel
Witness

Gail Gough
Witness

Wilma E. Wood
Witness

Subscribed and sworn to and acknowledged before me by HARRY B. KRONICK, the testator, and subscribed and sworn to before me by Fred M. Ringel, Gail Gough, and Wilma E. Wood, the witnesses, on the 20th day of January, 1988.

[Signature]
Notary Public, State of Florida
My Commission expires: Jan 2, 1991

ATTACHMENT 2

[see attached]

COPY

DECLARATION OF TRUST

BY

HARRY B. KRONICK

This Declaration of Trust made this 9th day of December, 1987, by Harry B. Kronick, of Cocoa Beach, Brevard County, Florida.

W I T N E S S E T H:

ARTICLE I.

I, Harry B. Kronick, (hereinafter sometimes called "Grantor"), do hereby declare that I have set aside and now hold in trust the property described in Schedule A hereto annexed. I, as Grantor, may, at any time, and from time to time, deposit with the Trustee (which term shall mean me in my capacity as trustee while I am so serving and thereafter any successor trustee hereunder) any other assets and may name the Trustee as beneficiary of any life insurance policies on the life of Grantor and may name the Trustee as a beneficiary under Grantor's will. The Trustee shall hold the assets described in said Schedule A and any additions thereto in trust for the uses and purposes and upon the terms and conditions hereinafter set forth.

ARTICLE II.

This trust shall be known as "Declaration of Trust By Harry B. Kronick dated December 9th, 1987".

ARTICLE III.

I, as Trustee, shall hold, manage, invest and reinvest the trust property and shall collect and receive the income therefrom, and, after deducting all necessary expenses incident to the administration of the trust, shall pay and distribute the net income and corpus thereof as follows:

(a) During Grantor's lifetime the net income from this trust shall be accumulated and added to and become a part of corpus.

(b) During Grantor's lifetime I as Trustee and any successor Trustee shall distribute to me, Harry B. Kronick, from time to time, so much of the corpus, including accumulated income, of this trust as the Trustee, in his sole discretion, shall consider necessary or advisable for the support of me, Harry B. Kronick, in health and reasonable comfort. In determining whether or not to make such distribution, the Trustee shall take into account my income from this trust, but may use his own discretion as to whether or not to take into account my income from any other source or any other funds available to me.

(c) In addition, during my lifetime, the Trustee shall distribute to or for the benefit of me, Harry B. Kronick, so much of the corpus, including accumulated income, of this trust as I, Harry B. Kronick, may from time to time request in writing. The Trustee shall comply with any such written request of mine and shall have no responsibility to inquire into or determine for what purpose any withdrawals are made by me.

ARTICLE IV.

Upon the death of Harry B. Kronick, the Trustee shall first pay to the personal representatives, executors or administrators of the estate of Harry B. Kronick such amount as said personal representatives, executors or administrators shall certify to the Trustee, within three years after the death of Harry B. Kronick, (or such shorter period as such personal representatives, executors or administrators shall consent to), to be needed for estate taxes, debts and administration expenses because of the fact that the testate estate of Harry B. Kronick is not sufficient to pay these. Then, the Trustee shall distribute from the trust corpus, including any accumulated income, the following:

(a) The sum of Five Thousand Dollars (\$5,000.00) to Grantor's sister, ADELE KRONICK SILVA, if she shall survive Grantor.

(b) The sum of Five Thousand Dollars (\$5,000.00) to Grantor's nephew, THEODORE KRONICK, if he shall survive Grantor.

(c) The sum of Five Thousand Dollars (\$5,000.00) to Grantor's nephew, HAROLD KRONICK, if he shall survive Grantor.

(d) The sum of Five Thousand Dollars (\$5,000.00) to Grantor's nephew, BERNARD KRONICK, if he shall survive Grantor.

(e) The sum of Five Thousand Dollars (\$5,000.00) to Grantor's grand-niece, MARILYN CHERRY, if she shall survive Grantor.

(f) The sum of Two Thousand Dollars (\$2,000.00) to Grantor's grand-niece, ILENA CHERRY if she shall survive Grantor.

(g) The sum of Two Thousand Dollars (\$2,000.00) to Grantor's grand-nephew, STEVEN KRONICK, if he shall survive Grantor.

(h) The sum of Two Thousand Dollars (\$2,000.00) to Grantor's grand-nephew, GEOFFREY KRONICK, if he shall survive Grantor.

(i) The sum of Two Thousand Dollars (\$2,000.00) to Grantor's grand-nephew, TOMMY KRONICK, if he shall survive Grantor.

(j) The sum of Two Thousand Dollars (\$2,000.00) to Grantor's grand-nephew, FRANKIE CHERRY, if he shall survive Grantor.

(k) The sum of Five Thousand Dollars (\$5,000.00) to JANE WHITE BRIMLEY, the step-daughter of Grantor's son, NORMAN M. KRONICK, if she shall survive Grantor.

(l) The sum of Two Thousand Five Hundred Dollars (\$2,500.00) to Grantor's niece, JUNE KRONICK, if she shall survive Grantor.

(m) The sum of Two Thousand Dollars (\$2,000.00) to HARRY M. MOON of Satelite Beach, Florida if he shall survive Grantor.

(n) The sum of Five Thousand Dollars (\$5,000.00) to PAUL IRVIN of Cocoa Beach, Florida, if he shall survive Grantor.

(o) To Grantor's son, NORMAN M. KRONICK, if he shall survive Grantor, the sum of Six Hundred Thousand Dollars (\$600,000) reduced by (i) the sum of all distributions made under paragraph (a)-(n) of this Article IV and (ii) the value of all amounts passing directly to Norman M. Kronick (individually and not as trustee) under Grantor's last will and testament.

(p) The sum of Two Thousand Dollars (\$2,000.00) to TEMPLE EMANUAL situated at 2550 Pali Highway, Honolulu, Hawaii, in memory of Grantor's first wife, ROSINA MORRIS KRONICK.

(q) The sum of One Thousand Dollars (\$1,000.00) to TEMPLE BETH JACOB in Oakland, California, in memory of Grantor's parents ETHEL and RUBIN KRONICK.

(r) The sum of One Thousand Five Hundred Dollars (\$1,500.00) to TEMPLE BETH SHALOM, Rabbi's Fund, Satallite Beach, Florida.

ARTICLE V

After making the distributions under Article IV, the Trustee shall distribute all of the remainder of the trust corpus, including any accumulated income, to a charitable trust to be formed after Grantor's death.

(a) I direct that the Trustee, as soon after Grantor's decease as practical, cause to be formed under Part V, Chapter 737, Section 737-501, et seq., Florida Statutes, a charitable trust, organized and to be operated exclusively for charitable purposes, to be known as "HARRY AND ROSINA KRONICK FOUNDATION" or similar name, which shall have

authority, among such other powers as may be conferred upon it, to take and hold property absolutely, to administer and invest the same, and to devote the income therefrom, as well as the corpus thereof, to the object and purpose of the charitable trust, which shall be as follows: the income and corpus shall be used exclusively to benefit organizations, bequests or transfers to which would constitute a deduction for federal estate tax purposes under Section 2106 (or a successor section) of the Internal Revenue Code.

I place no limitation on the disposition of income or corpus as applied to the foregoing object and purpose. The details of the organization and operation of the charitable trust I leave to the discretion of my Trustee hereunder and to the trustee from time to time of the charitable trust. I would like for the charitable trust to continue indefinitely, but it may be liquidated if it appears advisable to do so. If the charitable trust should ever be liquidated, any remaining assets shall be paid to organizations bequests or transfers to which would constitute a deduction for federal estate tax purposes under Section 2106 (or a successor section) of the Internal Revenue Code. The charitable trust may also merge with or transfer all of its assets to another charitable trust or corporation including but not limited to one having the name "Kronick" in the name thereof, provided bequests or transfers to such other trust or corporation would constitute deductions for federal estate tax purposes under Section 2106 (or a successor section) of the Internal Revenue Code.

(b) I direct my Trustee hereunder, upon the formation of the charitable trust, to transfer and pay over to the charitable trust the entire remaining corpus and accumulated income of this trust fund. It is my request that Norman M. Kronick shall be named initial trustee of the charitable trust and that he shall act as trustee of the charitable trust for at least the first year of its existence. It is

my desire that it shall be provided in the charitable trust document that in the event of the death, resignation or inability to serve of its trustee, the person, or persons named by said trustee shall become successor trustee or trustees, that is, that the trustee then serving shall have power to appoint his successor. I desire that the provisions of this trust agreement relative to the investment by my Trustee of the corpus and income of the trust hereby established shall also govern the trustee of the charitable trust to be formed in the management and the investment of its funds, and I direct that the trust instrument of the charitable trust so provide. The trustee of the charitable trust shall be entitled to reasonable compensation for acting as such and to reimbursement for out-of-pocket expenses.

(c) It is my primary intention that the transfer under this Article V qualify under Section 2106 of the Internal Revenue Code (or a successor section) as a deduction for federal estate tax purposes, and I direct my Trustee hereunder and the trustee of the charitable trust to be formed to be governed by this intent in carrying out my wishes as expressed herein and any provision of this trust inconsistent with such intent shall be changed to comply therewith.

ARTICLE VI.

In the administration of this trust, I, as Trustee, and any successor Trustee shall have the following powers, all of which are to be exercised in a fiduciary capacity:

(a) To invest and reinvest the trust estate in any property or undivided interest therein, wherever located, including bonds, notes, secured or unsecured, stock of corporations, real estate or any interest therein and interests in trusts, including common trust funds:

(b) To sell any trust property, for cash or on credit, at public or private sale; to exchange any trust property

for other property; to determine the prices and terms of sales, exchanges and options; and to reinvest funds thereby acquired by me;

(c) To execute leases and sub-leases for terms as long as ninety-nine years, even though such terms may extend beyond the termination of the trust; to sub-divide or improve real estate and tear down or alter improvements; to grant easements, give consents and make contracts relating to real estate or its use and to release or dedicate any interest in real estate;

(d) To borrow money and to mortgage, pledge or otherwise encumber any trust property;

(e) To take any action with respect to conserving or realizing upon the value of any trust property, and with respect to foreclosures, reorganizations or other changes affecting the trust property; to collect, pay, contest, compromise or abandon demands of or against the trust estate, wherever situated;

(f) To make, execute, acknowledge and deliver any and all deeds, conveyances, instruments of transfer, contracts, notes, and other instruments, including instruments containing covenants and warranties binding upon and creating a charge upon the trust estate and containing provisions excluding personal liability, and to do and perform any and all other acts and things necessary or proper to carry out the provisions herein expressed;

(g) To keep any property in the name of a nominee with or without disclosure of any fiduciary relationship, and to have such nominee perform all the duties and services incident to a so-called "Custodian Account";

(h) To employ agents including investment counsel for advice and to manage the investment of the trust property, banks, attorneys, accountants, auditors, bookkeepers, depositories and proxies with or without discretionary powers; all such parties shall have the right to rely upon

and execute the written instructions of the trustee and shall not be obliged to inquire into the propriety of any acts or directions of the trustee;

(i) To receive additional property from any source and add it to or commingle it with the trust corpus;

(j) To institute any suit, action or proceeding, at law or in equity and to do and perform any and all other acts and things which, in the opinion of the Trustee, may be necessary or desirable for the collection or recovery of any moneys or other properties which may be or become due or payable to the trust estate or for the protection and preservation of the trust assets;

(k) To vote stock belonging to the trust, to waive stockholders' rights and privileges as to such stock, to give proxies, to deposit securities with an transfer title to committees representing security holders and to participate in voting trusts, mergers, reorganizations and other transactions involving the common interest of security holders;

(l) To deduct, retain, expend and pay out of any money belonging to the trust all the costs, charges and expenses for upkeep and maintenance of the property of which said trust estate is made up and all the costs, charges and expenses of the administration of such trust estate, and any and all necessary and proper expenses in connection with the operation and conduct of the trust and to pay insurance premiums on any property constituting part of the trust corpus, and all taxes and legal assessments, debts, claims or other charges which at any time may be due and owing by, or which may exist against the trust;

(m) To commingle the funds and assets of this trust with the funds and assets of any other trust or trusts of which the Trustee hereunder is the trustee or a trustee and to invest any trust funds hereunder in any common trust fund;

(n) Whenever a distribution or division of the trust corpus or income is to be made under the provisions of this instrument (or under the provisions of any other trust commingled herewith) to make such distribution or division of the trust property in cash or in kind or both, and to allocate different kinds or disproportionate shares of property or undivided or fractional interests in property among the beneficiaries, trusts, or portions;

(o) In addition to the foregoing powers, the Trustee shall also have all of the powers, rights and privileges conferred upon trustees by Florida law as it now exists and as it may be hereafter modified or amended;

(p) The powers of the Trustee, except the power to invest and reinvest the trust estate, shall continue for a reasonable period beyond the termination of the trust, but only if such continuation shall not result in a violation of any rule of law relating to perpetuities or otherwise.

ARTICLE VII.

I, as Trustee, (and any successor Trustee) may freely act under all and any of the powers of this Declaration of Trust given to me (or him) in all matters concerning the trust, after forming my (or his) judgment based upon all the circumstances of any particular situation as to the wisest and best course to pursue in the interest of the trust and the beneficiaries hereunder, without the necessity of obtaining the consent or permission of any person interested therein, or the consent or approval of any court; provided, however, that I (or he) shall exercise such powers at all times in a fiduciary capacity, primarily in the interests of the beneficiaries hereunder.

To the extent that any such requirements can legally be waived, neither I nor any successor Trustee shall ever be required to give any bond as trustee or qualify before, be appointed by or account to any court except that any bene-

ficiary shall be permitted to require such accounting and to institute a suit to obtain an accounting, and, in the event of a breach of trust, to institute a suit in connection with the administration or disposition of this trust.

No person purchasing from any Trustee or paying money or delivering property to any Trustee, or having any other transaction with any Trustee, shall be bound or concerned to see that the money or other thing of value received by said trustee is actually needed or properly applied, or otherwise as to the proprieties or expediencies of any act of any Trustee.

No Trustee shall be personally liable upon any contract, note or other instrument executed hereunder or for any indebtedness or liability of the trust estate.

ARTICLE VIII.

I shall not be entitled to receive any compensation or commissions for my services as Trustee hereunder. Any successor Trustee shall be entitled to reasonable compensation for his services in administering and distributing the trust property. I and any successor Trustee shall be entitled to reimbursement for expenses. Reasonable compensation for services and reimbursement for expenses may be retained by the Trustee out of any money belonging to the trust.

Neither I nor any successor Trustee shall be required to take any action hereunder (including engaging or participating in litigation) unless such Trustee shall have been indemnified to my or his satisfaction against all expenses and liabilities to which I or he may become subject by virtue of such action.

ARTICLE IX.

In the event that I should die or otherwise become unable or unwilling to serve as Trustee of this trust, then

my son, NORMAN M. KRONICK of Honolulu, Hawaii, shall serve as successor Trustee in my place and stead. Each and every reference to Trustee or to me as Trustee contained in this trust agreement shall thereafter be read to include said successor Trustee.

ARTICLE X.

I reserve the right to resign at any time by giving ten (10) days written notice to the successor Trustee. On my resignation, the successor Trustee named in Article IX hereof shall become Trustee.

In case of my resignation as Trustee, I shall have the right to a settlement of my accounts at the expense of the trust.

ARTICLE XI.

The trust herein created is for the benefit and protection of the beneficiaries herein named and the rights, privileges and benefits herein conferred shall not be pledged, sold, assigned or transferred, or in any manner anticipated (except by Grantor as herein provided) or encumbered, and neither shall the same be subject to the claims of creditors of said beneficiary or beneficiaries, nor shall the same be subject to levy, attachment, garnishment or other legal process, but shall be held and administered as herein provided for the use and benefit of said beneficiaries.

ARTICLE XII.

(a) No sinking fund shall be created as to any security received at a value or purchased at a price in excess of the amount payable on its call, redemption, maturity or liquidation;

(b) All liquidating dividends and rights to subscribe to stock shall be corpus;

(c) Extraordinary cash dividends other than liquidating dividends shall be income;

(d) Dividends payable in stock of the corporation declaring the same and all profits from sales, exchanges or other dispositions of trust property shall be corpus.

ARTICLE XIII.

The validity, construction and effect of this declaration of trust and of the trust created hereunder and its enforcement shall be determined by the laws of the State of Florida.

ARTICLE XIV.

I, as Grantor may, by written instrument filed with the Trustee, revoke this trust upon paying all sums due the Trustee and indemnifying the Trustee in a manner satisfactory to him against liabilities lawfully incurred in the administration of the trust. Upon such revocation, all property of the trust shall be paid to the Grantor.

ARTICLE XV.

Grantor may amend this trust, by written instrument signed by Grantor; provided, however, that, if Grantor is no longer serving as Trustee hereunder, the written consent of the Trustee then serving shall be required for any amendment to the this trust.

ARTICLE XVI.

For the purposes of this trust agreement, terms in the masculine, feminine or neuter shall be deemed to include the masculine, feminine and neuter and terms in the singular shall be deemed to include the plural and vice versa wherever the context so admits or requires.

ARTICLE XVII.

This Declaration of Trust may be executed in two or more counterparts each of which shall be considered as a single instrument creating a single trust.

IN WITNESS WHEREOF, I have executed and acknowledged this declaration of trust on the day and year first above written.

Signed, sealed and delivered in the presence of:

E. E. Chaves



Harry B. Kronick (SEAL)
Harry B. Kronick

Augustine Chavez

SCHEDULE A

Property assigned and delivered to the Trustee by Harry
B. Kronick:

The sum of One Hundred and No/100 Dollars (\$100.00)
in cash.

STATE OF FLORIDA)
 :SS
COUNTY OF BREVARD)

Before me, a Notary Public in and for the State and County aforesaid, on this day personally appeared Harry B. Kronick, to me well known and known to me to be the person described in and who executed the foregoing instrument, and he acknowledged to and before me that he executed the same for the uses and purposes therein set forth.

WITNESS my hand and official seal at Cocoa Beach State and County aforesaid, this 9th day of December, 1987.

Constance H. Kaiser
Notary Public,
State of Florida
My Commission expires: _____
NOTARY PUBLIC STATE OF FLORIDA
BY COMMISSION EXPIRES 12/31/1991
BORNED INFLU GENERAL INTL. 240.

ATTACHMENT 2

[see attached]

AMENDMENT NUMBER ONE

COPY

TO

DECLARATION OF TRUST BY HARRY B. KRONICK

DATED DECEMBER 9, 1987

WHEREAS, on December 9, 1987, Harry B. Kronick as Grantor created a trust known as Declaration of Trust by Harry B. Kronick dated December 9th, 1987; and

WHEREAS, Article XV of said Declaration of Trust provides that Grantor may amend said trust by a written instrument signed by Grantor; and

WHEREAS, Grantor now desires to amend Article V of said Declaration of Trust and to accomplish said amendment is signing this written instrument.

NOW, THEREFORE Grantor hereby amends Article V of the Declaration of Trust by Harry B. Kronick dated December 9th, 1987, by changing each and every reference therein to "Section 2106" to read "Section 2055(a)".

IN WITNESS WHEREOF, I have, on this 30th day of January, 1988, executed and acknowledged this Amendment Number One to Declaration of Trust by Harry B. Kronick dated December 9, 1987.

Signed, sealed and delivered in the presence of:

Fred W. Ruzel
Debra E. Wood

Harry B. Kronick
Harry B. Kronick

STATE OF FLORIDA)
 :SS
COUNTY OF BREVARD)

Before me, a Notary Public in and for the State and County aforesaid, on this day personally appeared Harry B. Kronick, to me well known and known to me to be the person described in and who executed the foregoing instrument, and he acknowledged to and before me that he executed the same for the uses and purposes therein set forth.

WITNESS my hand and official seal at Cocoa Beach, State and County aforesaid, this 20th day of January, 1988.

[Handwritten Signature]

Notary Public
State of Florida
My Commission Expires November 20, 1991
Bonded thru Agent's Notary Errorless
My Commission expires: _____

ATTACHMENT 3

[see attached]

CHARITABLE TRUST AGREEMENT

THIS TRUST AGREEMENT, made this 11th day of January, 1987⁸ by HARRY B. KRONICK, of Cocoa Beach, State of ^{Cal} Florida, hereinafter called the "Settlor", and NORMAN M. KRONICK of Honolulu, State of Hawaii, hereinafter called the "Trustee",

W I T N E S S E T H:

That the Settlor does hereby transfer to the Trustee the sum of TEN DOLLARS (\$10.00), together with such other property as may herewith or hereafter be so transferred, IN TRUST, upon the following trusts:

1.1 Charitable Trust. The trust estate shall be held in trust and not less often than annually the Trustee shall distribute the net income therefrom to such organizations as are then described in sections 170(c), 501(c)(3), 2106 and 2055(a) of the Internal Revenue Code of 1986, as amended ("Code") as the Trustee shall from time to time select. Distribution shall be made at such time and in such manner as not to subject the trust to tax under section 4942 of the Code. The Trustee shall take into account the Settlor's desire that the organization which are distributees from this trust perform their exempt functions within the State of Hawaii. The Settlor desires that the initial distributions be made among the following organizations: Hawaii Public Television; Hawaii Public Radio; Maui Community College; Walter Cameron Center, Maui, Hawaii; Alzheimers Disease and Related Disorders, Inc. Honolulu, Hawaii; Meals on Wheels, Inc.; Waimano Home, and the Catholic Social Services Organization and Institute for Human Services. The Settlor's principal objective

is to provide housing, health, nursing and social work care and facilities for needy elderly persons. If the successor Trustees for any reason deem it impractical or unwise to operate such a facility directly, the successor Trustees may in their absolute discretion apply all or any portion of the net income of the trust to any community foundation maintained in the State of Hawaii which has or will establish a fund for the foregoing purposes and which will allow the successor Trustees in their individual capacities to constitute a majority of the advisory board of such fund, or the Trustees may make such grants directly. Any income not so applied shall be distributed. The Trustee shall have the power not to make gifts to any or all of these organizations and to add other organizations located in the state of Hawaii. It is the Settlor's wish that the Trustee or successor Trustees, be allowed to be a director or trustee of the donee organizations to insure that they are prudently operated so that their income is substantially all their gross income devoted to their charitable works and not to overhead administration, fund-raising costs and similar items. Successor Trustees shall take into account the types and identity of distributees selected as such from time to time by the initial Trustee. In no event may:

- A. any part of the net earnings of the Trust inure to the benefit of any private individual, including any trustees (except as otherwise provided in Paragraph 2.3),
- B. the trust carry on propaganda or otherwise attempt to influence legislation, or
- C. the trust participate or intervene in any political campaign on behalf of any candidate from public office,

- D. the trust operate other than exclusively for charitable, scientific or educational purposes.
- E. Any portion of the income or principal of the trust be distributed to or for the benefit of any organization not described in section 170(c), 501(c)(3), 2106 and 2055(a) of the Code.

The provisions of this paragraph shall be construed so as to qualify the trust hereunder as exempt from tax under section 501(c)(3) of the Code, and as an organization described in section 2055(a)(2) of the Code.

1.2 Duration of Charitable Trust. This trust shall continue indefinitely. Nevertheless if for any reason the Settlor's purposes cannot be carried out, then the Trustee may terminate this trust and distribute the principal of the trust and any undistributed income then on hand to such organization or organizations as then qualify under sections 170(c)(2), 501(c)(3) and 2055(a)(2) of the Code as the Trustee shall select to carry out the purposes of this trust as can then best be assured.

1.3 Survival of Powers. All of the powers and discretion of the Trustee hereunder shall continue until all of the trust property has been distributed.

1.4 Limitation on Powers. Any other provisions of this trust agreement notwithstanding, the trustees shall not engage in any act of self-dealing as defined in Section 4941(d) of the Code, nor retain any excess business holdings as defined in Section 4943(c) of the Code, nor make any investments in such manner as to incur tax liability under Section 4944 of the Internal Revenue Code, nor make any expenditures as defined in Section 4945(d) of the Code.

ARTICLE II

ADMINISTRATIVE PROVISIONS

2.1 Powers. In addition to all powers now or hereafter conferred by law, the Trustee shall have full power and authority to manage, develop, improve, sell, convey, mortgage, partition, subdivide, dedicate to public use, abandon and otherwise dispose of or change the character of any of the trust property; to enter into any lease as lessor or lessee for a term within or extending beyond the duration of the trust; to grant or take an option to purchase or lease; to borrow upon the security of any trust property; to invest and reinvest principal and income in every kind of property, real and personal, including without limitation the right and power to purchase and sell securities and commodities on margin, to sell securities and commodities short, to purchase and/or write and otherwise deal in options of any kind and description, and generally to engage in any lawful securities or commodities transaction without regard to statutes or rules of law restricting fiduciary investments; to continue or participate in the operation of any business or other enterprise, and to effect incorporation, dissolution or other change in the form of organization of same; to give revocable or irrevocable general or specific proxies or authorizations for voting or acting with respect to securities, with or without power of substitution and whether discretionary or not, including such authority to any protective or reorganization committee as it shall deem advisable; to receive additions to the assets of the trust estate; to retain indefinitely any property received as part of the trust estate until in its judgment disposition

thereof should be made, regardless of any lack of diversification, risk or nonproductivity, and although except for this express authority it might be of a kind or in an amount which would be considered improper for a trust; to effect distribution of property in kind or in money and in divided or undivided interests, and to allocate property among shares and adjust resulting differences in valuation; and from time to time in its sole discretion and without reference to prior determinations, and for any purpose, to determine what is principal and what is in income of the trust estate and allocate receipts and disbursements thereto, with full discretion to allocate any receipt to principal for the purpose of providing funds for the payment of any charge against principal; and generally to exercise the same control over and rights respecting the trust estate as could be exercised personally by an absolute owner of the trust property. Notwithstanding the foregoing, the Settlor desires that the Trustee not sell any real property or stock of a closely-held corporation transferred as a gift or devise to this trust unless such sale is necessary to obtain or preserve the income tax exempt status of this trust.

2.2 Accounts. The Trustee shall not be required to give any bond or to file any account in any court, but after the Settlor's death shall annually deliver an account to each adult income beneficiary and to a parent or guardian of each minor income beneficiary.

2.3 Compensation of Trustee. Each successor Trustee shall be entitled to receive out of the trust property reasonable compensation for its services without allowance, determination or

review by any court. The Settlor intends that as of the date hereof a reasonable fee for each successor Trustee be \$75.00 per month.

2.4 Wasting Assets. The Trustee shall determine the amount of depreciation and depletion chargeable against the tangible assets of the trust estate during each year, in accordance with accounting principles, methods and formulas determined by the Trustee to be generally accepted and applicable, and shall charge against income and credit to principal the sum so determined; PROVIDED, HOWEVER, that the amount of depreciation and depletion charged with respect to any asset of the trust estate during any year shall not exceed the net income derived from such asset during said year, as determined by the Trustee and; PROVIDED, FURTHER, that the Trustee shall not be required to charge depreciation or depletion with respect to any improvement constructed on trust property by a lessee.

2.5 Additions. Any person may at any time add property acceptable to the Trustee to the trust estate hereby created, and any property so added shall be subject in every respect to the terms and conditions of this Agreement.

2.6 Amendment. This Agreement may not be amended.

2.7 Irrevocable. The Settlor agrees that this trust is irrevocable and that no person has the right to revoke the trust hereby created at any time, provided, however, that if for any reason whatsoever this trust fails to qualify as a tax-exempt charitable trust, such amendments as may be necessary for the trust to so qualify may be made by the Settlor so long as he is

living and competent, or otherwise and thereafter, by a court of competent jurisdiction.

2.8 Name of Trust. This trust may be referred to as the "Kronick Charitable Trust".

2.9 Governing Law. This Agreement and each trust created hereunder shall be construed under, and the validity and effect thereof determined in accordance with, the law of the State of Hawai'i.

2.10 Gender. Each masculine, feminine and neuter pronoun used herein shall be deemed to include the others unless specifically stated herein to the contrary.

2.11 Nonregistration. The Trustee shall not register this Trust with any Court or governmental agency except as required by law.

2.12 Successor Trustee. Upon the death, disability or resignation of NORMAN M. KRONICK, FRED HARRIS, TERRY S. C. WONG and MERVYN S. GERSON shall become successor Trustees. Vacancies in the office of Trustee shall be filled by the remaining Trustees so that there shall always be three (3) trustees. If any such vacancy is not filled within 30 days, any Trustee may seek to have such vacancy filled by any Court of competent jurisdiction, at the expense of the trust estate. Any individual Trustee shall conclusively be deemed to be disabled upon receipt by the named successor Trustee of two (2) certificates by physicians licensed to practice medicine in the State of said Trustee's then residence, one of whom shall be her family physician stating that said Trustee is then incapable of physically or mentally managing her own financial affairs and is

expected to remain so unable indefinitely or for the foreseeable future. Any trustee so determined to be disabled shall be deemed to have resigned as Trustee hereunder.

2.13 Trustee Defined. The word "Trustee" wherever used in this Agreement shall refer to the Trustee at any time and from time to time acting hereunder and also to any substitute for or successor to any such Trustee, whether or not named herein and whether male, female or corporate, and the survivor of them, and all powers and discretions herein granted to each such Trustee and to each such substitute and successor and survivor.

2.14 Liability of Trustees.

(a) No co-trustee or successor trustee shall be personally liable for any act or omission of any other trustee or any predecessor trustee. Any successor trustee shall accept without examination or review the accounts rendered and the property delivered by or for a predecessor trustee without incurring any liability or responsibility. Any successor trustee shall have all the title, powers, and discretion of the trustee succeeded, without the necessity of any conveyance or transfer.

(b) The trustees shall be chargeable only with the exercise of good faith in carrying out the provisions of the trust, and shall not, in the absence of bad faith, be responsible or accountable for any error of judgment in making the investments, contributions and gifts pursuant to the provisions of this trust.

IN WITNESS WHEREOF, the Settlor and the Trustee have

signed this instrument as of the day and year first above written.

Harry B Kronick
HARRY B. KRONICK

Settlor

Norman M. Kronick
NORMAN M. KRONICK

Trustee

STATE OF FLORIDA)
) SS
COUNTY OF BREVARD)

On this 22nd day of January, 1988, before me personally appeared HARRY B. KRONICK, to me known to be the Settlor described in and who executed the foregoing instrument and acknowledged that he executed the same as his free act and deed.

Wanda T. Moore
Notary Public, State of Florida

My commission expires:

Notary Public, State of Florida at Large
My Commission Expires November 24, 1990
Bonded thru Agent's Notary Brokerage

STATE OF HAWAII)
) SS
CITY AND COUNTY OF HONOLULU)

On this 11th day of January, 1988, before me ^{ce} personally appeared NORMAN M. KRONICK, to me known to be the Trustee described in and who executed the foregoing instrument and acknowledged that he executed the same as his free act and deed.

Carol A. Ellis
Notary Public, State of Hawaii

My commission expires: December 15, 1991

ATTACHMENT 4

[see attached]

**PLAN OF DISSOLUTION
OF
THE KRONICK CHARITABLE TRUST**

This Plan of Dissolution of the Kronick Charitable Trust (this "Plan of Dissolution") is made and entered into as of the 1st day of June, 2009, by Norman M. Kronick, sole Trustee of the Kronick Charitable Trust.

WHEREAS, Harry B. Kronick, as Settlor, and Norman M. Kronick, as Trustee, entered into that certain Charitable Trust Agreement dated January 11, 1988 (the "Kronick Trust Agreement"), pursuant to which the Kronick Charitable Trust was established;

WHEREAS, Norman M. Kronick has at all times and continues to be the sole Trustee of the Kronick Charitable Trust;

WHEREAS, at the time of the formation of the Kronick Charitable Trust, Norman M. Kronick was a resident of the State of Hawaii, but now is and has been a resident of the State of Texas since 1996;

WHEREAS, pursuant to that certain Declaration of Trust dated August 14, 2008, Norman M. Kronick established The Fort Worth Foundation Trust;

WHEREAS, Norman M. Kronick is the sole Trustee of The Fort Worth Foundation Trust;

WHEREAS, Norman M. Kronick, in his capacity as the sole Trustee of the Kronick Charitable Trust, has determined that the Kronick Charitable Trust's charitable purposes can be more effectively and efficiently performed by transferring all of its assets to The Fort Worth Foundation Trust and dissolving such trust.

NOW, THEREFORE, Norman M. Kronick, as sole Trustee of the Kronick Charitable Trust, hereby adopts the following Plan of Dissolution:

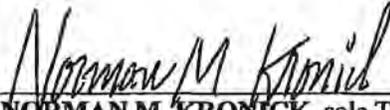
1. Norman M. Kronick, Trustee of the Kronick Charitable Trust, shall cause all assets of the Kronick Charitable Trust to be transferred to The Fort Worth Foundation Trust.

2. Effective as of the end of the calendar year in which all of the assets of the Kronick Charitable Trust have been transferred pursuant to Paragraph 1 above, the Kronick Charitable Trust shall dissolve and be terminated.

3. The Kronick Charitable Trust shall file Form 990-PF with the Internal Revenue Service ("IRS") for the taxable year of dissolution and shall provide notice to the IRS that it has terminated its private foundation status; provided, however, such notice shall not be delivered until after the Kronick Charitable Trust has transferred all of its assets to The Fort Worth Foundation Trust.

4. This Plan of Dissolution may be amended at any time by Norman M. Kronick as necessary to comply with applicable provisions of the Internal Revenue Code and the regulations promulgated thereunder to the extent necessary to avoid the imposition of any tax resulting from such dissolution and termination.

EXECUTED as of the date first set forth above.



NORMAN M. KRONICK, sole Trustee of the
Kronick Charitable Trust

ATTACHMENT 5

[see attached]

THE FORT WORTH FOUNDATION TRUST

This Declaration of Trust is made as of the 14th day of AUGUST, 2008, by NORMAN M. KRONICK, sole Trustee of THE FORT WORTH FOUNDATION TRUST, who hereby declares that he has received the property listed on Exhibit A of this Declaration of Trust, and that he will hold and manage the same and any additions to it as follows:

FIRST. This Trust shall be called The Fort Worth Foundation Trust.

SECOND. The trustees may receive and accept property, whether real, personal, or mixed, by way of gift, bequest, or devise, from any person, firm, trust, or corporation, to be held, administered, and disposed of in accordance with and pursuant to the provisions of this Declaration of Trust. No gift, bequest or devise of any such property shall be received and accepted if it is conditioned or limited in such manner as to require the disposition of the income or its principal to any specified person or organization other than a "charitable organization" or for other than "charitable purposes" within the meaning of such terms as defined in Article Third of this Declaration of Trust, or as shall in the opinion of the trustees, jeopardize the Federal income tax exemption of this trust pursuant to Section 501(c)(3) of the Internal Revenue of 1986, as now in force or later amended (the "Code"). No gift, bequest, or devise that is donor-restricted shall be accepted if the investment or distribution of the funds in accordance with the restriction would cause the imposition of any tax on foundations described in Sections 4941 through 4945 of the Code.

THIRD.

A. **ADMINISTRATION AND DISTRIBUTION.** The principal and income of all property received and accepted by the trustees to be administered under this Declaration of Trust shall be held in trust by them. The trustees may make payments or distributions from unrestricted income or unrestricted principal, or both, to or for the use of such charitable organizations, within the meaning of that term as defined in paragraph D, in such amounts and for such charitable purposes of the trust as the trustees shall from time to time select and determine. The trustees may make payments or distributions from unrestricted income or principal, or both, directly for such charitable purposes, within the meaning of that term in paragraph E, in such amounts as the trustees shall from time to time select and determine without making use of any other charitable organization provided the payment or distribution complies with the requirements of Section 4945(g) or (h) of the Code. The trustees may also make payments or distributions of all or part of the unrestricted income or unrestricted principal to organizations, both domestic and international, established for charitable purposes within the meaning of that term as defined in paragraph E. The trustees are required to honor donor restrictions on gifts, bequests, and devises accepted by the trustees and administer, invest, or distribute the restricted funds pursuant to the restriction.

B. **IMPERMISSIBLE ACTIVITIES.** No part of the net earnings of this trust shall inure or be payable to or for the benefit of any private individual, or no substantial part of the activities of this trust shall be carrying on of propaganda, or otherwise attempting to influence legislation. No part of the activities of this trust shall be the participation in, or intervention in (including the publishing or distributing of statements), any political campaign on behalf of any candidate for public office.

C. **PERPETUITY AND TERMINATION.** This trust shall continue forever unless the trustees terminate it and distribute all of the principal and income, which action may be taken by the trustees in their discretion at any time. On such termination, the trust fund as then constituted shall be distributed to or for the use of such charitable organizations, as are qualified as tax exempt under Section 501(c)(3) of the Code or corresponding provisions of a future Code, in such amounts and for such charitable purposes as the trustees shall then select and determine. The Donor authorizes and empowers the trustees to form and organize a nonprofit corporation limited to the uses and purposes provided for in this Declaration of Trust, such corporation to be organized under the laws of any state or under the laws of the United States as may be determined by the trustees; such corporation when organized to have power to administer and control the affairs and property and to carry out the uses, objects, and purposes of this trust. Upon the creation and organization of such corporation, the trustees are authorize and empowered to convey, transfer, and deliver to such corporation all the property and assets to which this trust may be or become entitled. The charter, bylaws, and other provisions for the organization and management of such corporation and its affairs and property shall be such as the trustees shall determine, consistent with the provisions of this paragraph.

D. **CHARITABLE ORGANIZATION DEFINED.** In this Declaration of Trust and in any amendments to it, references to "charitable organization" means corporations, trusts, funds, foundations, or community chests created or organized both domestic and international, organized and operated exclusively for charitable purposes, no part of the net earnings of which inures or is payable to or for the benefit of any private shareholder or individual, and no substantial part of the activities of which is carrying on propaganda, or otherwise attempting, to influence legislation, and which do not participate in, or intervene in (including the publishing or distributing of statements), any political campaign on behalf of any candidate for public office. It is intended that the organization described in this paragraph D shall be entitled to exemption from Federal income tax under Section 501(c)(3) of the Code.

E. **CHARITABLE PURPOSES DEFINED.** In this Declaration of Trust and in any amendments to it, the term "charitable purposes" shall be limited to and shall include only religious, charitable, scientific, literary, or educational purposes within the meaning of those terms as used in Section 501 (c)(3) of the Code but only such purposes as also constitute public charitable purposes under the laws of trusts of the State of Texas. The primary purposes of this trust are to support activities to mitigate and prevent homelessness, hunger, malnutrition and starvation and to provide food, shelter and education for needy and lower income individuals and families in Tarrant County, Texas and the surrounding North Texas area. Following NORMAN M. KRONICK's death, the successor trustees are directed to use and manage the funds of this foundation substantially in accordance with these primary purposes.

FOURTH. Except as provided below, this Declaration of Trust may be amended at any time, from time to time, during NORMAN M. KRONICK's lifetime, by a written instrument or instruments signed and acknowledged by NORMAN M. KRONICK. All instruments amending this Declaration of Trust shall be kept with the executed original of this Declaration of Trust held by the trustees. Notwithstanding the above, (i) no trustee may amend the Declaration of Trust in such a way that the trust will fail to be an organization described in Section 501(c)(3) of the Code, and (ii) no trustee may amend the Declaration of Trust to allow an amendment described in (i) above. Following NORMAN M. KRONICK's death, this Declaration of Trust may not be amended without

the unanimous consent of the trustees and judicial approval of such amendment.

FIFTH.

A. Any trustee under this Declaration of Trust may, by written instrument, signed and acknowledged, resign his or her office. There shall be two (2) classes of trustees, namely the "Founding Trustee" and the "Managing Trustees."

B. The Founding Trustee shall have the powers specifically granted to him pursuant to the Fourth Paragraph of this Declaration of Trust. In addition, the Founding Trustee shall have the power to appoint, remove, and replace Managing Trustees at any time, with or without cause, to serve immediately or at a future date.

C. The Founding Trustee shall be NORMAN M. KRONICK. If he dies, resigns, or becomes unable to serve for any other reason, he shall be replaced by the Managing Trustees. The initial Managing Trustees shall be E. BRAD MAHON, GREGG M. STIEBER, SANDRA KNIGHT, FREDRICK M. DULIEN, and RONALD L. BERNELL. If any of the initial Managing Trustees dies, resigns, or becomes unable to serve for any reason, then he or she shall be succeeded by a successor Managing Trustee, who shall be any person or entity whom NORMAN M. KRONICK has designated as a successor Managing Trustee, with the most recent such designation to have priority over any earlier dated designations. Such designation of a successor Managing Trustee may be made at any time, and shall be in writing and acknowledged. If no successor Managing Trustee has been designated, then he or she shall be replaced by a majority of the remaining Managing Trustees, such that there shall always be five (5) Managing Trustees following the death or resignation of NORMAN M. KRONICK as Founding Trustee. It is the intent and desire of NORMAN M. KRONICK that any successor Managing Trustee be a person with significant experience in areas including, without limitation, commercial property investment and/or management, finance and/or accounting, law, medicine, education, or charitable organizations, and that collectively, the Managing Trustees will be a group with a diversity of experience that will further the charitable purposes of this trust.

D. When serving and after the term of service of NORMAN M. KRONICK as Founding Trustee, the Managing Trustees shall have all of the powers given to trustees under this Trust Agreement, except for those specifically reserved for the Founding Trustee as noted in the foregoing paragraphs and that the removal of any Managing Trustee shall require the affirmative vote of at least seventy-five percent (75%) of the Managing Trustees other than the Managing Trustee whose removal is sought.

E. To the extent that such requirements can legally be waived, no trustee hereunder shall ever be required to give bond or security as trustee, or to qualify before, be appointed by or account to any court, or to obtain the order or approval of any court with respect to the exercise of any power or discretion granted in this instrument. None of them shall be responsible or liable for the acts or omissions of any other of the trustees or of any predecessor or of a custodian, agent, depositary or counsel selected with reasonable care.

F. The trustees, whether original or successor, for the time being in office, shall have full authority to act even though one or more vacancies may exist. A trustee may, by

appropriate written instrument, delegate all or any part of his powers to another or others of the trustees for such periods and subject to such conditions as such delegating trustee may determine.

G. Except as otherwise specifically provided in this Declaration of Trust, any power, duty or obligation vested in the trustees hereunder may be exercised by a majority in number of the trustees then acting hereunder and any action or decision of the majority of such trustees shall be as effective as if taken or made by all of the trustees; however, any nonconcurring trustee shall not be liable for any act or failure to act of the other trustees.

H. The trustee's exercise or nonexercise of powers and discretions in good faith shall be conclusive on all persons. The trustees shall only be liable for willful misconduct or gross negligence, and shall not be liable for breach of fiduciary duty by virtue of mistake or error in judgment.

I. The trustees shall not be personally liable to any charitable organization or other party interested in this trust, or to any third parties, for any claim against this trust for the loss or diminution in value of trust property resulting from the retention of any property upon which there is later discovered to be hazardous materials or substances requiring remedial action pursuant to any federal, state or local environmental law or matters involving hazardous substances, including any reporting of or response to (1) the contamination of trust property by hazardous substances, or (2) violations of any environmental laws related to this trust.

J. Except as prohibited by applicable law, no trustee acting hereunder shall be prohibited from providing services to this trust (either personally or through an entity controlled or affiliated with such trustee), including legal, accounting, property management and consulting services, so long as such services are reasonable and necessary to carrying out the trust's purposes and any fees paid to such trustee are not excessive.

K. For their services as trustees hereunder, the trustees shall be entitled to reasonable fees commensurate with their respective duties and responsibilities, taking into account the value and nature of the trust fund and the time and work involved. The trustees shall also be entitled to reimbursement for all reasonable expenses incurred in such capacity. Such compensation and reimbursement may be charged to principal or to income or partly to each in the discretion of the trustees.

SIXTH.

A. In extension and not in limitation of the common law and statutory powers of the trustees and other powers granted in this Declaration of Trust, the trustees shall have the following discretionary powers:

1. To retain for any period of time without limitation, and without liability for loss or depreciation in value, any property transferred to the trustees, including partnership interests (whether general, special, or limited), even though the trustees could not properly purchase the property as a trust investment and though its retention might violate principles of investment diversification;

2. To sell at public or private sale, wholly or partly for cash or on credit, contract to sell, grant or exercise options to buy, convey, transfer, exchange, or lease (for a term within or extending beyond the term of the trust) any real or personal property of the trust, and to partition, dedicate, grant easements in or over, subdivide, improve, and remodel, repair, or raze improvements on any real property of the trust, and in general to deal otherwise with the trust property in such manner, for such prices, and on such terms and conditions as any individual might do as outright owner of the property; provided, however, subject to the provisions of Section 4944 of the Code and except for any interest the trust may own in any residential property, wherever located, it is Norman M. Kronick's desire that the trust retain ownership of all commercial real property interests owned by the trust indefinitely unless the trustees unanimously approve a sale or other disposition of any of the trust's commercial real property interests;
3. To borrow money at interest rates then prevailing from any individual, bank, or other source, and to create security interests in the trust property by mortgage, pledge, or otherwise; provided, however, the trust shall not obtain nor shall the trustees consent to any loan secured by any real property owned by the trust unless such loan is made on a non-recourse basis to the trust (i.e., the trust shall have no personal or corporate liability for the payment of the loan and the lender may look only to the security provided by its collateral documents to enforce payment of the loan), the trustees unanimously approve the loan, and the proceeds of the loan are used for the purposes of acquiring real property for the trust, or constructing, renovating or repairing improvements on trust property, or purchasing another party's interest in real property (or such party's interest in a partnership, corporation or other entity owning title to such real property) in which the trust owns a direct or indirect interest;
4. To invest in bonds, common or preferred stocks, notes, real estate mortgages, common trust funds, mutual funds, shares of regulated investment companies, and other common or commingled investment funds, currencies, partnership interests (whether general, special, or limited), interests as members in limited liability companies, or other securities or property, real or personal, domestic or foreign, including partial interests, such as life estate, term or remainder interests, without being limited by any statute or rule of law governing investments by trustees;
5. To make allocations, divisions, and distributions of trust property in cash or in kind, or partly in each; to allocate different kinds or disproportionate shares of property or undivided interests in property among the beneficiaries or separate trusts; and to determine the value of any property so allocated, divided, or distributed;
6. To exercise in person or by general or limited proxy all voting and other rights, powers, and privileges and to take all steps to realize all benefits with respect to stocks or other securities; and to enter into or oppose, alone or with others, voting trusts, mergers, consolidations, foreclosures, liquidations, reorganizations, or other changes in the financial structure of any corporation;

7. To cause any security or other property to be held, without disclosure of any fiduciary relationship, in the name of the trustees, in the name of a nominee, or in unregistered form;
 8. To pay all expenses incurred in the administration of the trust, including reasonable compensation to any trustee, and to employ or appoint and pay reasonable compensation to accountants, depositories, investment counsel, attorneys, attorneys-in-fact, and agents (with or without discretionary powers);
 9. To deal with the fiduciary or fiduciaries of any other trust or estate, even though the trustee is also the fiduciary or one of the fiduciaries of the other trust or estate;
 10. To compromise or abandon any claim in favor of or against the trust;
 11. To sell, convey, lease or otherwise deal with any oil, gas, and other minerals and mineral rights and royalties, and operate and develop oil, gas, and other mineral properties and interests;
 12. To receive any property, real or personal, to be added to the trust by lifetime or testamentary transfer, or otherwise, if the trustees consent in writing and provided that such property is reserved only for and within the purposes and objects of the trust;
 13. To execute instruments of any kind, including instruments containing covenants and warranties binding upon and creating a charge against the trust property and containing provisions excluding personal liability;
 14. To deal with matters involving the actual or threatened contamination of trust property (including interests in sole proprietorships, partnerships or corporations and any assets owned by such business entities) by hazardous substances, or involving compliance with environmental laws. All expenses and costs incurred by the trustees pursuant to the authority granted under this subparagraph shall be charged against income or principal as the trustees shall determine. When used in this document the term "hazardous substance(s)" shall mean any substance defined as hazardous or toxic or otherwise regulated by any federal, state or local law(s), rule(s) or regulation(s) relating to the protection of the environment or human health ("environmental law(s)");
 15. To perform all other acts necessary for the proper management, investment, and distribution of the trust property.
- B. The trustees are specifically prohibited from:
1. Engaging in any action of self-dealing as defined in Section 4941(d) of the Code.

2. Retaining any excess business holdings as defined in Section 4943(c) of the Code.
3. Making any investments in such manner as to subject the trust to tax under Section 4944 of the Code.
4. Making any taxable expenditures as defined in Section 4945(d) of the Code.

C. The trustees shall meet the minimum payout requirement as defined in Section 4942 of the Code.

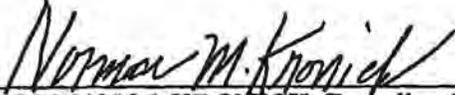
SEVENTH. The trustees' powers are exercisable solely in the fiduciary capacity consistent with and in furtherance of the charitable purposes of this trust as specified in Article Third and not otherwise.

EIGHTH. In this Declaration of Trust and in any amendment to it, the references to "trustees" mean the one or more trustees, whether original or successor, for the time of being in office.

NINTH. Any person may rely on a copy, certified by a notary public, of the executed original of this Declaration of Trust held by the trustee, and of any of the notations on it and writings attached to it, as fully as he might rely on the original documents themselves. Any such person may rely fully on any statements of fact certified by anyone who appears from such original documents or from such certified copy to be a trustee under this Declaration of Trust. No one dealing with the trustees need inquire concerning the validity of anything the trustees purport to do. No one dealing with the trustees need see to the application of anything paid or transferred to or upon the order of the trustees of this trust.

TENTH. This Declaration of Trust is to be governed in all respects by the laws of the State of Texas.

Executed effective as of the date first set forth above.



NORMAN M. KRONICK, Founding Trustee

STATE OF TEXAS §
 §
COUNTY OF TARRANT §

BEFORE ME, the undersigned notary public, on this day personally appeared NORMAN M. KRONICK, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

Given under my hand and seal of office this 14 day of August, 2008

(PERSONALIZED SEAL)

Kathy Gregory
Notary Public



M:\Kronick\ Foundation Trust Agmt (EBM 8.13.08).doc

ATTACHMENT 6

[see attached]

**FIRST AMENDMENT
TO
THE FORT WORTH FOUNDATION TRUST**

This First Amendment to The Fort Worth Foundation Trust (this "Amendment") is entered into this 14 day of July, 2009, by NORMAN M. KRONICK, sole Trustee of THE FORT WORTH FOUNDATION TRUST.

WHEREAS, under the terms of Article Fourth of the Declaration of Trust of The Fort Worth Foundation Trust (the "Declaration"), NORMAN M. KRONICK reserved the right to amend the Declaration by a written instrument signed and acknowledged by him; and

WHEREAS, NORMAN M. KRONICK now desires to amend the Declaration in certain particulars.

NOW, THEREFORE, NORMAN M. KRONICK amends the Declaration as follows:

1. Article Sixth of the Declaration is hereby amended to add a new paragraph D at the end thereof which shall read in its entirety as follows:

"D. At any time after the term of service of NORMAN M. KRONICK as Founding Trustee, the Managing Trustees may appoint one of their members to act as the Administrative Trustee. If appointed, the Administrative Trustee shall be responsible for the day-to-day management of the trust and its operations, business and affairs. Without limitation, but subject to the express limitations set forth in this Article Sixth, the Administrative Trustee is authorized on behalf and in the name of the trust to:

1. Manage, lease and operate all trust real property and execute leases and such other documents necessary or appropriate to carry out such functions;
2. Open, maintain and close bank accounts and draw checks for the payment of money;
3. Hire consultants, attorneys, accountants and other agents for the trust as the Administrative Trustee may deem necessary, advisable or appropriate;
4. Apply for and obtain any and all necessary consents, approvals, permits, variances and the like necessary for the operation and development of the trust's real property;
5. Pay, at the expense of the trust, all bills and expenses and other expenditures of the trust as such bills become due;

6. Obtain all necessary insurance coverage as is deemed necessary by the Administrative Trustee, given the nature of the trust's property and the risks associated with the operation of such property;

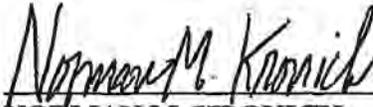
7. Employ, coordinate and supervise employees and contractors necessary to manage the assets of the trust and perform its charitable purposes; and

8. Perform all other duties and exercise such other powers delegated to the Administrative Trustee by the Managing Trustees.

It is the desire of NORMAN M. KRONICK that SANDRA KNIGHT serve as the initial Administrative Trustee and that she serve in this capacity for as long as she is willing and able to do so, unless she is earlier removed as the Administrative Trustee by the affirmative vote of at least seventy-five percent (75%) of the other Managing Trustees."

2. Except as expressly provided herein, all of the terms and conditions of the Declaration are not amended, modified or affected by this Amendment. To the extent of any conflict between the terms of this Amendment and the Declaration, the terms of this Amendment shall control. In all other respects, I hereby confirm the Declaration, as amended by this Amendment.

EXECUTED as of the date first set forth above.



NORMAN M. KRONICK,
Founding Trustee

ATTACHMENT 7

[see attached]

APPOINTMENT OF ADMINISTRATIVE TRUSTEE

This Appointment of Administrative Trustee is executed as of September 21, 2010, by the undersigned Managing Trustees of The Fort Worth Foundation Trust.

WHEREAS, by Declaration of Trust dated August 14, 2008, Norman M. Kronick established The Fort Worth Foundation Trust (the "Foundation");

WHEREAS, the Declaration of Trust was amended by Norman M. Kronick pursuant to that certain First Amendment dated July 14, 2009;

NOW, THEREFORE, the undersigned Managing Trustees, acting pursuant to Paragraph D of Article Sixth of the Declaration of Trust, as amended, hereby appoint and designate Sandra Knight as the initial Administrative Trustee to exercise such powers as described in such Paragraph D, Article Sixth and such other powers as may be specifically delegated to the Administrative Trustee by the Managing Trustees.

EXECUTED as of the date first set forth above.


RONALD L. BERNELL


FREDERICK M. DULIEN


SANDRA KNIGHT


E. BRAD MAHON


GREGG M. STIEBER

ATTACHMENT D

CONSTRUCTION AND TRAFFIC UPDATE

NOVEMBER 13, 2014



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

www.HONOLULUTRANSIT.ORG

HART

HONOLULU AUTHORITY FOR RAPID TRANSPORTATION

Construction Update

WOFH, KHG Guideway and Rail Operations Center



Rail Operations Center Design-Build



Physical Construction Completion 50%
Contract Billed to Date 50.6%
Contract Billing Planned Per Schedule 56.7%

** ROC construction currently tracking to the planned Substantial Completion date.*

** Contractors Billings may lag behind physical work completed due to milestone based payment contract.*

Rail Operations Center Operations & Servicing Building (OSB)



Rail Operations Center Maintenance Of Way (MOW) Building



Rail Operations Center Wheel Truing Building (WTB)



Rail Operations Center Utilities and Yard Construction



WOFH Design-Build

Construction Completion 53%

Contract Billed to Date 50.8%

Contract Billing Planned Per Schedule 58.1%

** WOFH construction currently tracking to the planned Substantial Completion date.*

** Contractors Billings lag behind physical work completed due to milestone based payment contract.*



KHG Design-Build

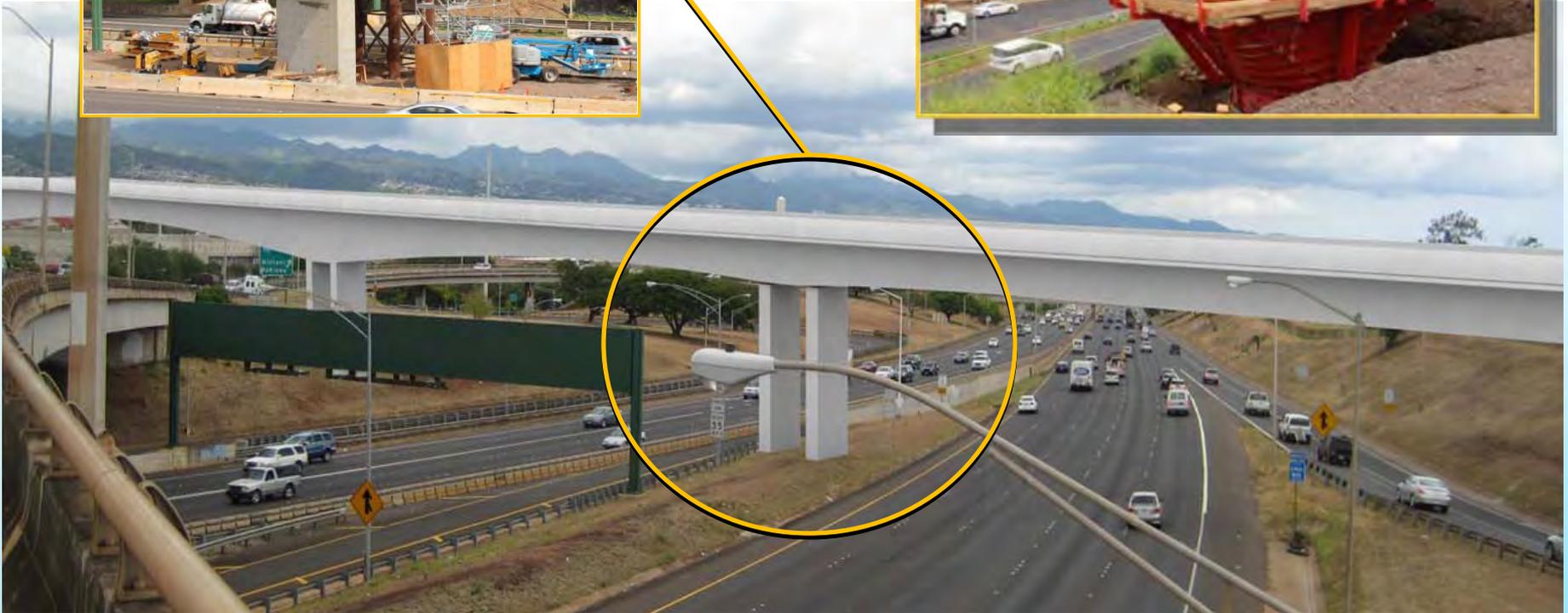


| | |
|--|--------------|
| Physical Construction Completion | 28% |
| Contract Billed to Date | 28.1% |
| Contract Billing Planned Per Schedule | 46.7% |

- *KHG construction currently tracking 5-6 months behind the planned Substantial Completion date.*
- *Kiewit is currently working on a recovery of the construction schedule.*
- *Contractors Billings lag behind physical work completed due to milestone based payment contract.*



Balanced Cantilever Work



HART Traffic Update



Farrington Highway Closure



Farrington Highway in Waipahu



Farrington Highway in Waipahu



Farrington Highway in Waipahu



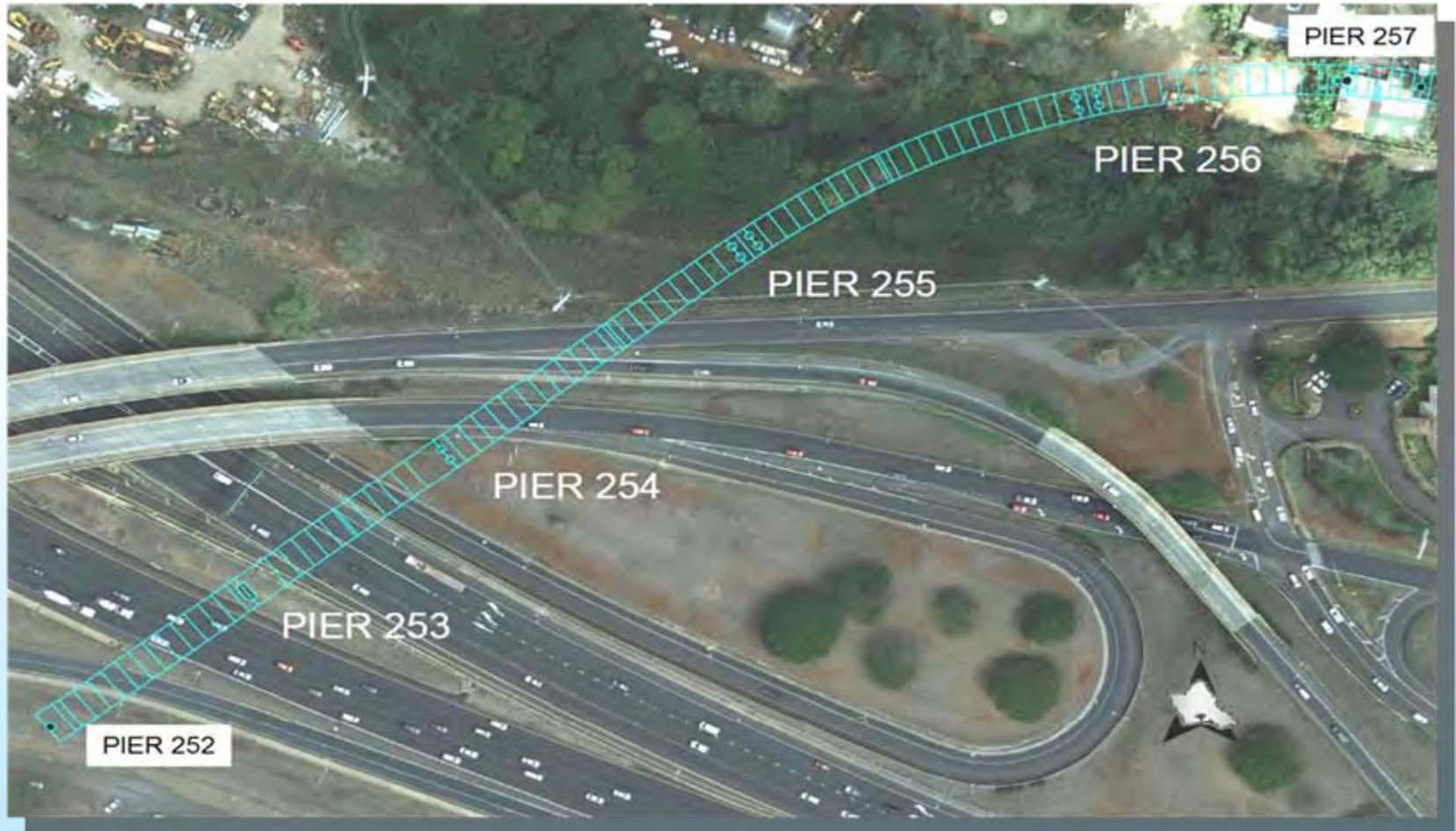
Farrington Highway in Waipahu



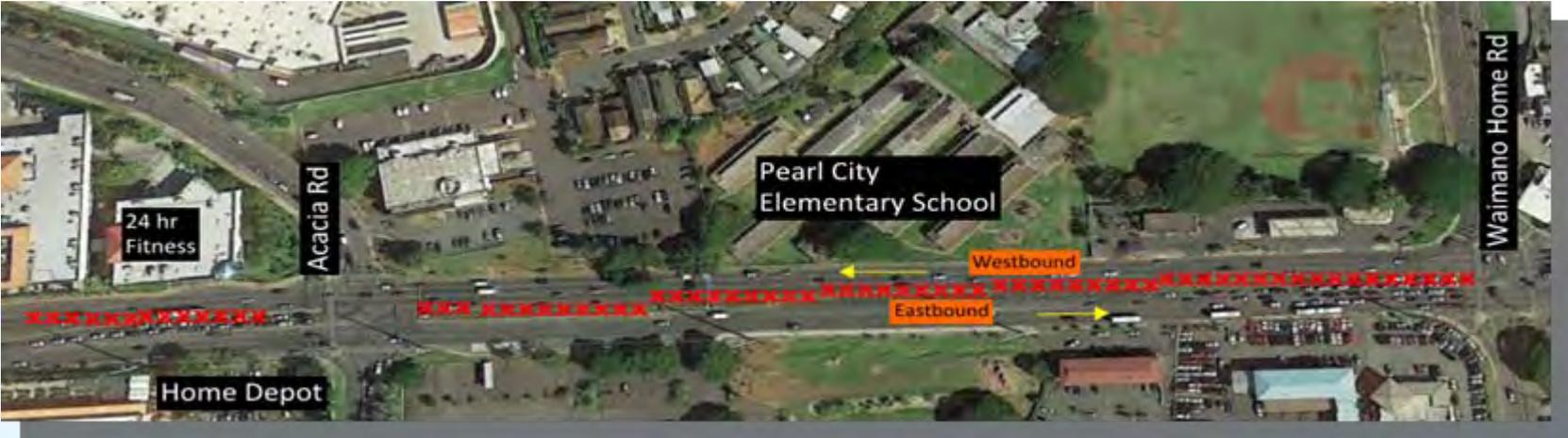
Balanced Cantilever Work



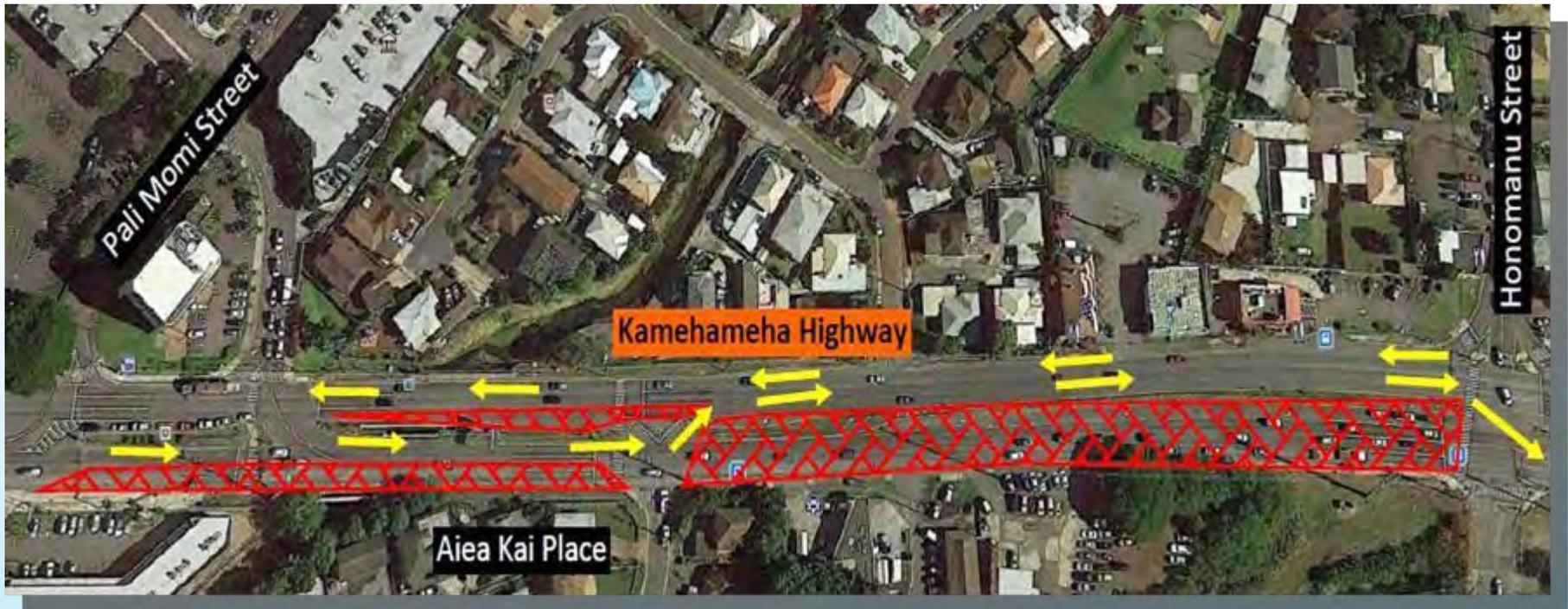
Balanced Cantilever Work



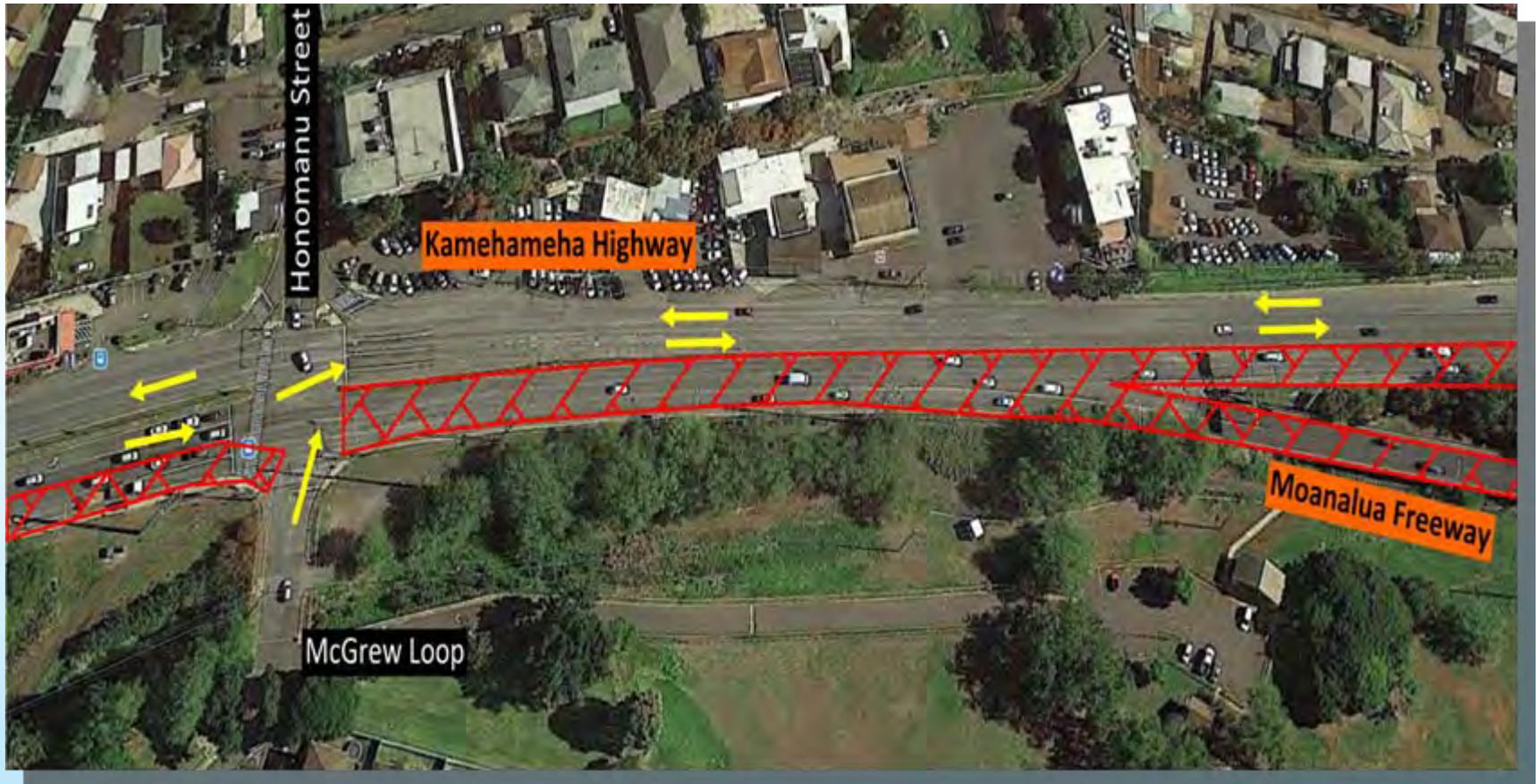
Kamehameha Highway in Pearl City



Kamehameha Highway in Aiea



Kamehameha Highway in Aiea



Mahalo!



ATTACHMENT E

HONOLULU RAIL TRANSIT PROJECT



October 2014* MONTHLY PROGRESS REPORT

* Data Dates: Cost, Schedule 9/26; Other Activities 10/31

HART

HONOLULU AUTHORITY for RAPID TRANSPORTATION

www.HonoluluTransit.org

THIRD PARTY DISCLAIMER

This report and all subsidiary reports are prepared for the Federal Transit Administration (FTA). This report should not be relied upon by any party, except the FTA or HART, in accordance with the purposes as described below.

For projects funded through the FTA Full Funding Grant Agreements (FFGAs) program, the FTA and its Project Management Oversight Contractor (PMOC) use a risk-based assessment process to review and validate a project sponsor's budget and schedule. This risk-based assessment process is a tool for analyzing project development and management. Moreover, the assessment process is iterative in nature; any results of an FTA or PMOC risk-based assessment represent a "snapshot in time" for a particular project under the conditions known at that same point in time. The status of any assessment may be altered at any time by new information, changes in circumstances, or further developments in the project, including any specific measures a sponsor may take to mitigate the risks to project costs, budget, and schedule, or the strategy a sponsor may develop for project execution. Therefore, the information in the monthly reports will change from month to month, based on relevant factors for the month and/or previous months.

REPORT FORMAT AND FOCUS

This report is submitted in compliance with the terms of FTA Contract No. DTFT60-09-D-00012, Task Order No. 2. Its purpose is to provide information and data to assist the FTA as it continually monitors the grantee's technical capability and capacity to execute a project efficiently and effectively, and hence, whether the grantee continues to be ready to receive federal funds for further project development.

This report covers the project and quality management activities on the Honolulu Rail Transit Project managed by the Honolulu Authority for Rapid Transportation (HART) with HART as the grantee and partially financed by the FTA FFGA.

ON THE COVER:

Left: West O'ahu Farrington Highway Guideway along Farrington Highway looking Diamond Head.
Upper right: West O'ahu Farrington Highway Guideway along Farrington Highway looking Waianae.
Lower right: Rail Operations Center (aka Maintenance and Storage Facility) site.

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***HIGHLIGHT OF THE MONTH: HONOLULU INTERNATIONAL AIRPORT STATION**
 Serving the Honolulu International Airport and Surrounding Business District, Salt Lake and Outlying Residential Areas



- Construction Timing:**
- Construction Start: 2016
 - Construction Completion: 2018
 - Operational: 2019

- Station Features:**
- ADA Pedestrian Access
 - Bicycle Parking
 - Elevators and Stairs
 - Pedestrian Bridges and Walkways to Airport Terminals
 - TheBus Transit Connection
 - TheHandi-Van Pick-up/Drop-off
 - Platform Type: Side
 - Planned # of Entrances: 1

*Each month a different station will be highlighted with architectural renderings and key information.

1 EXECUTIVE SUMMARY

KEY ACTIVITIES THIS MONTH

The Honolulu Authority for Rapid Transportation (HART) will receive more than \$48 million in General Excise and Use Tax (GET) revenue for the third quarter of 2014.

With the receipt of the \$48.5 million for the months of July, August and September, the total GET revenue for the Honolulu rail project is \$1.34 billion.

The half-percent GET surcharge dedicated to the Honolulu rail system was levied beginning in January 2007 and is set to expire at the end of 2022. It is estimated the surcharge will fund nearly 70 percent of the project’s cost, with the remainder paid for with federal funding.

HART Board

William “Buzz” Hong has been reappointed to a five-year term with the HART board of directors. Hong is the former executive director of the Hawai’i Building and Construction Trades Council. He earned an undergraduate degree in psychology from the University of Hawai’i and an associate’s degree in police science from Chaminade University.



William "Buzz" Hong

Ford Fuchigami will be leaving the HART board of directors in November. Fuchigami serves as the interim director of the state Department of Transportation and through this role serves as an ex-officio, voting member of the HART board of directors. Effective Nov. 1, Fuchigami will be director of the Department of Enterprise Services for the City and County of Honolulu. A new director for the state Department of Transportation has not been named yet.



Aesthetic Columns in Place at Future Home of UH West O’ahu Rail Station

HART has constructed embossed columns along Kualakai Parkway near the University of Hawai’i West O’ahu campus. The special column designs are part of HART’s aesthetic column program which is connected with the rail project’s development of its 21 rail stations.

The five embossed columns that will support the guideway for the UH West O’ahu rail transit station celebrate the natural beauty of Honouliuli and the mission of the university.

The imprint depicts sunrise, kakahiaka, and the sun’s transition across the sky throughout the day, symbolic of enlightenment. The burning torch, made from the oil of the kukui nut, is a symbol of malamalama (light of knowledge) and is part of the university’s logo.

All of the project’s 21 stations will have patterns unique to an area’s ahupuaa. HART has already built similar columns near the planned station at Ho’opili. The patterns are designed to tell the historic and cultural stories of each community where the stations are located.

PROJECT PROGRESS

Overall Progress:

| Project Progress Through September 26, 2014 | | | |
|--|--------|------------|-----------|
| | Actual | Early Plan | Late Plan |
| Overall Project Progress | 27.4% | 37.8% | 30.7% |
| Overall Construction Progress | 19.2% | 29.4% | 23.1% |
| Overall Design Progress | 79.4% | 90.5% | 80.7% |
| Overall Utilities Progress | 10.5% | 20.8% | 9.9% |

- There have been no project scope changes; the project scope continues to reflect the Final Environmental Impact Statement (FEIS), Record of Decision (ROD) and Full Funding Grant Agreement (FFGA).
- The Contract Packaging Plan (CPP) is being modified with certain facility design and construction work re-packaging.

Schedule:

- The FFGA revenue service date (RSD) is January 31, 2020, and HART is implementing mitigation measures to maintain a late 2019 full revenue service date.
- HART is studying secondary mitigation measures to contain costs. Changes to station architectural finishes and/or type of materials used in some applications are currently under evaluation.
- HART is re-evaluating the program schedule as part of the West Side Station Group procurement cancellation.

FINANCIALS

Incurred Cost:

- \$1.170B = Total Incurred Cost (actual expenditures plus approved requests for payment)
- \$52.4M = September 2014 incurred amount in costs (actual expenditures plus approved requests for payment)

Committed Amount:

- \$2.890B = Total Committed Amount (including awarded design contract allowances of \$4.3M and excluding uncommitted contingencies and finance charges)

Authorized for Expenditure (AFE):

- \$2.121B = Total Amount AFE by way of Notices to Proceed (NTPs)
- \$24.2M = September 2014 total AFE increase

Project Contingency:

- \$550.1M = Current Project Contingency Balance
- \$9.3M = September 2014 drawdown to Project Contingency

Funding:

- \$1,479M = Total Cash Received Since Preliminary Engineering (PE)
- FFGA:
 - \$0 = New Starts drawdown received in September 2014
- General Excise Tax (GET) Surcharge:
 - \$920M = amount received since the Project’s entry into FTA’s Preliminary Engineering phase of project development
 - \$1,298M = amount received since 2007
 - \$0 = GET surcharge revenue received in September 2014

Project Revenue and Costs:

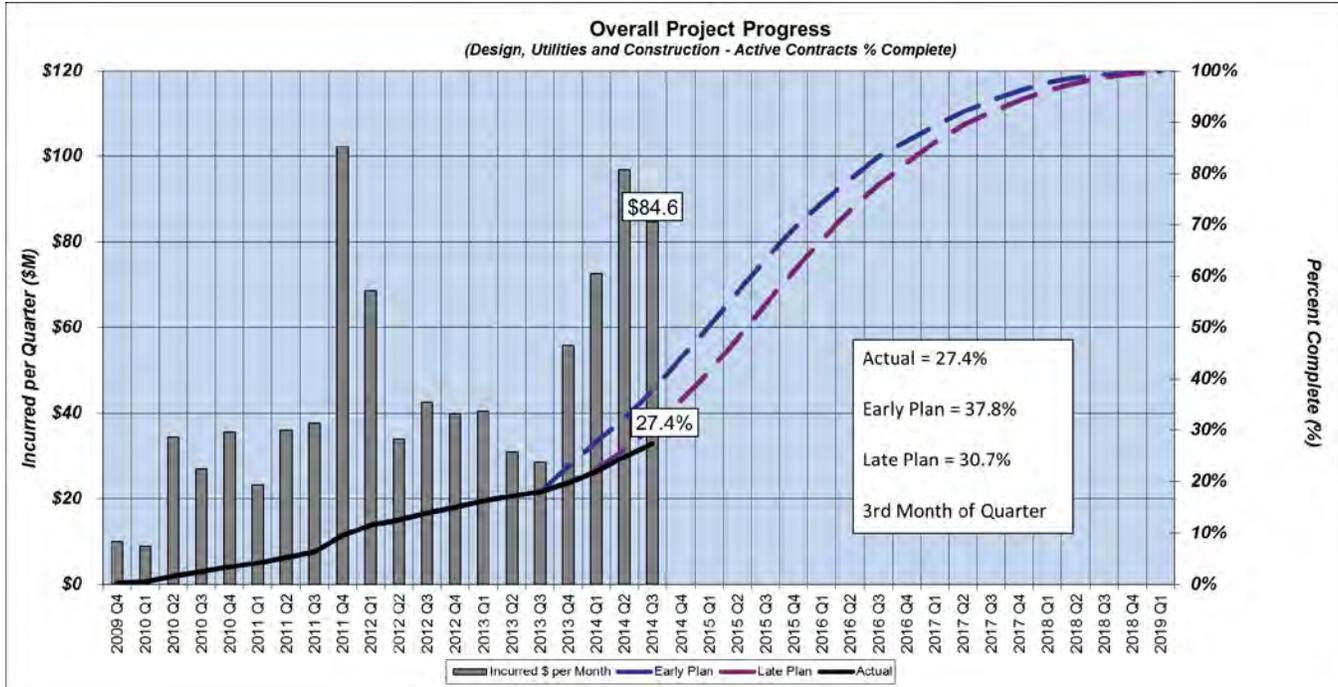
- \$355.4M = Cash Balance as of 9/30/14

2 OVERALL PROJECT PROGRESS AND FINANCIALS

2.1 Project Progress (data as of September 26, 2014)

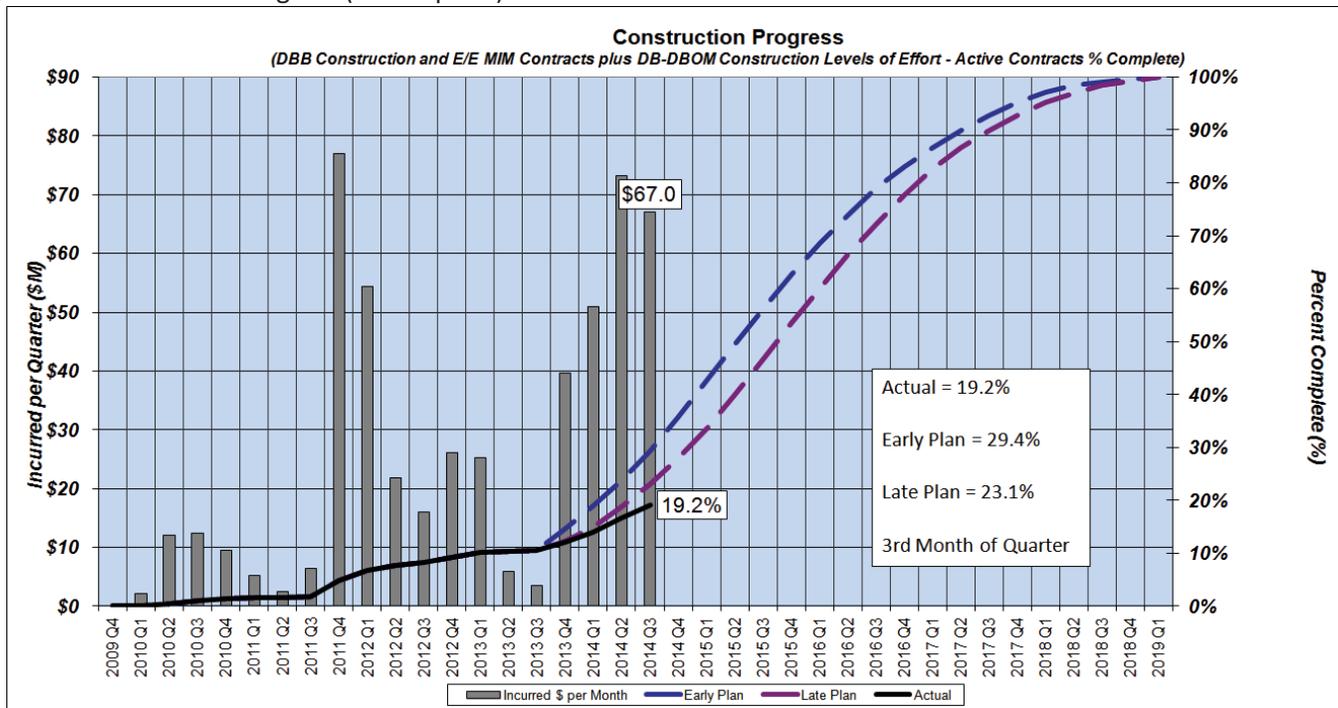
- Note:
- Early Plan = Earliest dates activities can begin and finish, based on logic and durations used in the schedule.
 - Late Plan = Latest dates activities can begin and finish and not have an impact on completion date, based on logic and durations used in the schedule.

Figure 1. Overall Project Progress (% Complete)



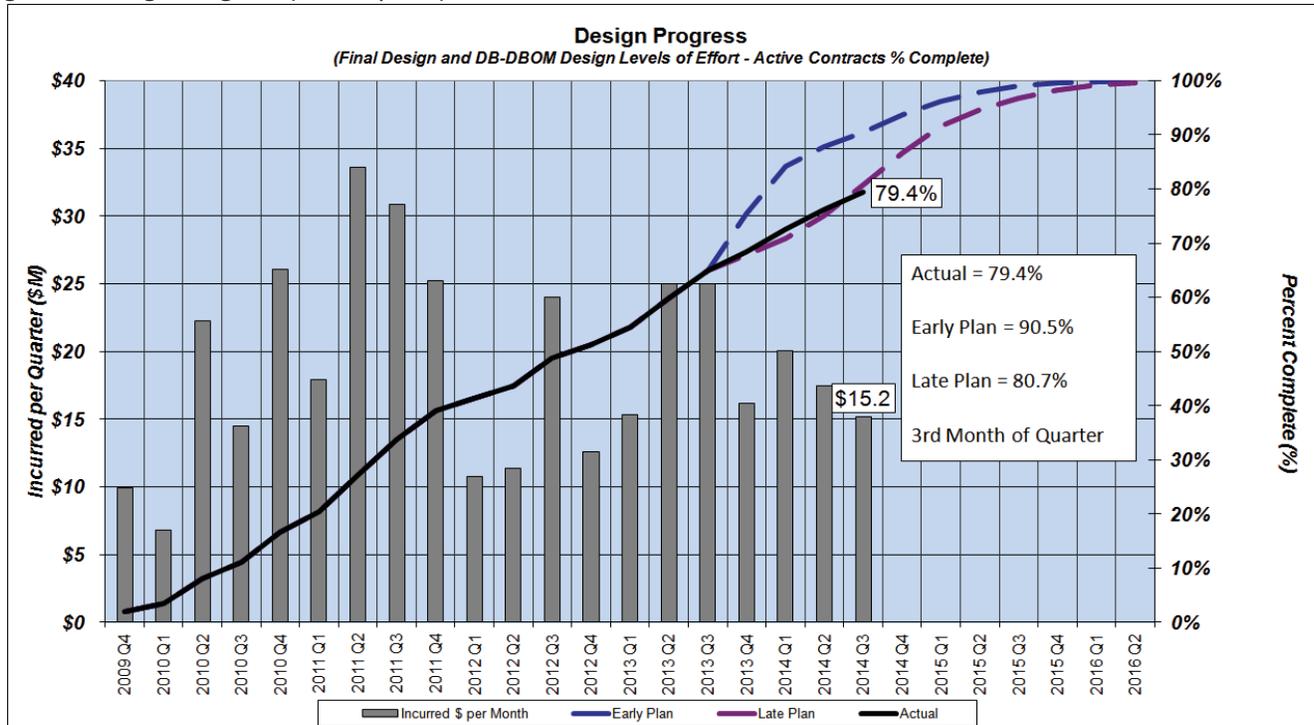
At present “overall” project progress is based on the weighted value progress of the individual construction and design contracts (Design-Build [DB], Design-Bid-Build [DBB], Design-Build-Operate-Maintain [DBOM], Elevator/Escalator Manufacture-Install-Test-Maintain [MIM], Final Design [FD] and DB-DBOM design levels of effort), not including City or non-design consultant labor. Overall Project Progress reflects all project elements as budgeted.

Figure 2. Construction Progress (% Complete)



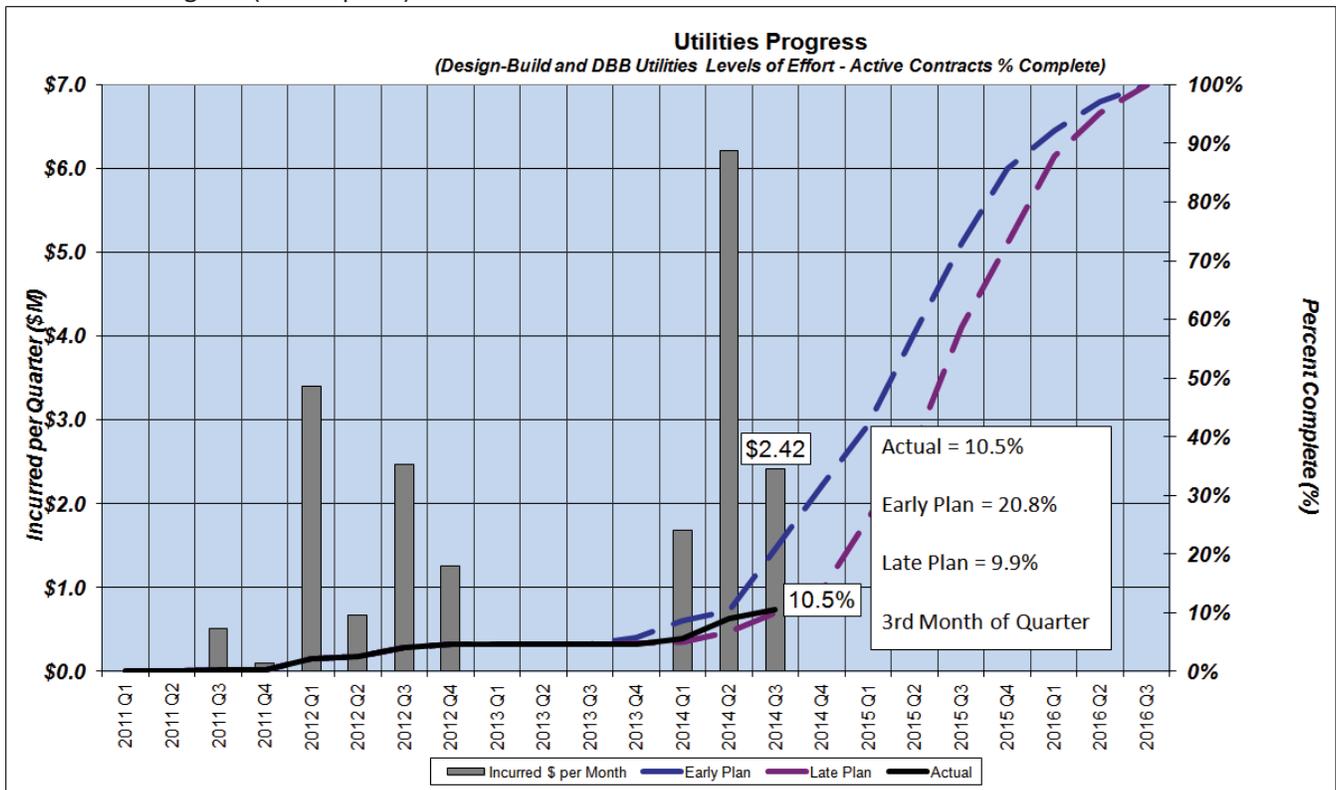
Overall construction progress is based on the weighted average progress of the individual DBB and E/E MIM construction contracts and the DB-DBOM construction levels of effort, not including consultant construction engineering and inspection (CE&I) services.

Figure 3. Design Progress (% Complete)



Overall design progress is based on the weighted average progress of the individual FD contracts and the design levels of effort of the DB and DBOM construction contracts, not including City or non-design consultant labor.

Figure 4. Utilities Progress (% Complete)



Overall utilities progress is based on the weighted average progress of the DB and DBB utilities levels of effort.

2.2 Project Budget (data as of September 26, 2014)

- \$5.122B = Full Funding Grant Agreement (FFGA) Baseline Project Budget (includes approximately \$644M in allocated and unallocated contingencies and \$173M in finance charges)
 - Reported budget amounts relate to the FTA New Starts project and exclude \$42M in FTA-ineligible financing costs that will be incurred beyond FFGA completion.
- \$1.170B = Total Incurred Cost (actual expenditures plus approved requests for payment)
 - 26.6% of the FFGA Current Project Budget (excluding contingencies and finance charges) of \$4.398B.
 - \$52.4M = September 2014 incurred amount in costs (actual expenditures plus approved requests for payment).
- \$2.890B = Total Committed Amount (including awarded design contract allowances of \$4.3M and excluding uncommitted contingencies and finance charges)
 - 65.7% of the FFGA Current Project Budget (excluding contingencies and finance charges).
- \$2.121B = Total Amount Authorized for Expenditure (AFE) by way of Notices to Proceed (NTPs)
 - 48.2% of the FFGA Current Project Budget (excluding contingencies and finance charges).
 - \$24.2M = September 2014 total AFE increase.

Total Incurred Cost = \$1.170B
(previous report = \$1.118B)

Total Committed Amount = \$2.890B
(previous report = \$2.835B)

Total Amount AFE = \$2.121B
(previous report = \$2.097B)

Figure 5. Total Authorized for Expenditure (AFE) Increase

| Notices to Proceed | | | |
|-----------------------------|---|-------------------------------|---------------------|
| Contract | | Scope | Amount |
| DB-120 | WOFH | Change Order 00045 and 00046 | \$6,050,000 |
| DB-200 | MSF | Change Order 00026 | \$1,112,000 |
| FD-140 | WOSG | Amendment 1, 2, 4, 6 and 7 | \$788,597 |
| FD-240 | FHSG | Amendment 1, 2, 4, 5, 6 and 9 | \$618,134 |
| FD-340 | KHSG | Amendment 1, 3 and 5 | \$128,736 |
| FD-430 | Airport Section Guideway and Utilities | Amendment 8 and 11 | \$1,633,014 |
| FD-530 | City Center Guideway and Utilities | Amendment 5 | \$72,000 |
| FD-550 | Dillingham and Kaka’ako SG | NTP3 | \$3,023,242 |
| MM-901 | PMSC-2 | FY2014-A Encumbrance | \$5,440,000 |
| MM-913 | GEC III | FY2015 Encumbrance | \$8,718,805 |
| MM-925 | HDOT Labor | FY2015 Encumbrance Adjustment | \$265,633 |
| MM-930 | HDOT SOA | FY2014 Encumbrance Adjustment | \$520,874 |
| MM-935 | Real Estate Consultant | Task Order Adjustment | (\$4,164,892) |
| MM-937 | Real Estate Engineering Support – Mapping and Surveying | FY2014 Encumbrance | \$1,500,000 |
| MM-940 | Kāko’o Consultant | Task Order Adjustment | (\$240,516) |
| MM-945 | On-Call Construction Contractor | NTP Adjustment | \$416,989 |
| MM-946 | On-Call HazMat Removal Contractor | Task Order Adjustment | (\$1,570,839) |
| MM-960 | Archaeological and Cultural Monitoring | Task Order Adjustment | (\$400) |
| PA-102 | Historic Architecture Design Services | Task Order Adjustment | (\$155,911) |
| Net NTP/AFE Increase | | | \$24,155,466 |

- \$2.4B = FFGA Financial Plan projected cumulative capital expenditures through FY2015 (refer to *Honolulu Rail Transit Project Final Financial Plan for Full Funding Grant Agreement*, June 2012).

2.3 Project Contingency (data as of September 26, 2014)

Note: Contingency management and cost contingency details, including a breakdown of Project contingency drawdowns, are discussed in further detail in Appendix C.

*Current Contingency
Balance = \$550.1M
(previous report = \$559.4M)*

- \$550.1M = Current Project Contingency Balance
- There was a \$9.3M contingency drawdown during the September 2014 reporting period due to the following:
 - Change Order No. 027 for \$0.5M for the Maintenance and Storage Facility DB (DB-200) for Traditional Cultural Properties Suspension; contingency drawdown **\$0.5M**
 - Change Order No. 026 for \$1.1M for the Maintenance and Storage Facility DB (DB-200) for Insurance Coverage Requirements 2014; contingency drawdown **\$1.1M**
 - Budget Transfer from OCIP Consultant contract (MM-950) transferring excess project budget to unallocated contingency; contingency credit **(\$0.8M)**
 - Change Order No. 011 for the Kamehameha Highway Guideway DB (DB-320) to Relocate light posts/signage and Construction Safety Security Plan; contingency drawdown **\$0.2M**
 - Change Order No. 012 for the Kamehameha Highway Guideway DB (DB-320) for Insurance Coverage Requirements 9/1/13 – 7/1/14; contingency drawdown **\$1.4M**
 - Change Order No. 045 for the West O’ahu Farrington Highway Guideway DB (DB-120) for Standard Specification Revision 2.0; contingency drawdown **\$2.7M**
 - Change Order No. 046 for the West O’ahu Farrington Highway Guideway DB (DB-120) for Insurance Coverage Requirements 2014; contingency drawdown **\$3.4M**
 - Contract Amendment No. 004 for the City Center Guideway and Utilities FD (FD-530) for Aesthetic Station Column; contingency drawdown **\$0.3M**
 - Contract Amendment No. 005 for the City Center Guideway and Utilities FD (FD-530) for the City Center Section Rescue Cart Scope Impact; contingency drawdown **\$0.07M**
 - Contract Amendment No. 001 for the Kamehameha Highway Stations Group FD (FD-340) for Special Provisions Update and Shear Wave Analysis; contingency drawdown **\$0.03M**
 - Contract Amendment No. 003 for the Kamehameha Highway Stations Group FD (FD-340) for Historic Architect Services and Replace Highway Sign; contingency drawdown **\$0.07M**
 - Contract Amendment No. 005 for the Kamehameha Highway Stations Group FD (FD-340) for Added Bus Shelters at Aloha Stadium Station; contingency drawdown **\$0.03M**
 - Contract Amendment No. 010 for the Airport Section Guideway and Utilities FD (FD-430) for the Aesthetic Station Column and Pearl Harbor Station stairs design; contingency drawdown **\$0.2M**
 - Contract Amendment No. 011 for the Airport Section Guideway and Utilities FD (FD-430) for the Airport Section Rescue Cart Scope Impact; contingency drawdown **\$0.05M**
 - Contract Amendment No. 007 for the West O’ahu Stations Group FD (FD-140) for Traffic Signal Conflict at UHWO and Ho’opili Access Road; contingency drawdown **\$0.06M**
- As of this reporting period, none of the executed change orders reduced the Baseline Budget Contingency amount below the buffer zone.

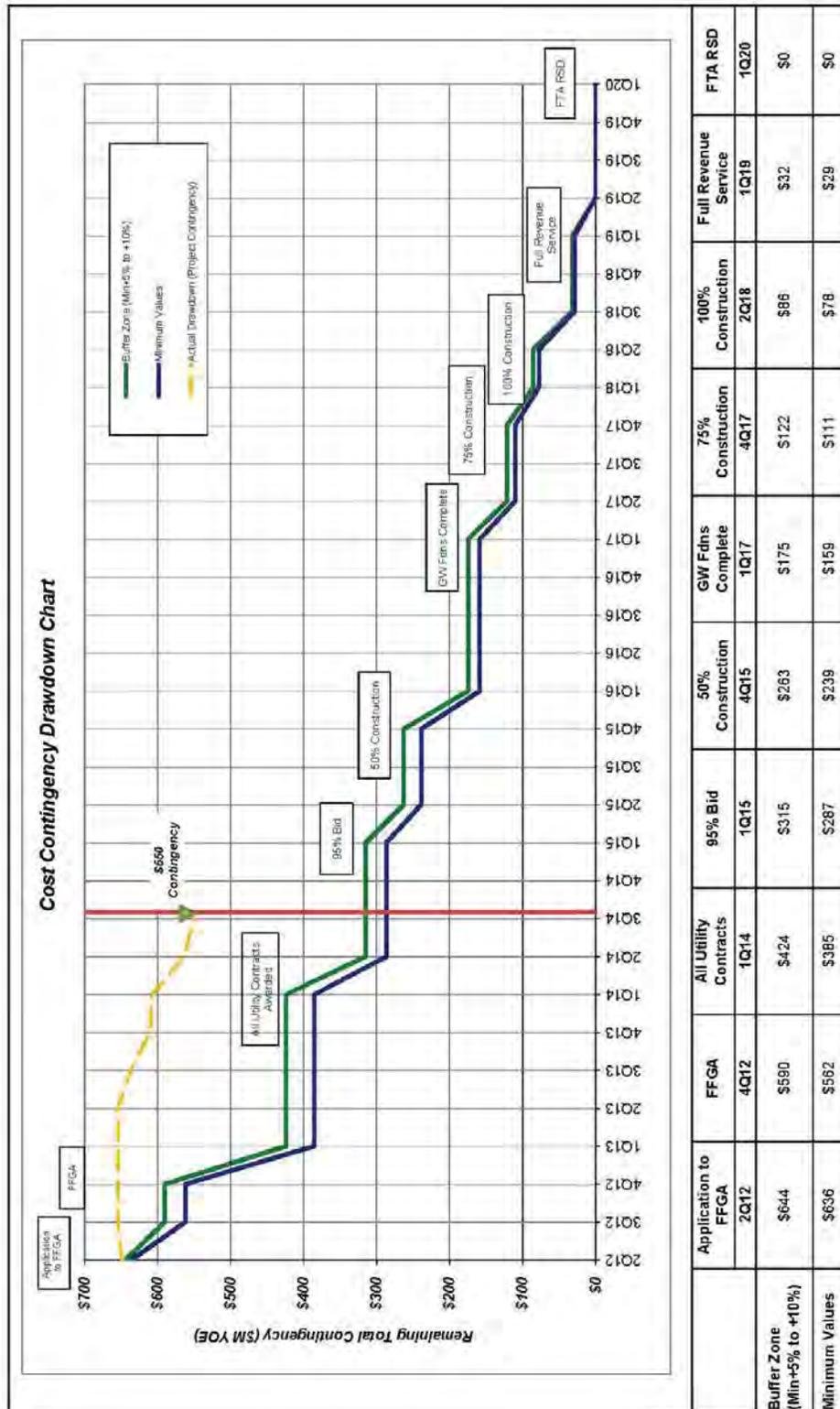
Figure 6. Project Contingency Budget

| Project Contingency Budget | | |
|---|----------------------|-----------------|
| Contingency | SCC Code | Budget (\$M) |
| Unallocated Contingency | 90.01 | \$101.9 |
| Allocated Contingency | 90.02 | \$540.1 |
| Allowances | 90.03 | \$1.6 |
| Baseline FFGA Project Contingency Budget | 90.01 - 90.03 | \$643.6 |
| Contingency Transfers to date | 90.01 - 90.03 | (\$93.5) |
| Current FFGA Project Contingency | 90.01 - 90.03 | \$550.1 |

Figure 7. FFGA Project Contingency Current Budget

| FFGA Project Contingency Current Budget | | | |
|---|--|----------------------------------|---|
| Report Month | Period Beginning: Current Budget Contingency (\$M) | Contingency Drawdown (\$M) | Period Ending: Current Budget Contingency (\$M) |
| | [a] | [b] | [c] = a + b |
| April '14 Monthly Progress Report | \$608.2 | \$0.0 | \$608.2 |
| May '14 Monthly Progress Report | \$608.2 | (\$17.5) | \$590.7 |
| June '14 Monthly Progress Report | \$590.7 | (\$22.3) | \$568.4 |
| July '14 Monthly Progress Report | \$568.4 | (\$5.0) | \$563.4 |
| August '14 Monthly Progress Report | \$563.4 | \$0.3 | \$563.7 |
| September '14 Monthly Progress Report | \$563.7 | (\$4.3) | \$559.4 |
| October '14 Monthly Progress Report | \$559.4 | (\$9.3) | \$550.1 |

Figure 8. Draft Cost Contingency Drawdown Chart



Note: Contingency management and cost contingency details, including a breakdown of Project contingency drawdowns, are discussed in further detail in Appendix C.

2.4 Project Funding (data as of September 26, 2014)

Figure 9. Planned vs. Received Project Funding

| Planned vs. Received Project Funding | | | | |
|---|--|-----------------------------------|---|---|
| Funding Source | Pre-FFGA Project ¹ | FFGA Project Period | | Total Project |
| | <u>2007 - 2009</u> Actuals Received | Planned ² (\$YOE M) | <u>2009 - Present</u> Actuals Received | <u>2007 - Present</u> Actuals Received |
| | [A] | | [B] | [C] = A + B |
| Beginning Project Cash Balance ³ | 0 | 298 | 298 | 298 |
| Interest Income on Cash Balance | 7 | 3 | 2 | 9 |
| FTA Section 5309 New Starts Revenue ⁴ | 0 | 1,550 | 256 | 256 |
| FTA Section 5307 Formula Funds | 0 | 210 | 0 | 0 |
| ARRA Funds | 0 | 4 | 4 | 4 |
| Net General Excise Tax (GET) Surcharge revenues FY2010-FY2023 | 378 | 3,291 | 919 | 1,297 |
| Total | 385 | 5,356 | 1,479 | 1,864 |

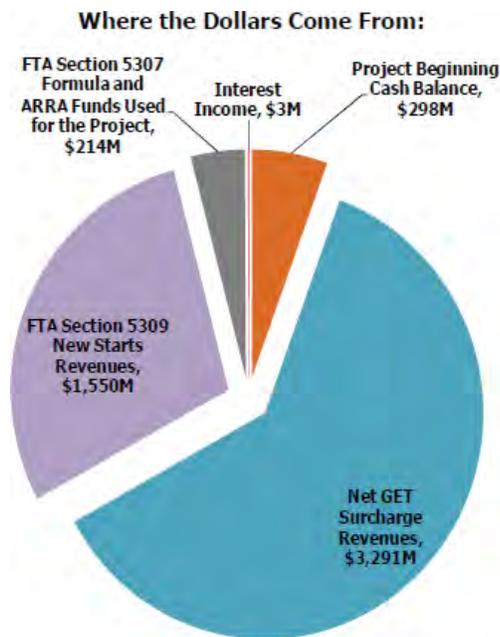
¹ GET and Interest Income received during Pre-Preliminary Engineering (pre-PE) phase prior to entry into PE

² FFGA Financial Plan, Table A-1 *Capital Plan Cash Flows*.

³ Beginning Project Cash Balance at Entry into Preliminary Engineering (PE) on October 16, 2009 (the FFGA Project start date) = GET, investment and miscellaneous income minus pre-PE expenditures.

⁴ New Starts Funds Obligated Through Federal Fiscal Year 2014 Totals \$806.3 Million

Figure 10. Project Funding Sources (YOE \$M)



Source: FFGA Financial Plan, p. 2-1

- General Excise Tax (GET) Surcharge
 - \$920M = amount received since the Project’s entry into FTA’s Preliminary Engineering phase of project development.
 - \$954M = Projected Net GET Surcharge Revenue for FYs 2010-2015, as stated in FFGA Financial Plan (Table A-1 *Capital Plan Cash Flows*)

- Full Funding Grant Agreement (FFGA)
 - \$0 = New Starts drawdown received in September 2014.

Total Cash Received Since PE = 1,479M
 (previous report = \$1,479M)

GET Received Since PE = \$920M
 (previous report = \$920M)

GET Received Since 2007 = \$1,298M
 (previous report = \$1,298M)

Figure 11. New Starts Drawdown by Federal Fiscal Year (as of Sept. 30, 2014)

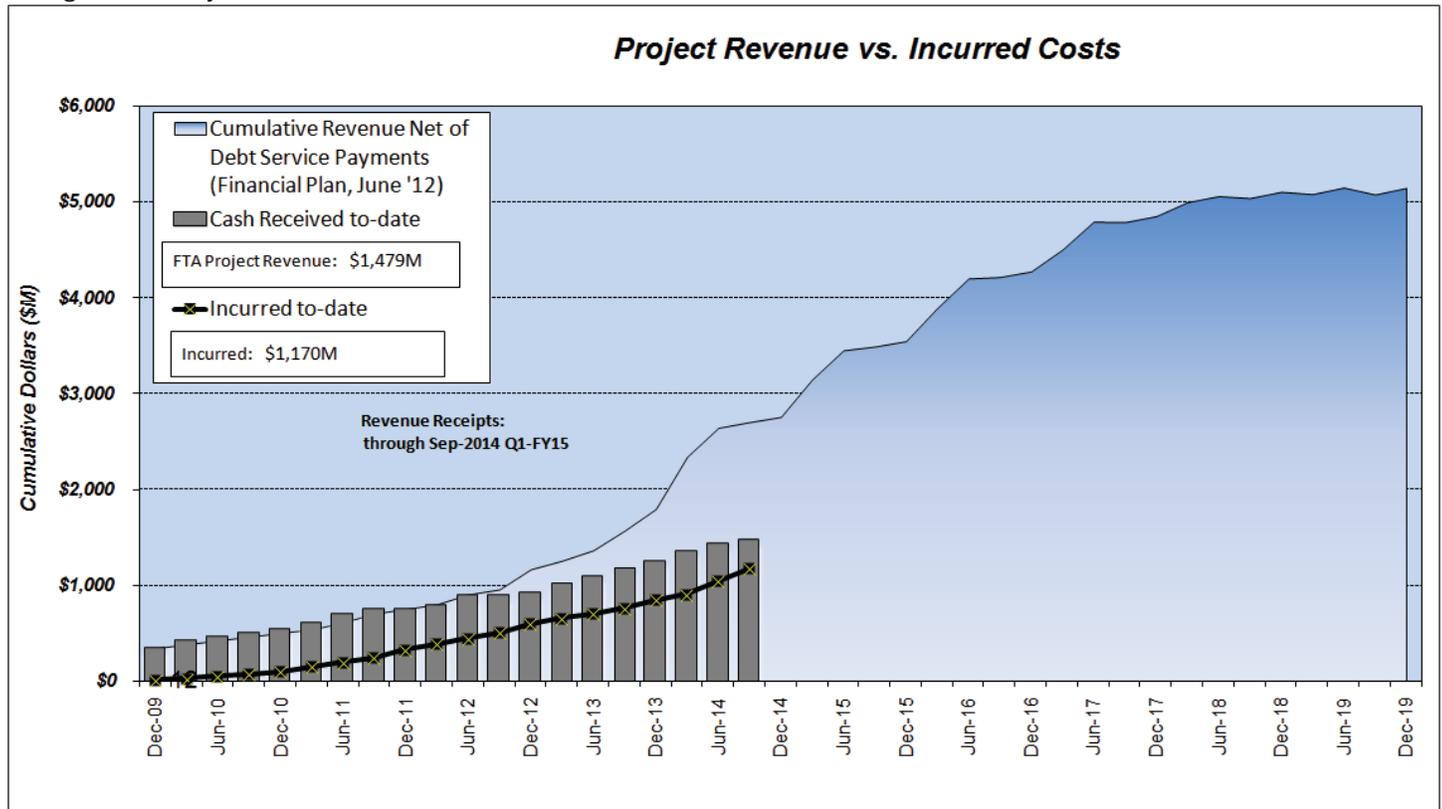
| New Starts Grant Information by Federal Fiscal Year | | | | |
|---|------------------------|---------------------------------|------------------------|--------------------------|
| Federal Fiscal Year Allocation | Obligated Amounts | Actual Drawdown Amounts to Date | Available Balance | FFGA Base Case Cash flow |
| 2008 | \$15,190,000 | \$15,190,000 | \$0 | |
| 2009 | \$19,800,000 | \$19,800,000 | \$0 | |
| 2010 | \$30,000,000 | \$30,000,000 | \$0 | |
| 2011 | \$55,000,000 | \$55,000,000 | \$0 | \$20,607,242 |
| 2012 | \$200,000,000 | \$135,970,026 | \$64,029,974 | \$99,382,758 |
| 2013 | \$236,277,358 | \$0 | \$236,277,358 | \$258,280,277 |
| 2014 | \$250,000,000 | \$0 | \$250,000,000 | \$441,719,724 |
| 2015 (pending) | \$250,000,000 | \$0 | \$250,000,000 | \$250,000,000 |
| 2016 (pending) | \$250,000,000 | \$0 | \$250,000,000 | \$250,000,000 |
| 2017 (pending) | \$243,732,642 | \$0 | \$243,732,642 | \$230,010,000 |
| Total | \$1,550,000,000 | \$255,960,026 | \$1,294,039,974 | \$1,550,000,000 |

2.5 Project Revenue and Costs

(data as of September 26, 2014)

Ending Cash Balance 09/30/14 = \$355.4M
(previous report = \$391.6M)

Figure 12. Project Revenue versus Incurred Costs



Planned Funding levels as per the June 2012 FFGA Finance Plan
Data date for Revenue & Incurred Cost = Sept. 26, 2014

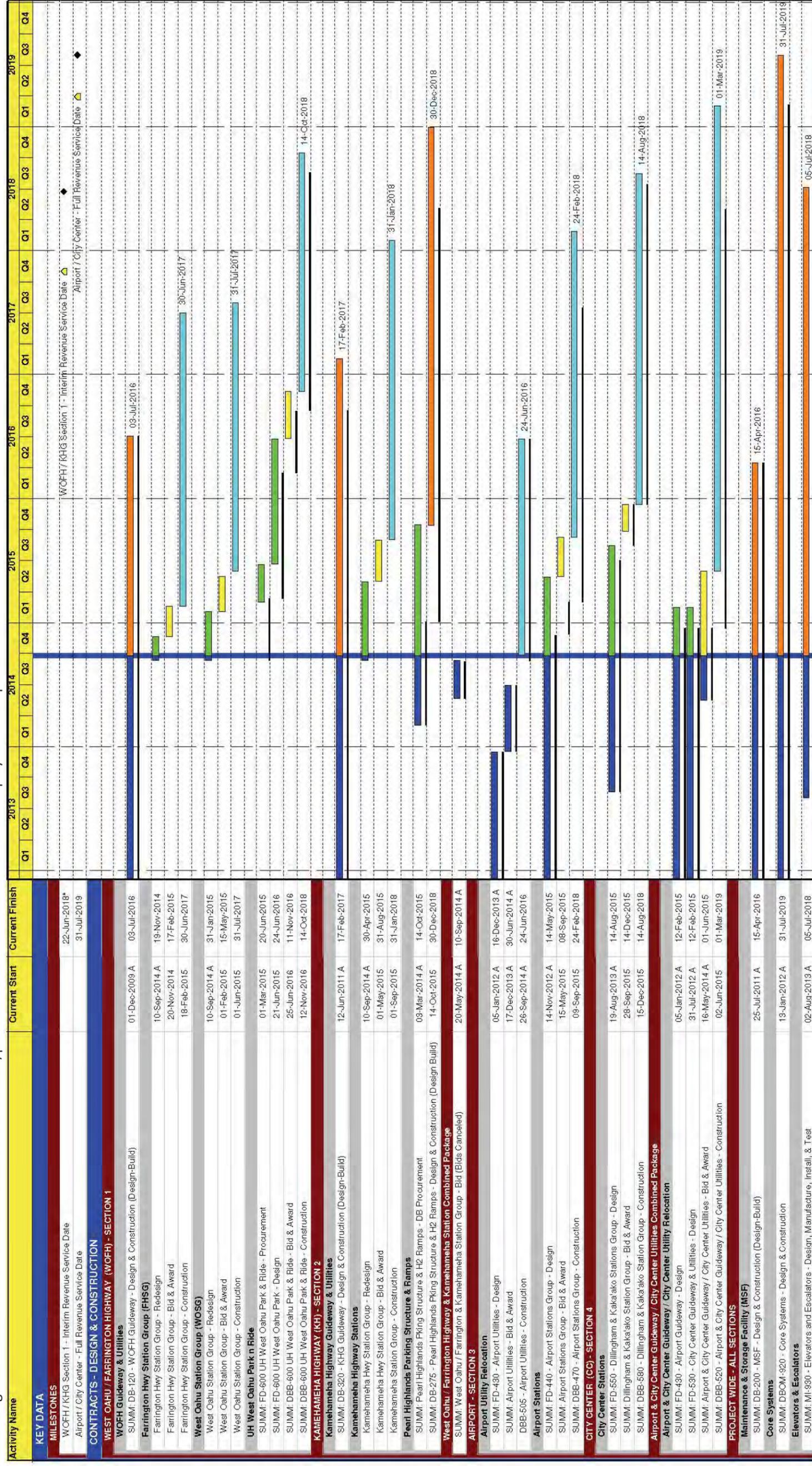
Figure 13. Cash Balance Summary

| SEPTEMBER 2014 CASH BALANCE SUMMARY | | |
|--|---------------------|-----------------------|
| | SEPTEMBER | Fiscal YTD Cumulative |
| Beginning Cash Balance | 391,604,092 | 441,011,319 |
| Expenditures: | | |
| Operating Expenditures | (1,161,902) | (3,022,750) |
| Capital Expenditures | (35,047,249) | (132,100,972) |
| Expenditures Total: | (36,209,152) | (135,123,722) |
| Receipts: | | |
| GET Surcharge | 0 | 49,457,334 |
| FTA Drawdown | 0 | 0 |
| Interest | 22,797 | 68,341 |
| Other (rental, refunds, copy fees, etc.) | 12,225 | 16,690 |
| Receipts Total: | 35,022 | 49,542,365 |
| Ending Cash Balance 09/30/14 | 355,429,962 | 355,429,962 |

Note: Project Cost Reports can be found in Appendix D.

3 SCHEDULE

Figure 14. H RTP Master Project Schedule Summary (MPSS)
The MPSS is stated against the FFGA Baseline MPS. The baseline and actual/planned durations of each contract are displayed for comparison.



- Design Build
- Construction
- Design
- Bid/Award
- Baseline Milestone
- Milestone
- FFGA Baseline
- Actual Work

- Design Duration = NTP to Bid Ready
- Construction Durations (DBB) = NTP to Substantial Completion

Honolulu Rail Transit Project
As of: 26-Sep-2014

MPS Summary
Design & Construction Contracts

3 SCHEDULE (continued)

- Despite the AIS delay, HART is implementing mitigation measures to maintain the late 2019 full revenue service date (RSD).
 - The 2019 RSD is the milestone date reflected in the FFGA Master Project Schedule (MPS) and is consistent with all FFGA request submittals.
- HART continues to closely monitor and manage the MPS and all key milestones.
 - In an effort to mitigate current construction market conditions, the West Side Station Group contract may be broken out into smaller station groups.

To date, approximately 79% of the planned design, construction and consultant support contracts have been awarded.

Figure 15. Awarded Contracts

| Awarded Contracts | | |
|-------------------|--|------------------------------------|
| Contract No. | Contract Name | Contractor |
| DB-120 | West O’ahu/Farrington Highway (WOFH) Guideway | Kiewit Infrastructure West Company |
| DB-200 | Maintenance and Storage Facility (MSF) | Kiewit/Kobayashi Joint Venture |
| DB-320 | Kamehameha Highway Guideway (KHG) | Kiewit Infrastructure West Company |
| DBB-505 | Airport Section Utilities Construction | Nan, Inc. |
| DBB-525 | Airport Section Guideway Seven (7) Pier Construction | HDCC/CJA JV |
| DBOM-920 | Core Systems Contract (CSC) | Ansaldo Honolulu JV |
| MI-930 | Elevators and Escalators | Schindler Elevator Corporation |
| MM-946 | On-Call Hazardous Materials (HazMat) Removal Contractor | CH2M HILL |
| FD-140 | West O’ahu Station Group (WOSG) Final Design and Support | URS Corporation |
| FD-240 | Farrington Highway Station Group (FHSG) Final Design 1 | HDR Engineering, Inc. |
| FD-240 (2) | Farrington Highway Station Group (FHSG) Final Design and Support 2 | URS Corporation |
| FD-340 | Kamehameha Highway Station Group (KHSG) Final Design (includes H2/R2 Ramp) and Support | Anil Verma Associates, Inc. |
| FD-430 | Airport Section Guideway and Utilities Final Design and Support | AECOM Technical Services, Inc. |
| FD-440 | Airport Station Group (ASG) Final Design and Support | AECOM Technical Services, Inc. |
| FD-530 | City Center Section Guideway and Utilities Final Design and Support | AECOM Technical Services, Inc. |
| FD-550 | Dillingham/Kaka’ako Station Groups (DKSG) Final Design and Support | Perkins+Will |
| MM-290 | Construction Engineering & Inspection West Side Sections | PGH Wong Engineering, Inc. |
| MM-595 | Construction Engineering & Inspection East Side Sections | URS Corporation |
| MM-900 | Program Management Support Consultant (PMSC-1) | InfraConsult LLC |
| MM-901 | Program Management Support Consultant - 2 (PMSC-2) | InfraConsult LLC |
| MM-905 | General Engineering Consultant (EIS/PE) Services (GEC-1) | Parsons Brinckerhoff |
| MM-910 | General Engineering Consultant II (GEC-2) (Final Design and Construction) | Parsons Brinckerhoff |
| MM-913 | General Engineering Consultant III (GEC-3) | CH2M HILL |
| MM-962 | Core Systems Support [Recompete] | Lea+Elliott, Inc. |
| MM-935 | Real Estate Consultant | Paragon Partners Ltd. |
| MM-937 | Real Estate Mapping and Surveying | R.M. Towill Corporation |
| MM-940 | Kāko’o Consultant | Pacific Legacy, Inc. |
| MM-945 | On-Call Construction Contractor | Royal Construction Company |
| MM-960 | Archaeological and Cultural Monitoring | Cultural Surveys Hawai’i |
| MM-950 | Owner-Controlled Insurance Program (OCIP) Consultant | Marsh USA, Inc. |
| MM-951 | Owner-Controlled Insurance Program (OCIP) Brokerage Services | Aon Risk Services, Inc., of Hawaii |
| MM-964 | Safety / Security Support | Lawson & Associates, Inc. |
| MM-975 | LEED Commissioning Services for the MSF | Enovity, Inc. |
| MM-915 | HDOT Traffic Management Coordination Consultant | ICX Transportation Group, Inc. |
| MM-920 | HDOT Design Coordination Consultant – WOFH Guideway Section | AECOM Technical Services, Inc. |
| MM-921 | HDOT Design Coordination Consultant – KHG Section | AECOM Technical Services, Inc. |
| MM-922 | HDOT Design Coordination Consultant–Airport and City Center Guideway Sections | SSFMI International, Inc. |
| PA-102 | Historic Architecture Design Services | Fung Associates, Inc. |
| MM-930 | HDOT State Safety Oversight Agency (SOA) Manager and Consultant | Dovetail Consulting |

 = New Contracts

Note: Procurement Tracking Reports can be found in Appendix E.

4 CONTRACT STATUS

4.1 System-wide

A. Core Systems Contract (CSC)

Contract No.: DBOM-920

DBOM Contractor: Ansaldo Honolulu Joint Venture (AHJV)

Contract Start Date: January 2012

Start-up Completion: March 2019

Project Description: Providing rail passenger vehicles, automated train control system, traction electrification system, communication systems, fare vending system, passenger platform screen gates (PSGs), and operation and maintenance of the Project.



COST INFORMATION:

| | | |
|---|----------------------|-----------------------|
| Original Contract: \$573,782,793 | NTP 1: \$20,285,221 | NTP 2C: \$250,363,206 |
| Committed ¹ : \$602,981,283 | NTP 1A: \$53,929,585 | NTP 3: \$72,604,339 |
| Authorized ² : \$587,066,271 (97.4%) | NTP 1B: \$99,170,544 | |
| Incurred-to-Date: \$84,485,458 | NTP 2: \$23,703,585 | |
| Incurred in Sept.: \$6,864,134 | NTP 2B: \$37,811,301 | |

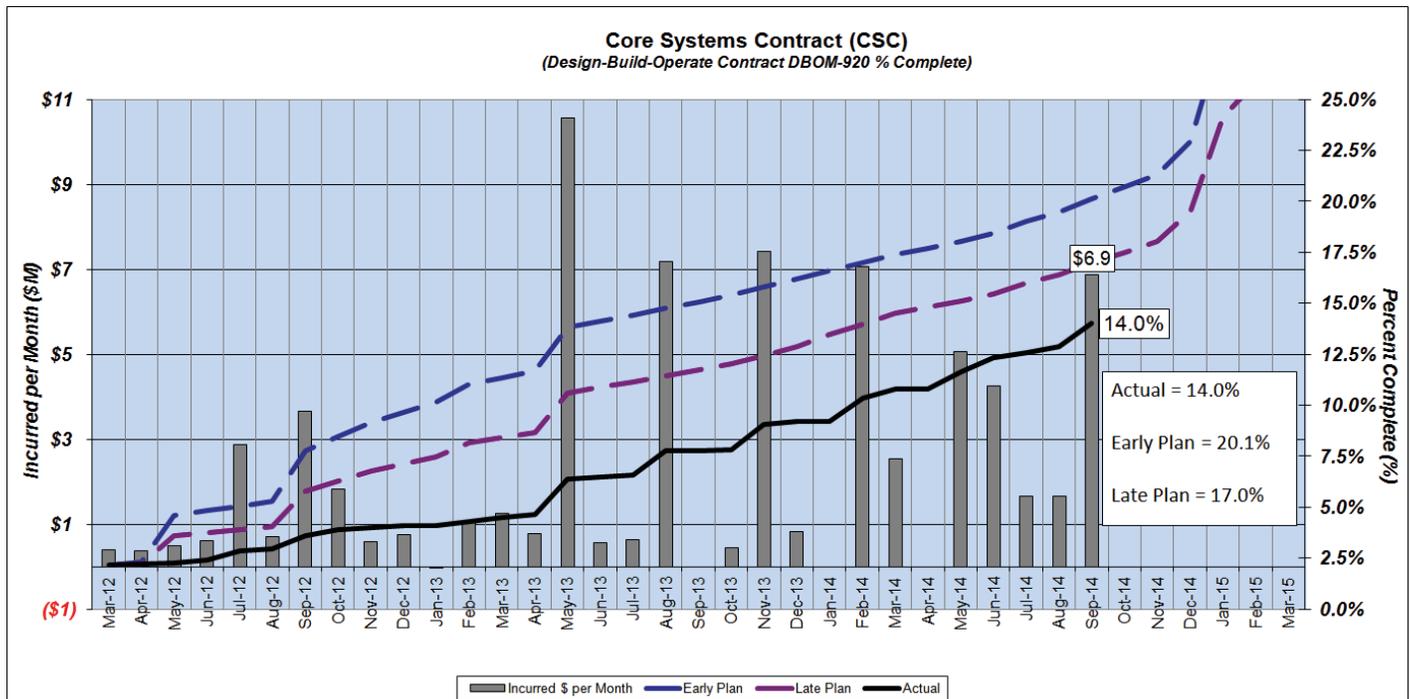
¹ Commitment = Original contract value (excluding contingency and \$823.6M O&M budget) + executed Change Orders

² Total Authorized for Expenditure (AFE) = NTP dollar values + executed Change Orders

| Disadvantaged Business Enterprise (DBE) Participation | |
|---|-----------|
| Actual DBE Participation: | \$109,023 |
| DBE % Attained: | 0.025% |

| September Notices to Proceed |
|------------------------------|
| None |

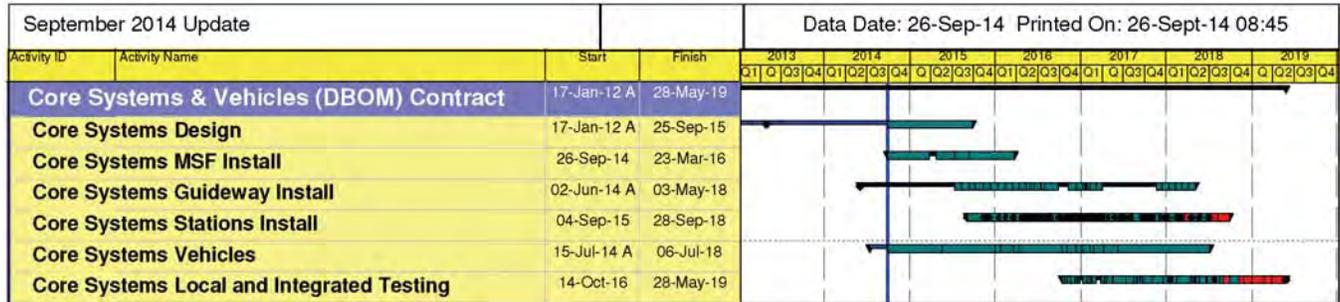
| September Change Orders | |
|---------------------------|---------------------|
| Change No. | Amount (\$) |
| None | --- |
| Cumulative to Date | \$29,198,490 |



- Financial progress is lagging actual design progress because the payment milestone is associated with full completion and acceptance of design package submittals. HART and AHJV continue to refine the Schedule of Milestone definition to ensure that activities are placed in the correct phase of work.

SCHEDULE:

- HART and AHJV have agreement on major substantial completion milestones and continue to work through minor details and monthly updates to the schedule.



WORK PROGRESS:

Activities this Month:

- Project-Wide Percent Complete: 14.5%
- Passenger Vehicle Percent Complete: 13.4%
- Project-Wide Design Percent Complete: 53%
- AHJV continued to participate in Interface meetings, to issue/respond to Requests for Interface Data (RFIDs) and to coordinate fixed facility contractor interfaces. HART’s interface partnering meetings continued jointly with AHJV and Kiewit to help expedite closure of interface issues.
- HART and AHJV continued to participate in MSF construction meetings to facilitate MSF construction activities.
- HART continued to follow up with AHJV to resolve design submittals review comments.
- Interim Design and Final Design submittals continued, particularly for passenger vehicles, traction electrification system, train control, communications, fire detection and Maintenance of Way (MOW) vehicles.
- Passenger vehicle shell design frozen and extrusions released.
- Assembly continued on MOW vehicles.
- Factory Acceptance Tests (FAT) started for communications equipment.

Look Ahead:

- Continue to resolve interface issues with fixed facility designers and contractors, particularly MSF and stations to support construction schedule.
- Continue passenger vehicle and other systems Interim and Final Design review.

CRITICAL PATH ISSUES:

- Staffing vacancies of key positions.
- Design interface coordination and resolution of issues with other contractors.
- Passenger vehicle delivery timing.
- Completion of design milestones to support equipment procurement schedule.
- Resolution of schedule issues.
- HECO coordination.

QUALITY MANAGEMENT:

- Attended and participated in the weekly coordination meetings of HART CS Group and AHJV (ASTS/AB).
- Performed design reviews of the Passenger Vehicle (PV) plans submitted by Ansaldo Breda in Italy and Honolulu.
- Attended and participated in the Final Design Review of the JCI Fire Detection System.
- Issued approval of the revised AHJV Quality Assurance Plan (QAP) Revision 6.
- Participated in the Inspection and Testing pre-activity meetings: ALU Communication Systems, Plano, TX; Siemens Transformer Design Verification Test in Batesburg, SC; and Waipahu and West Loch Train Control and Communications Room (TCCR), Batesburg, SC.
- Met with AHJV QA to discuss AHJV QA Audit of Alcatel Lucent’s Plano, TX facilities and ASTS Batesburg, SC facilities.
- Monitoring CSOC (L&E) and AHJV QA/QC compliance activities.

| CSC NCR Log | | |
|---------------------------|--------|------|
| Total NCRs Issued To Date | CLOSED | OPEN |
| 13 | 13 | 0 |

B. Elevators and Escalators Manufacture-Install-Maintain (MIM)

Contract No.: MI-930
Contractor: Schindler Elevator Corporation
Contract Start Date: August 2013
Substantial Completion: May 2018

Project Description: Furnish / install / test / maintain all elevator and escalator equipment located at the elevated stations.



COST INFORMATION:

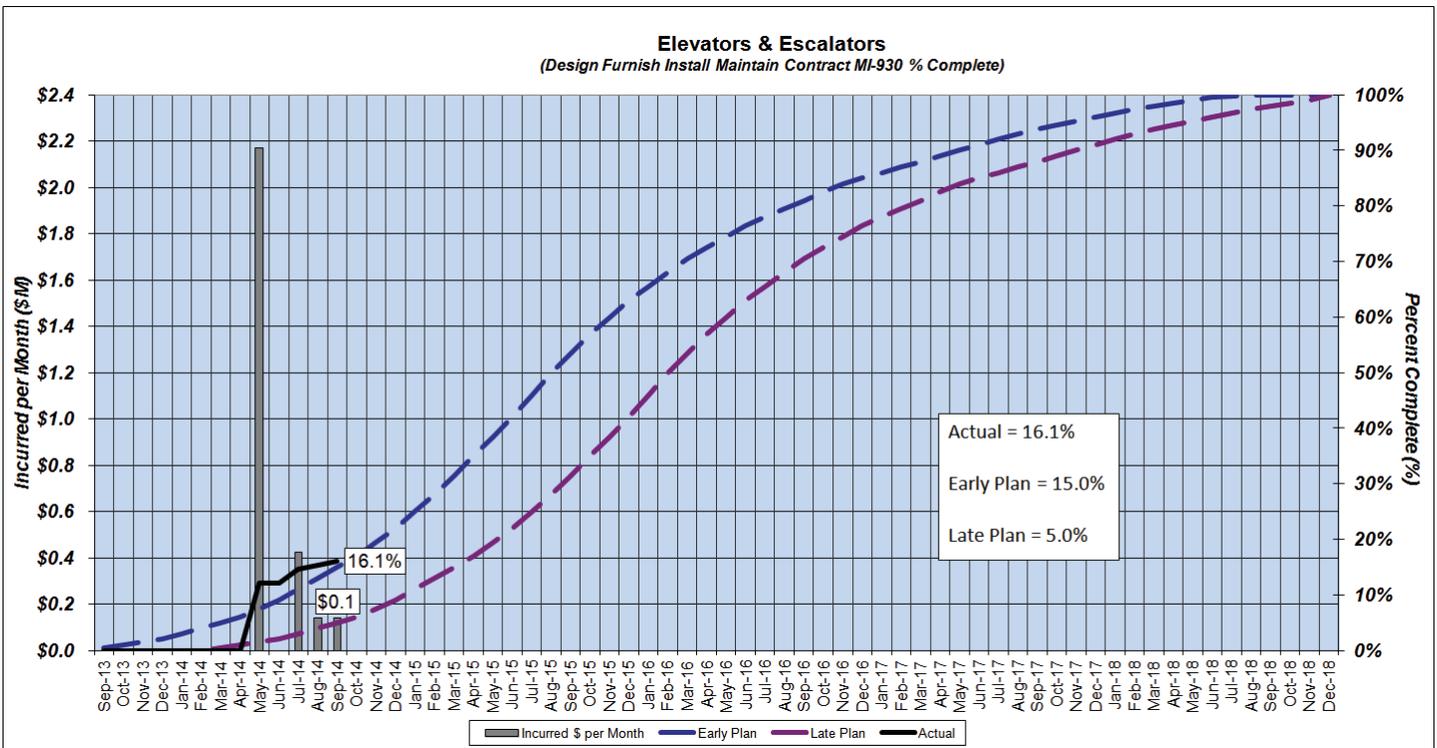
| | |
|---|--------------------|
| Original Contract: \$50,982,714 | NTP 1: \$5,442,108 |
| Committed ¹ : \$50,982,714 | |
| Authorized ² : \$5,442,108 (10.7%) | |
| Incurred-to-Date: \$2,875,874 | |
| Incurred in Sept.: \$140,825 | |

¹Commitment = Original contract value (not including contingency) with Design Allowance + executed Change Orders
²Total Authorized for Expenditure (AFE) = NTP dollar values + executed Change Orders

| Disadvantaged Business Enterprise (DBE) Participation | |
|---|-----|
| Actual DBE Participation: | \$0 |
| DBE % Attained: | 0% |

| September Notices to Proceed |
|------------------------------|
| None |

| September Change Orders | |
|---------------------------|-------------|
| Change No. | Amount (\$) |
| None | --- |
| Cumulative to Date | \$0 |



SCHEDULE:

| September 2014 Update | | | | Data Date: 26-Sep-14, Printed On: 08-Oct-14 | | | | | | | | | | | | | | | | | | |
|--|---------------|-------|--------|---|-----------|---|------|---|---|------|---|---|------|---|---|------|---|---|------|---|---|--|
| Activity ID | Activity Name | Start | Finish | 2014 | | | 2015 | | | 2016 | | | 2017 | | | 2018 | | | 2019 | | | |
| | | | | Q | Q | Q | Q | Q | Q | Q | Q | Q | Q | Q | Q | Q | Q | Q | Q | Q | Q | |
| W. Oahu/Farrington Highway (WOFH) - Section 1 | | | | 27-Jan-16 | 08-Dec-16 | | | | | | | | | | | | | | | | | |
| W. Oahu Station Group | | | | 12-Jul-16 | 08-Dec-16 | | | | | | | | | | | | | | | | | |
| Construction - W. Oahu Station Group | | | | 12-Jul-16 | 08-Dec-16 | | | | | | | | | | | | | | | | | |
| East Kapolei Station | | | | 12-Jul-16 | 25-Oct-16 | | | | | | | | | | | | | | | | | |
| UH West Oahu Station | | | | 23-Aug-16 | 08-Dec-16 | | | | | | | | | | | | | | | | | |
| Ho'opili Station | | | | 15-Aug-16 | 02-Dec-16 | | | | | | | | | | | | | | | | | |
| Farrington Highway Station Group | | | | 27-Jan-16 | 25-Oct-16 | | | | | | | | | | | | | | | | | |
| Construction - Farrington Highway Station Group | | | | 27-Jan-16 | 25-Oct-16 | | | | | | | | | | | | | | | | | |
| West Loch Station | | | | 12-Jul-16 | 25-Oct-16 | | | | | | | | | | | | | | | | | |
| Waipahu Transit Station | | | | 27-Jan-16 | 21-Mar-16 | | | | | | | | | | | | | | | | | |
| Kamehameha Highway (KH) - Section 2 | | | | 22-Jun-16 | 13-Feb-17 | | | | | | | | | | | | | | | | | |
| Kamehameha Highway Station Group | | | | 22-Jun-16 | 13-Feb-17 | | | | | | | | | | | | | | | | | |
| Construction - Kamehameha Highway Station Group | | | | 22-Jun-16 | 13-Feb-17 | | | | | | | | | | | | | | | | | |
| Pearl Highlands - Station | | | | 22-Jun-16 | 07-Nov-16 | | | | | | | | | | | | | | | | | |
| Pearl Ridge Station | | | | 24-Oct-16 | 13-Feb-17 | | | | | | | | | | | | | | | | | |
| Aloha Stadium Station | | | | 20-Sep-16 | 06-Jan-17 | | | | | | | | | | | | | | | | | |
| Airport - Section 3 | | | | 01-Dec-16 | 05-Dec-17 | | | | | | | | | | | | | | | | | |
| Airport Station Group | | | | 01-Dec-16 | 05-Dec-17 | | | | | | | | | | | | | | | | | |
| Construction - Airport Station Group | | | | 01-Dec-16 | 05-Dec-17 | | | | | | | | | | | | | | | | | |
| Pearl Harbor Station | | | | 01-Dec-16 | 20-Mar-17 | | | | | | | | | | | | | | | | | |
| HNL Airport Station | | | | 20-Jun-17 | 04-Oct-17 | | | | | | | | | | | | | | | | | |
| Lagoon Drive Station | | | | 02-Dec-16 | 21-Mar-17 | | | | | | | | | | | | | | | | | |
| Middle Street Station | | | | 17-Aug-17 | 05-Dec-17 | | | | | | | | | | | | | | | | | |
| City Center (CC) - Section 4 | | | | 20-Dec-16 | 19-Mar-18 | | | | | | | | | | | | | | | | | |
| Dillingham Station Group | | | | 20-Dec-16 | 08-Dec-17 | | | | | | | | | | | | | | | | | |
| Construction - Dillingham Station Group | | | | 20-Dec-16 | 08-Dec-17 | | | | | | | | | | | | | | | | | |
| Kalihi Station | | | | 20-Dec-16 | 07-Apr-17 | | | | | | | | | | | | | | | | | |
| Kapalama Station | | | | 24-Apr-17 | 08-Aug-17 | | | | | | | | | | | | | | | | | |
| Iwilei Station | | | | 10-Feb-17 | 30-May-17 | | | | | | | | | | | | | | | | | |
| Chinatown Station | | | | 23-Aug-17 | 08-Dec-17 | | | | | | | | | | | | | | | | | |
| Kaka'ako Station Group | | | | 06-Jun-17 | 19-Mar-18 | | | | | | | | | | | | | | | | | |
| Construction - Kaka'ako Station Group | | | | 06-Jun-17 | 19-Mar-18 | | | | | | | | | | | | | | | | | |
| Downtown Station | | | | 06-Jun-17 | 21-Sep-17 | | | | | | | | | | | | | | | | | |
| Civic Center Station | | | | 20-Jul-17 | 02-Nov-17 | | | | | | | | | | | | | | | | | |
| Kaka'ako Station | | | | 14-Aug-17 | 30-Nov-17 | | | | | | | | | | | | | | | | | |
| Ala Moana Center Station | | | | 30-Nov-17 | 19-Mar-18 | | | | | | | | | | | | | | | | | |

WORK PROGRESS:

Activities this Month:

- Design is 6.5% complete.
- Design continued for the West Loch and Waipahu Transit Center Stations.
- Interface meetings between design teams and Core Systems Contractor continued.
- All draft equipment drawings for the 21 stations have been submitted for review and acceptance.

Look Ahead:

- Design continues for the West Loch and Waipahu Transit Center Stations.
- Design will begin on the Leeward Community College station, the three WOSG stations, and the three KHSG stations.
- Elevator & Escalator team will continue meeting with the Core Systems Contractor and final designers to discuss interface issues on a monthly basis.
- RFI's resulting from station design development is continuing to be resolved through the normal interface process.

CRITICAL PATH ISSUES:

- Resolution of design interface issues with other contractors.
- Coordination with station contractors on construction interface milestones.

QUALITY MANAGEMENT:

- Reviewed Schindler Elevator Corporation (Schindler) revised QAP (Revision B) and issued HART comments to Schindler QA Manager.
- Schindler submitted revised QAP incorporating HART comments including their Project Supportive Quality Plan (SQP) and Implementing Procedures for review by HART.

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

A. West O’ahu/Farrington Highway Guideway (WOFH)

Contract No.: DB-120

DB Contractor: Kiewit Infrastructure West Company (KIWC)

Contract Start Date: December 2009

Substantial Completion: July 2016

Project Description: Design and construction of 6.8 miles of rail alignment, starting at the East Kapolei station and ending at the Pearl Highlands station.



COST INFORMATION:

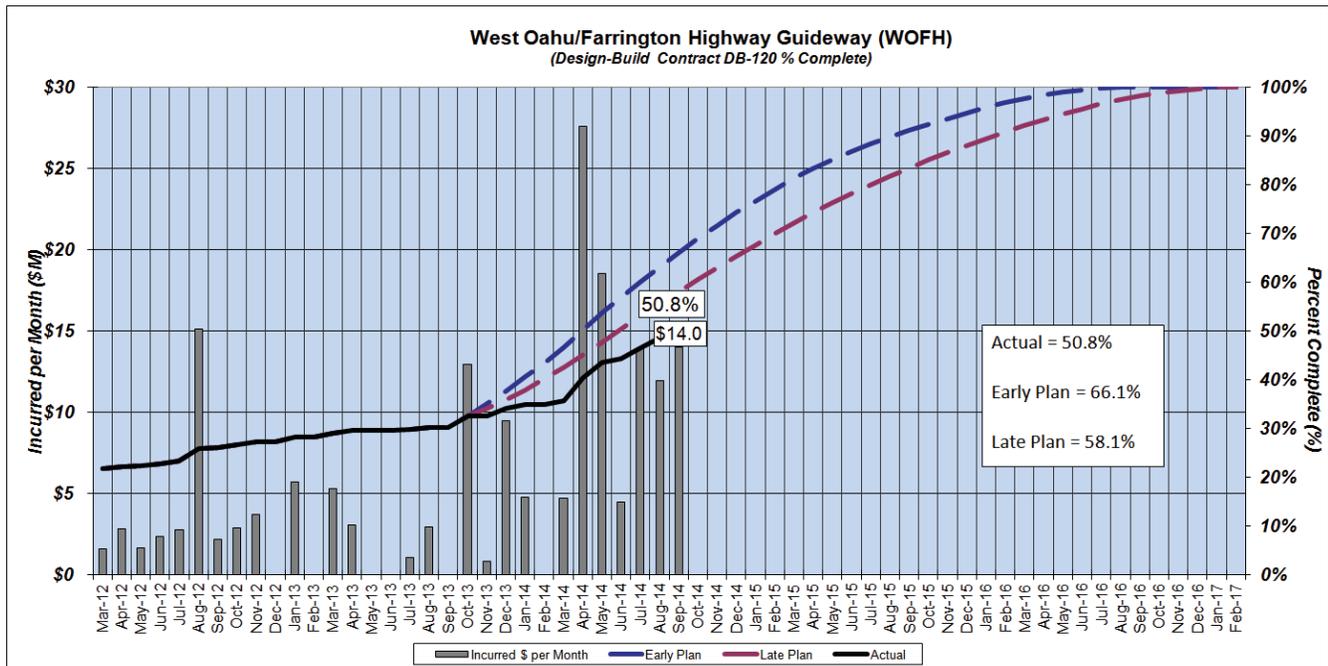
| | | |
|--|----------------------|----------------------|
| Original Contract: \$482,924,000 | NTP 1: \$69,256,301 | NTP 2: \$61,975,961 |
| Committed ¹ : \$596,922,382 | NTP 1A: \$4,650,251 | NTP 3: \$3,871,885 |
| Authorized ² : \$596,922,382 (100%) | NTP 1B: \$21,152,169 | NTP 4A: \$64,417,082 |
| Incurred-to-Date: \$303,496,128 | NTP 1C: \$14,034,417 | NTP 4B: \$21,800,000 |
| Incurred in Sept.: \$14,000,000 | | |

¹Commitment = Original contract value (not including contingency) + executed Change Orders
²Total Authorized for Expenditure (AFE) = NTP dollar values + executed Change Orders

| Disadvantaged Business Enterprise (DBE) Participation | |
|---|-------------|
| Actual DBE Participation: | \$3,635,375 |
| DBE % Attained: | 0.75% |

| September Notices to Proceed |
|------------------------------|
| None |

| September Change Orders | |
|---------------------------|----------------------|
| Change No. | Amount (\$) |
| CCO 00045 | \$2,650,000 |
| CCO 00046 | \$3,400,000 |
| Cumulative to Date | \$113,998,382 |



- Billings for span activities will proceed with the issuance of Pay Application #57. HART and KIWC agreed that 90% of the Span Completion activity would be billed at the completion of span erection and tendon grouting. The Span Completion activities will be billed at 100% complete when the spans are at final alignment and the shear keys are installed. HART and KIWC are working together to ensure that the schedule of milestones, as currently developed, are representative of the work and provide for timely payment.

SCHEDULE:

- KIWC submitted a schedule reflecting the updated substantial completion of July 2016. On May 12, 2014, HART accepted the revised baseline schedule with notes. RFCR 73, Contract Milestone Modifications, is on hold, pending schedule discussions between HART and KIWC.

| September 2014 Update | | Data Date: 26-Sep-14, Printed On: 16-Oct-14 14:37 | | | | | | | | | | | | | | | | |
|--|-------------|---|------|----|----|----|------|----|----|----|------|----|----|----|----|--|--|--|
| Activity Name | Start | Finish | 2014 | | | | 2015 | | | | 2016 | | | | | | | |
| | | | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | | | |
| Total | 08-Mar-12 A | 28-Sep-16 | | | | | | | | | | | | | | | | |
| West Guideways & Structures | 08-Mar-12 A | 28-Sep-16 | | | | | | | | | | | | | | | | |
| W. Oahu/Farrington Highway (WOFH) - Section 1 | 08-Mar-12 A | 28-Sep-16 | | | | | | | | | | | | | | | | |
| W. Oahu/Farrington Highway Guideway | 08-Mar-12 A | 28-Sep-16 | | | | | | | | | | | | | | | | |
| Kiewit WOFH Summary | 08-Mar-12 A | 28-Sep-16 | | | | | | | | | | | | | | | | |
| Foundations | 08-Mar-12 A | 13-Oct-15 | | | | | | | | | | | | | | | | |
| Drilled Shafts | 23-Apr-12 A | 16-Sep-15 | | | | | | | | | | | | | | | | |
| Columns | 21-May-12 A | 13-Oct-15 | | | | | | | | | | | | | | | | |
| At Grade | 08-Mar-12 A | 04-May-15 | | | | | | | | | | | | | | | | |
| Guideway | 04-Jun-14 A | 15-Aug-16 | | | | | | | | | | | | | | | | |
| Precast Segment Erection | 04-Jun-14 A | 15-Aug-16 | | | | | | | | | | | | | | | | |
| Balanced Cantilever Segments | 26-Sep-14 | 23-Sep-15 | | | | | | | | | | | | | | | | |
| Trackwork | 25-Dec-14 | 28-Sep-16 | | | | | | | | | | | | | | | | |
| Direct Fixation Trackwork | 25-Dec-14 | 30-Aug-16 | | | | | | | | | | | | | | | | |
| Third Rail | 07-Jul-15 | 28-Sep-16 | | | | | | | | | | | | | | | | |

| Contract Submittals | |
|---------------------|--------------------------|
| # Received | # Currently Under Review |
| 777 | 5 |

| Anticipated Final Design Submittals | | |
|-------------------------------------|------------|------------|
| Total # | # Complete | % Complete |
| 124 | 93 | 75% |

| Requests for Information (RFI) from Contractor | | |
|--|--------|----------|
| # Received | # Open | # Voided |
| 229 | 0 | 4 |

WORK PROGRESS:

| WOFH Status as of 10/31/14 | | | |
|----------------------------|---------------|-----------|------------|
| Structure Element | Total to Date | Total Qty | % Complete |
| Shafts | 171 | 266 | 64.3% |
| Columns | 135 | 266 | 50.8% |
| Segment Casting | 1,593 | 3,163 | 50.4% |
| Segment Erection | 507 | 3,163 | 16% |
| Spans Stressed | 40 | 266 | 15% |

Activities this Month:

Joint Use and Occupancy Agreement Progress

- Maintenance of the JUOA activities, including the cutting of grass and trash removal along Farrington Highway, medians and shoulders within ROW. Performed highway maintenance.

Shaft/Column

- Performed drilled shaft construction, drilling, and concrete placement for a total of 9 drilled shafts. Column construction was performed, placing concrete for a total of 3 columns.

Guideway Segment Erection

- Eastbound heading segments were erected for Spans 82, 83, 84, 85 and 86. Westbound heading segments were erected for Spans 50 and 51.

Utility Relocation Progress

- Continued to relocate traffic signals, streetlights, and existing water/sewer lines. HECO relocating power lines. Third-party companies relocating overhead fiber-optic lines.

Precast Yard Progress

- Precast Yard performed daily segment and sound wall casting, averaging 12 segments per day and up to 62 segments per week.

KIWC/Third-Party Coordination

- Coordination continued with HECO and KIWC to resolve conflicts with utility relocation.
- Coordination continued with Leeward Community College regarding the relocation of portable classrooms.

Look Ahead:

Design Progress

- Continue interface/final design activities.

Shaft/Column

- Continue with drilled shaft and column concrete placement. Drill shaft production quality continues to improve.

Guideway Segment Erection

- Segment span erection will continue with both eastbound and westbound truss headings, continuing from Span 50 westbound through UH West O’ahu Station, and from Span 86 eastbound towards Farrington Highway.

Utility Relocation

- Continue to work with HECO to resolve remaining electrical relocation conflicts. Relocate wet utility (sewer/water) and dry utility (traffic signal, street lighting and fiber optics) along Farrington Highway.

Balanced Cantilever Structure

- KIWC will continue work adjacent to the H1 Freeway to cast in place segments at Pier 253. Erect falsework and assemble pier table platform at Pier 254.

Precast Yard Progress

- Production segment casting to continue at a rate of 12 segments per day.

KIWC/Third-Party Coordination

- Continue with third-party agencies to resolve conflict issues.

CRITICAL PATH ISSUES:

- LCC construction Right of Entry agreement with UH and associated approval of new campus portable buildings and site plans.
- Production rates for precast span erection are lagging planned rate. KIWC is developing mitigation plans including re-sequencing schedule activities.

UTILITY AGREEMENTS:

- The Hawaiian Telcom (HTI) Utility Construction Agreement (UCA) has been signed by HTI and is routing for execution.
- Looking Ahead: Execute HTI WOFH UCA.

HAWAI‘I DEPARTMENT OF TRANSPORTATION (HDOT) AGREEMENTS:

- The HDOT Design Coordination Consultant for the WOFH section (contract MM-920), AECOM Technical Services, Inc. (AECOM), continues to review design submittals for HDOT.

RIGHT OF WAY:

| W.Oahu\Farrington Right-of-Way for Parcels | | | | | | | | | | | |
|--|--------------------|--------------------------|-----------------------|----------------------|-----------------------|-----------------|-------------------------------------|---------------------|------------------------|-----------------------|-------------------------------------|
| | # Parcels Impacted | Current # Parcels Needed | Appraisals In Process | Appraisals Completed | Letters of Offer Sent | Offers Accepted | Possession Granted for Condemnation | Agreements Executed | Acquisitions Completed | Relocations Completed | Properties Available for Contractor |
| Full Acquisition | 16 | 16 | | 14 | 14 | 13 | 1 | 2 | 15 | 10 | 16 |
| Partial Acquisition | 12 | 4 | | 2 | 2 | 1 | | 2 | 1 | | 1 |
| Easement | 17 | 15 | 5 | | | | | 9 | 7 | | 7 |
| TOTAL | 45 | 35 | 5 | 16 | 16 | 14 | 1 | 13 | 23 | 10 | 24 |

| W.Oahu\Farrington Relocation Status for Occupants | | | | | | | |
|---|--------------------------|--------------------------------|---------------------------|---------------------------------|--------------------|--------------------|-------------------------------------|
| Residential Relocations (a) | Business Relocations (b) | Not-For-Profit Relocations (c) | Total Relocations (a+b+c) | Relocation Assessment Completed | 90-Day Notice Sent | 30-Day Notice Sent | Relocations Completed for Occupants |
| 18 | 6 | 1 | 25 | 11 | 12 | 8 | 24 |

- Acquisitions:
 - Changed from partial to full acquisition: TMK 9-4-008-010 and TMK 9-6-003-044.
- Look Ahead:
 - Close escrow on TMK 9-4-047-008.

QUALITY MANAGEMENT:

- Participated in the construction pre-activity meetings: Thermite Welding and Rail Joint (Insulated) and Anti-Graffiti Coating Application.
- Witnessed installation of first Double Crossover (Diamond) at Ho‘opili Station and Load Test of Cantilever Segment Traveler Formwork.
- Monitoring the KIWC and CE&I Inspection and Test Plan (ITP) updates and its implementation. KIWC submitted their revised ITPs for CE&I and HART QA designation of Witness Points and Hold Points.
- Continued reviewing KIWC QA/QC punch list for each column including substructures and precast segments.
- HART QA issued NCR 14-000-QA1 on Span 67 with the damaged Segments 11 and 12. KIWC is preparing a Replacement Plan for the damaged segments, which needs to be submitted and approved by HART. The NCR was added in the HART NCR Log under construction.
- Monitoring CE&I and KIWC QA/QC activities.

| WOFH NCR Log | | |
|---------------------------|------------|-----------|
| Total NCRs Issued To Date | CLOSED | OPEN |
| 220 | 174 | 46 |

SAFETY AND SECURITY:

| West O'ahu / Farrington Contracts | | | | | | |
|--|---|---------------------------------------|---|-----------|----------------------------------|---|
| Contract | Event Type | Total Number of Events since 1/1/2007 | Total Number of Events for October 2014 | Loss Type | Date | Event Description |
| DB-120 W. O'ahu/ Farrington Highway Guideway | Environment | 1 | 0 | | | |
| | Loss or Damage | 7 | 0 | | | |
| | Near Miss | 13 | 2 | No Loss | (1) 10/6/2014 (2) 10/29/2014 | (1) Subcontractor concrete pump hose burst, no one injured. (2) Vac truck sucked up employee's pants. Employee not injured. |
| | *Reportable Occupational Injury/Illness | 0 | 0 | | | |
| | **Loss Time Occupational Injury/Illness | 2 | 0 | | | |
| | Road/Vehicle - Driving | 9 | 0 | | | |
| | Security | 19 | 0 | | | |
| | Service Strike | 7 | 2 | No Loss | (1) 10/23/2014 (2) 10/29/2014 | (1) 2" gas line near miss due to improper location by gas company. (2) During trench excavation, the excavator struck a live 2" gas line causing a gas leak. |

*Reportable incidents: Requires OSHA to be notified within 8 hours, and includes the death of an employee or hospitalization of three or more employees.
 **Loss Time Injury: Time away from work due to injury.

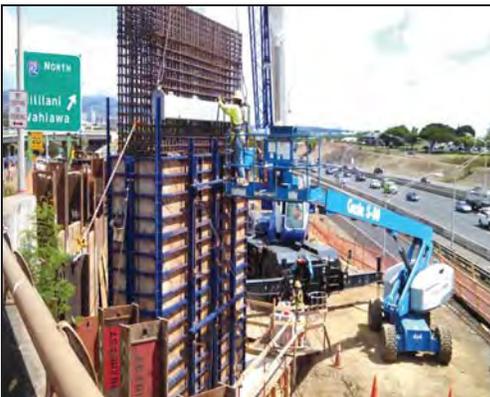
PROJECT PICTURES:



Erected Guideway Segments for Span 84.



Drilling Shaft 114R at Station 529+91, Area 2.



Installing forms and removing lift brace for Column 254 at Station 735+01, Area 6.



Column 253 pier table formwork and reinforcement bars.

B. West O’ahu Station Group (WOSG)

Contract No.: FD-140

Contractor: URS Corporation, Final Design Consultant (Engineer of Record)

Contract Start Date: June 2012

Construction Docs Bid-Ready: Jan. 6, 2015

Project Description: Architectural and engineering services for the design of three (3) transit stations situated along the WOFH Guideway. The three stations comprising the WOSG contract are the East Kapolei Station, the UH West O’ahu Station and the Ho’opili Station.



COST INFORMATION:

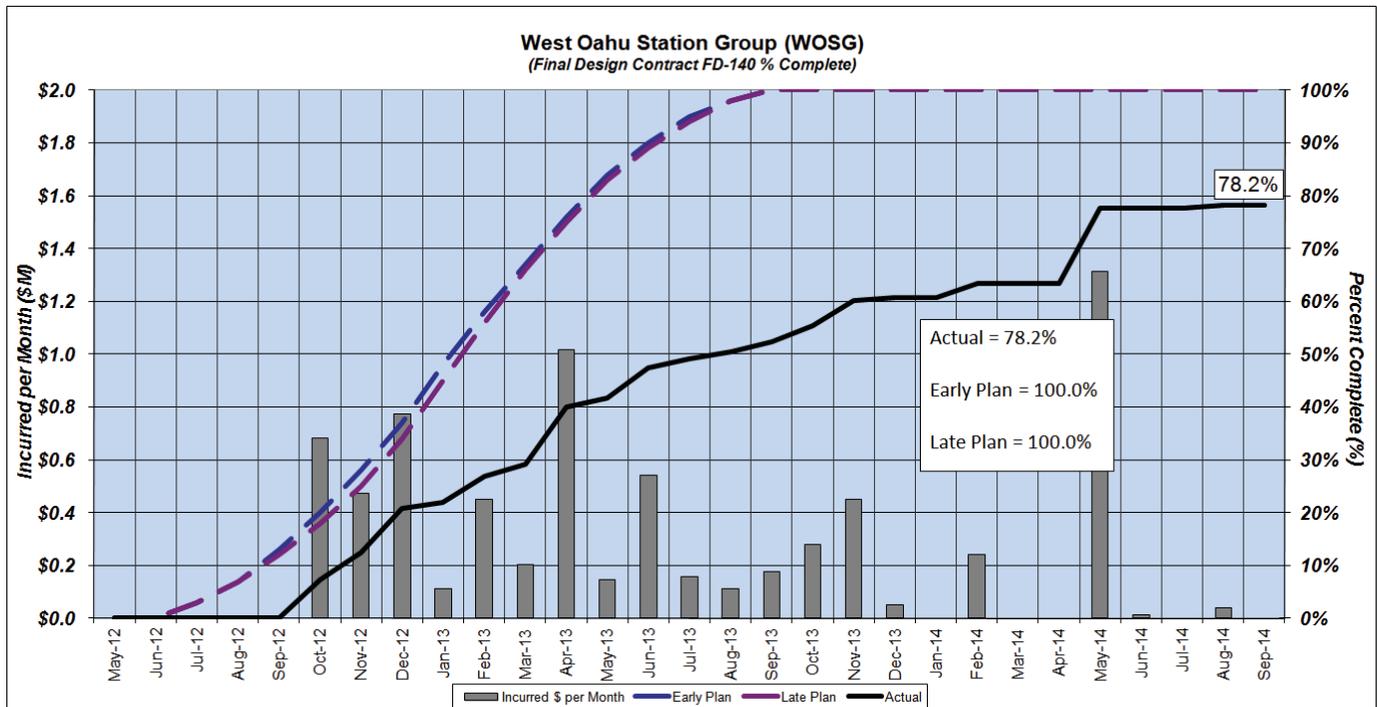
| | | |
|---|---------------------|------------------|
| Original Contract: \$7,789,000 | NTP 1A: \$326,420 | NTP 3: \$981,181 |
| Committed ¹ : \$9,262,805 | NTP 1B: \$2,064,757 | NTP 4: \$55,726 |
| Authorized ² : \$7,893,707 (85.2%) | NTP 2: \$2,203,221 | |
| Incurred-to-Date: \$7,239,918 | | |
| Incurred in Sept.: \$0 | | |

¹Commitment = Original contract value (not including contingency) with Design Allowance + executed Change Orders
²Total Authorized for Expenditure (AFE) = NTP dollar values + executed Change Orders

| Disadvantaged Business Enterprise (DBE) Participation | |
|---|-----|
| Actual DBE Participation: | \$0 |
| DBE % Attained: | 0% |

| September Notices to Proceed |
|------------------------------|
| None |

| September Change Orders/Amendment | |
|-----------------------------------|--------------------|
| Change No./Amend | Amount (\$) |
| Amendment 1 | \$81,013 |
| Amendment 2 | \$504,386 |
| Amendment 4 | \$60,243 |
| Amendment 6 | \$80,233 |
| Amendment 7 | \$62,722 |
| Cumulative to Date | \$2,262,402 |



SCHEDULE:

| September 2014 Update | | | | Data Date: 26-Sep-14, Printed On: 08-Oct-14 | | | | | | | | | | | | | | | | | |
|-----------------------|--|-------------|-----------|---|---|---|------|---|---|------|---|---|------|---|---|------|---|---|------|---|---|
| Activity ID | Activity Name | Start | Finish | 2014 | | | 2015 | | | 2016 | | | 2017 | | | 2018 | | | 2019 | | |
| | | | | Q | Q | Q | Q | Q | Q | Q | Q | Q | Q | Q | Q | Q | Q | Q | Q | Q | Q |
| | W. Oahu/Farrington Highway (WOFH) - Section 1 | 14-Jan-10 A | 30-Mar-17 | [Gantt bar from 14-Jan-10 to 30-Mar-17] | | | | | | | | | | | | | | | | | |
| | W. Oahu Station Group | 14-Jan-10 A | 30-Mar-17 | [Gantt bar from 14-Jan-10 to 30-Mar-17] | | | | | | | | | | | | | | | | | |
| | Design - W. Oahu Station Group | 14-Jan-10 A | 01-Jun-15 | [Gantt bar from 14-Jan-10 to 01-Jun-15] | | | | | | | | | | | | | | | | | |
| | Construction - W. Oahu Station Group | 01-Jun-15 | 30-Mar-17 | [Gantt bar from 01-Jun-15 to 30-Mar-17] | | | | | | | | | | | | | | | | | |
| | East Kapolei Station | 01-Jun-15 | 07-Dec-16 | [Gantt bar from 01-Jun-15 to 07-Dec-16] | | | | | | | | | | | | | | | | | |
| | UH West Oahu Station | 01-Sep-15 | 30-Mar-17 | [Gantt bar from 01-Sep-15 to 30-Mar-17] | | | | | | | | | | | | | | | | | |
| | Ho'opili Station | 01-Dec-15 | 24-Feb-17 | [Gantt bar from 01-Dec-15 to 24-Feb-17] | | | | | | | | | | | | | | | | | |

WORK PROGRESS:

Activities this Month:

- Held weekly contract administration meetings.
- Held biweekly interface meetings.
- Continued to process pending changes.
- Continued to resolve third-party comments/approvals.
- Performed review of designs for additional cost reduction items.

Look Ahead:

- Continue processing pending changes.
- Resolve third-party comments/approvals.
- Finalize scope items to modify or eliminate.
- Incorporate cost reduction items into design.

CRITICAL PATH ISSUES:

- Coordination with other contractors on construction interface milestones.
- Third-party reviews.
- Third-party master agreements.
- Preparation of bid documents for procurement.

QUALITY MANAGEMENT:

- Monitoring URS QA/QC activities. Resumed Quality Task Force Meetings.
- Reviewed and approved URS revised QAP (Revision 1).

C. Farrington Highway Station Group (FHSG)

Contract No.: FD-240

Contractors:

URS Corporation

Start Date: September 27, 2013 End Date: 2018

HDR Engineering, Inc.

Start Date: January 12, 2011 End Date: April 5, 2013

Construction Docs Bid-Ready: Nov. 20, 2014

Project Description: Architectural and engineering services for the design of three (3) transit stations situated along the WOFH Guideway. The three stations comprising the FHSG contract are the West Loch Station, the Waipahu Transit Center Station and the at-grade Leeward Community College Station.



COST INFORMATION:

| | | | |
|--|------------------------|------------------------|-------------------------|
| Original Contract: \$9,300,696 | NTP 1.2: \$1,756,031 | NTP 1B REV2: \$107,783 | NTP 2 REV1: \$33,939 |
| Committed ¹ : \$12,208,045 | NTP 1A: \$52,356 | NTP 1B REV3: \$12,500 | NTP 2 REV2: \$0 |
| Authorized ² : \$10,590,132 (86.7%) | NTP 1A REV1: \$114,794 | NTP 1B REV4: \$0 | NTP 3: \$1,119,617 |
| Incurred-to-Date: \$9,686,879 | NTP 1B: \$536,955 | NTP 2: \$3,437,489 | NTP OFFSET: (\$320,000) |
| Incurred in Sept.: \$0 | NTP 1B REV1: \$108,278 | NTP 2: \$104,908 | |

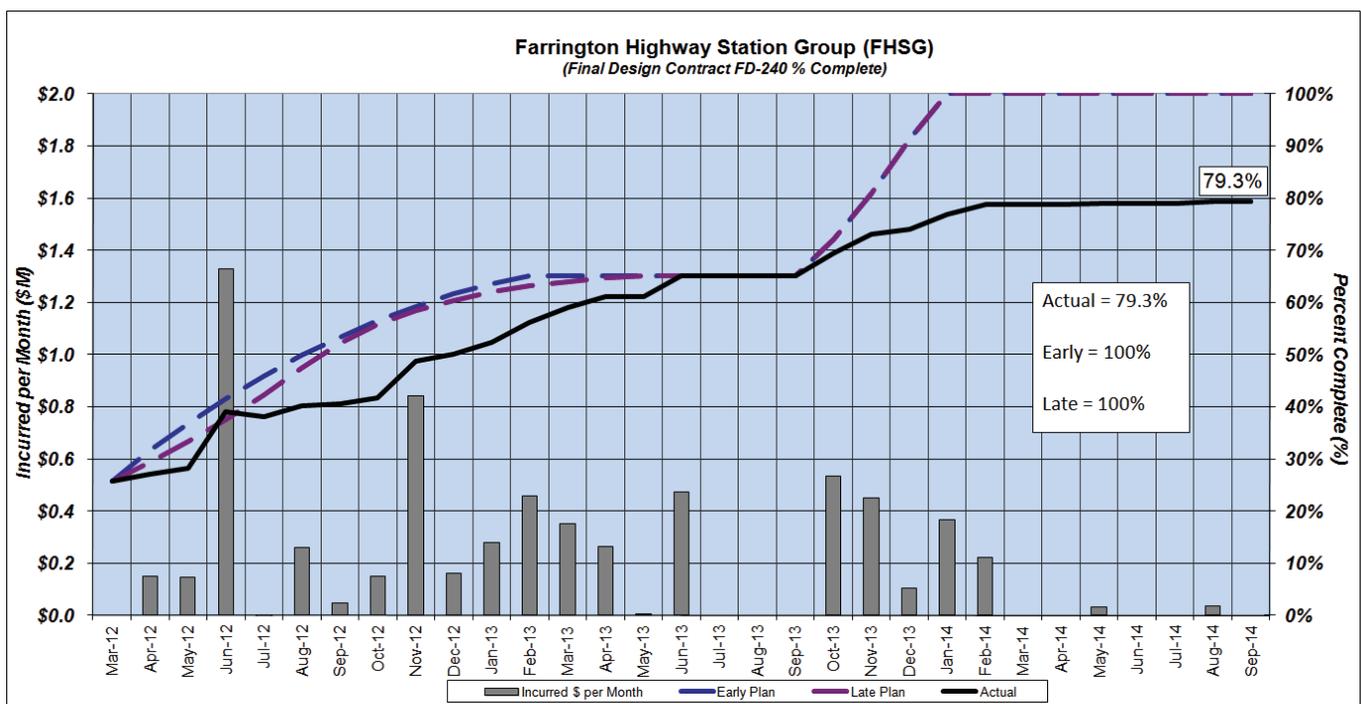
¹Commitment = Original contract value (not including contingency) with Design Allowance + executed Change Orders

²Total Authorized for Expenditure (AFE) = NTP dollar values + executed Change Orders

| Disadvantaged Business Enterprise (DBE) Participation | |
|---|-----------|
| Actual DBE Participation: | \$258,611 |
| DBE % Attained: | 4.7% |

| September Notices to Proceed |
|------------------------------|
| None |

| September Change Orders/Amendments | |
|------------------------------------|--------------------|
| Change No./Amend | Amount (\$) |
| Amendment 1 | \$114,794 |
| Amendment 2 | \$536,955 |
| Amendment 4 | (\$191,722) |
| Amendment 5 | \$141,722 |
| Amendment 6 | \$12,500 |
| Amendment 9 | \$3,885 |
| Cumulative to Date | \$3,525,483 |



SCHEDULE:

| September 2014 Update | | | | Data Date: 26-Sep-14, Printed On: 08-Oct-14 | | | | | | | | | | | | | | | | | |
|--|---------------|-------|--------|---|-----------|---|------|---|---|------|---|---|------|---|---|------|---|---|------|---|---|
| Activity ID | Activity Name | Start | Finish | 2014 | | | 2015 | | | 2016 | | | 2017 | | | 2018 | | | 2019 | | |
| | | | | Q | Q | Q | Q | Q | Q | Q | Q | Q | Q | Q | Q | Q | Q | Q | Q | Q | Q |
| W. Oahu/Farrington Highway (WOFH) - Section 1 | | | | 02-Oct-09 A | 02-Mar-17 | [Gantt bar from 02-Oct-09 to 02-Mar-17] | | | | | | | | | | | | | | | |
| Farrington Highway Station Group | | | | 02-Oct-09 A | 02-Mar-17 | [Gantt bar from 02-Oct-09 to 02-Mar-17] | | | | | | | | | | | | | | | |
| Design - Farrington Highway Station Group | | | | 02-Oct-09 A | 18-Feb-15 | [Gantt bar from 02-Oct-09 to 18-Feb-15] | | | | | | | | | | | | | | | |
| Construction - Farrington Highway Station Group | | | | 02-Mar-15 | 02-Mar-17 | [Gantt bar from 02-Mar-15 to 02-Mar-17] | | | | | | | | | | | | | | | |
| West Loch Station | | | | 01-Jun-15 | 22-Dec-16 | [Gantt bar from 01-Jun-15 to 22-Dec-16] | | | | | | | | | | | | | | | |
| Waipahu Transit Station | | | | 02-Mar-15 | 05-Aug-16 | [Gantt bar from 02-Mar-15 to 05-Aug-16] | | | | | | | | | | | | | | | |
| Leeward Community College Station | | | | 01-Sep-15 | 02-Mar-17 | [Gantt bar from 01-Sep-15 to 02-Mar-17] | | | | | | | | | | | | | | | |

WORK PROGRESS:

Activities this Month:

- Held weekly design meetings.
- Held biweekly interface meetings.
- Continued to process pending changes.
- Continued to resolve third-party comments/approvals.
- Performed review of designs for additional cost reduction items.

Look Ahead:

- Continue processing pending changes.
- Resolve third-party comments/approvals.
- Continue separating the station packages and incorporate scope changes.
- URS to assume Engineer of Record responsibility.
- Incorporate cost reduction items into design.

CRITICAL PATH ISSUES:

- Coordination with other contractors on construction interface milestones.
- Completing third-party reviews.
- Third-party master agreements.
- Preparation of bid documents for procurement.

QUALITY MANAGEMENT:

- Monitoring URS QA/QC activities. Resumed Quality Task Force Meetings.
- Reviewed and approved URS revised QAP (Revision 1).

D. Maintenance and Storage Facility (MSF)

Contract No.: DB-200

Contractor: Kiewit/Kobayashi Joint Venture (KKJV)

Contract Start Date: July 2011

Substantial Completion: April 2016

Project Description: The MSF contract consists of the operations and servicing building, maintenance of way, train wash facility and wheel truing building. In addition to the four (4) facility buildings, MSF includes rail procurement, special trackwork, ties, third rail and other track material for the four guideway segments on the project.



COST INFORMATION:

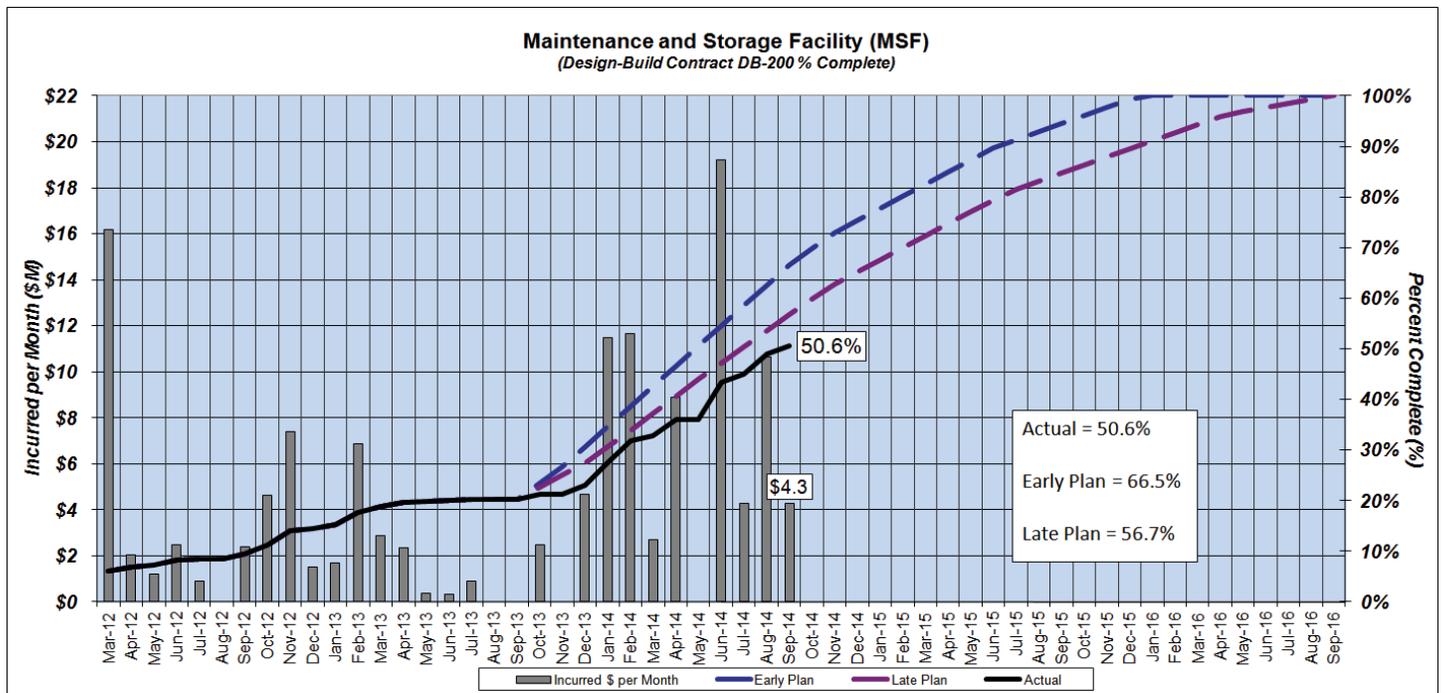
| | | |
|---|---------------------|--------------------------|
| Original Contract: \$195,258,000 | NTP 1: \$16,886,751 | NTP 2 REV1: \$12,749,013 |
| Committed ¹ : \$265,858,008 | NTP 2: \$66,261,187 | NTP 3: \$32,391,783 |
| Authorized ² : \$198,888,742 (74.8%) | | |
| Incurred-to-Date: \$134,422,286 | | |
| Incurred in Sept.: \$4,289,185 | | |

¹Commitment = Original contract value (not including contingency) + executed Change Orders
²Total Authorized for Expenditure (AFE) = NTP dollar values + executed Change Orders

| Disadvantaged Business Enterprise (DBE) Participation | |
|---|-----------|
| Actual DBE Participation: | \$142,923 |
| DBE % Attained: | 0.07% |

| September Notices to Proceed |
|------------------------------|
| None |

| September Change Orders | |
|---------------------------|---------------------|
| Change No. | Amount (\$) |
| 00026 | \$1,112,000 |
| Cumulative to Date | \$70,600,008 |



SCHEDULE:

- The MSF substantial completion date is April 15, 2016.

| September 2014 Update | | | Data Date: 26-Sep-14, Printed On: 08-Oct-14 07:58 | | | | | | | | | | | | | |
|---|-------------|-----------|---|----|----|------|----|----|----|------|----|----|----|--|--|--|
| Activity Name | Start | Finish | 2014 | | | 2015 | | | | 2016 | | | | | | |
| | | | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | | | |
| Total | 29-Aug-11 A | 15-Apr-16 | | | | | | | | | | | | | | |
| Maintenance & Storage Facility (MSF) | 29-Aug-11 A | 15-Apr-16 | | | | | | | | | | | | | | |
| Design | 29-Aug-11 A | 26-Jan-15 | | | | | | | | | | | | | | |
| Design & Engineering | 29-Aug-11 A | 26-Jan-15 | | | | | | | | | | | | | | |
| Construction | 26-Jul-12 A | 15-Apr-16 | | | | | | | | | | | | | | |
| Wheel Truing Building | 18-Jul-14 A | 22-Jun-15 | | | | | | | | | | | | | | |
| Train Wash Facility | 02-Sep-14 A | 20-Nov-15 | | | | | | | | | | | | | | |
| Maintenance of Way Building | 12-May-14 A | 04-Dec-15 | | | | | | | | | | | | | | |
| Operations & Servicing Building | 27-Nov-13 A | 07-Jan-16 | | | | | | | | | | | | | | |
| Yard Trackwork | 22-Jan-15 | 08-Feb-16 | | | | | | | | | | | | | | |
| Third Rail | 12-Nov-15 | 08-Feb-16 | | | | | | | | | | | | | | |
| Site Civil/Utilities | 26-Jul-12 A | 02-Mar-16 | | | | | | | | | | | | | | |
| Project Facility Commissioning, Closeout & Turnover | 14-Sep-15 | 15-Apr-16 | | | | | | | | | | | | | | |

| Contract Submittals | |
|---------------------|--------------------------|
| # Received | # Currently Under Review |
| 542 | 14 |

| Anticipated Final Design Submittals | | |
|-------------------------------------|------------|------------|
| Total # | # Complete | % Complete |
| 9 | 9 | 100% |

| Requests for Information (RFI) from Contractor | | |
|--|--------|----------|
| # Received | # Open | # Voided |
| 179 | 2 | 2 |

| MSF Status as of 10/31/14 | |
|---------------------------|------------|
| Element | % Complete |
| OSB | 32% |
| MOW Building | 22% |
| WTB | 14% |
| Rail Procurement | 80% |

WORK PROGRESS:

Activities this Month:

Yard

- Continued monitoring Best Management Practice (BMP) measures for permit compliance.
- Continued to excavate trenches for underground utilities.
- Continued to install storm drain and sewer lines with their respective manholes.
- Continued installing site waterlines.
- Continued grading and installed vertical drain overflow pipe at detention basin.
- Continued to install site electrical systems.
- Continued trench excavation for Rail Traction Power and electrical conduit.
- Poured south underpass wall footing
- Commenced forming south underpass wall.
- Set HECO precast manholes.
- Channeling sewer manholes along Dwy "B" next to OSB.
- Assembling track crane in preparation for tilt-up panel erection.

Operations and Servicing Building (OSB)

- Continued OSB underground electrical and plumbing backfill.
- Resuming structural steel erection between OSB gridline 5-6/C-G.
- Placed concrete for second lift of OSB SOG no. 15 at gridline 6.75/J-P.
- Installed duct banks into building.
- Continued to form and pour OSB tilt-up panels.
- Installed rail column anchor bolts and trench drains.
- Continued prep for additional tilt-up panel pours.
- Installed vapor barrier for SOG no. 14 at gridline 6.25/J-P.

Maintenance of Way (MOW)

- Installed conduit stub ups for SOG, gridline 2-4/A-E.
- Prepping for slab on grade concrete pours.
- Continued to construct casting slabs for concrete tilt-up panel pours.
- Continued termite spraying.
- Installed vapor barrier.

Wheel Truing Building (WTB)

- Continued forming and pouring foundation and stem walls.
- Continued installing underground utility conduits.
- Encased electrical duct bank.

Rail Procurement

- Continued with the procurement of rail materials.
- Continued stockpiling rail material in the Pasha yard.
- Loaded out 115 RE rail from Sause yard, delivered to WOFH site.

Look Ahead:

- Continue installation of sewer lines and manholes.
- Continue installation of storm drain lines and manholes.
- Continue installation of site waterlines.
- Continue installation of underground electrical.
- Continue installation of OSB structural steel.
- Continue installation of MOW structural steel.
- Continue installation of OSB underground electrical and plumbing rough in.
- Continue coordinating with the Core Systems Contractor to resolve design interface issues.
- Continue OSB slab on grade preparation and concrete pour.
- Continue OSB tilt-up panel pours and erection.
- Continue MOW mechanical/electrical rough in.
- Commence MOW concrete tilt-up panel pours and erection.
- Commence forming and pouring south underpass wall.
- Continue installation of Traction Power and system duct banks.
- Continue installation of Wheel Truing Building structure.

Administration

- Continued working with the CSC to resolve design interface issues.

CRITICAL PATH ISSUES:

- Meeting the rail turnover dates for the WOFH and KHG sections.
- Coordination with other contractors on construction interface milestones.
- Addressing yard reconfiguration interface with Core Systems Contractor.
- Scheduling work related to test track and functional track to support program opening dates.

QUALITY MANAGEMENT:

- Continued participation in pre-activities meetings for construction scheduled activities: Pre-curved Contact Rails, Chicago, IL and Tilt-up Walls Erection at the site.
- Monitoring CE&I and KKJV QA/QC activities.

| MSF NCR Log | | |
|---------------------------|--------|------|
| Total NCRs Issued To Date | CLOSED | OPEN |
| 19 | 16 | 3 |

SAFETY AND SECURITY:

| Maintenance & Storage Facility | | | | | | |
|---------------------------------------|------------------------|---------------------------------------|---|-----------------|--------------|-------------------|
| Contract | Event Type | Total Number of Events since 1/1/2007 | Total Number of Events for October 2014 | Loss Type | Date | Event Description |
| DB-200 Maintenance & Storage Facility | Environment | 4 | 0 | | | |
| | Near Miss | 2 | 0 | | | |
| | Road/Vehicle - Driving | 4 | 0 | | | |
| | Security | 6 | 1 | Property Damage | Oct 01, 2014 | Stolen generator. |

*Reportable incidents: Requires OSHA to be notified within 8 hours, and includes the death of an employee or hospitalization of three or more employees.

**Loss Time Injury: Time away from work due to injury.

PROJECT PICTURES:



Excavating for traction power duct bank at track S.



Troweling concrete OSB SOG no. 15 at gridline 6.75/J-P.



Placing vapor barrier; OSB SOG no. 12 at gridline 6.25/C-J.



Machine troweling MOW tilt-up casting pad no. 2.



Placing conduits; OSB tilt-up wall on casting pad no. 1.



Set HECO manhole no. H-1 A5 along Dwy A.



Installing conduits for duct banks in the OSB.



Encasing the electrical duct bank WTB stem wall.



Forming for the MOW tilt-up wall on casting pad no. 1.



Vertical perforated drain line into the detention basin outlet.



Placed concrete for the south underpass footing.



Structural steel erection at the OSB gridline 5 - 6/C -G.

4.3 Section II – Kamehameha Highway: Pearl Highlands to Aloha Stadium

A. Kamehameha Highway Guideway (KHG)

Contract No.: DB-320

Contractor: Kiewit Infrastructure West Company (KIWC)

Contract Start Date: June 2011

Substantial Completion: September 2016

Project Description: Kamehameha Highway Guideway DB Contract (KHG) consists of 3.9 miles and starts 400 feet east of the Pearl Highlands Station and terminates 1,400 feet beyond the Aloha Stadium Station. KHG is made up of utility relocations, highway widening, drilled shaft foundations (one per column), columns, and aerial structure.



COST INFORMATION:

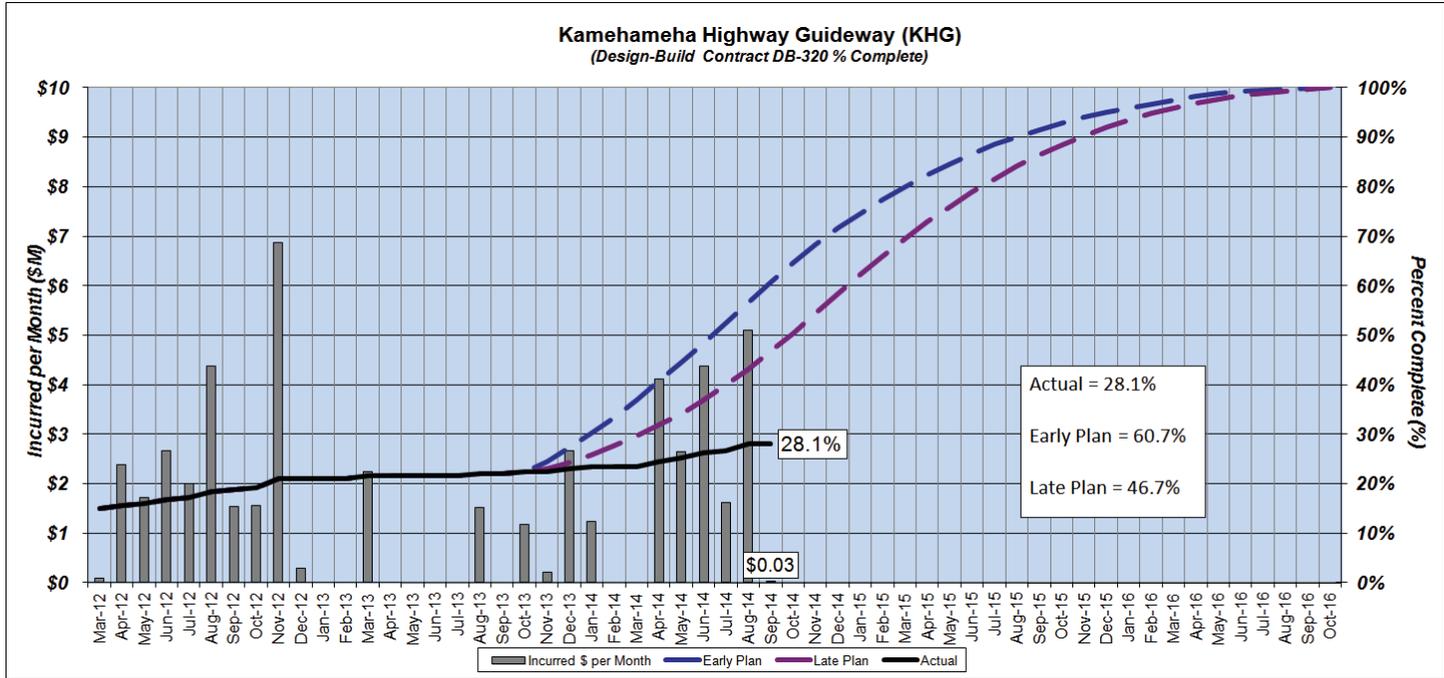
| | | |
|--|-----------------------------|-----------------------------|
| <u>Original Contract:</u> \$372,150,000 | <u>NTP 1:</u> \$106,744,930 | <u>NTP 3A:</u> \$33,348,881 |
| <u>Committed¹:</u> \$383,665,363 | <u>NTP 2:</u> \$22,072,270 | <u>NTP 3B:</u> \$0 |
| <u>Authorized²:</u> \$173,681,444 (45.3%) | | |
| <u>Incurred-to-Date:</u> \$107,746,869 | | |
| <u>Incurred in Sept.:</u> \$25,358 | | |

¹Commitment = Original contract value (not including contingency) + executed Change Orders
²Total Authorized for Expenditure (AFE) = NTP dollar values + executed Change Orders

| Disadvantaged Business Enterprise (DBE) Participation | |
|---|-----------|
| Actual DBE Participation: | \$297,631 |
| DBE % Attained: | 0.08% |

| September Notices to Proceed |
|------------------------------|
| None |

| September Change Orders | |
|---------------------------|---------------------|
| Change No. | Amount (\$) |
| None | --- |
| Cumulative to Date | \$11,515,363 |



- A recovery schedule has been requested from KIWC implementing mitigation measures. Payment of Progress Payment 35 is pending receipt of the updated linear schedule.

SCHEDULE:

- KIWC’s revised schedules submitted as part of Progress Payment 35 were reviewed and rejected due to not providing a recovery schedule.

| September 2014 Update | | Data Date: 26-Sep-14, Printed On: 16-Oct-14 14:34 | | | | | | | | | | | | | | |
|--|-----------|---|------|----|----|----|------|----|----|----|------|----|----|----|------|--|
| Activity Name | Start | Finish | 2014 | | | | 2015 | | | | 2016 | | | | 2017 | |
| | | | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | | |
| Total | 26-Sep-14 | 24-Apr-17 | | | | | | | | | | | | | | |
| West Guideways & Structures | 26-Sep-14 | 24-Apr-17 | | | | | | | | | | | | | | |
| Kamehameha Highway (KH) - Section 2 | 26-Sep-14 | 24-Apr-17 | | | | | | | | | | | | | | |
| Kamehameha Highway Guideway | 26-Sep-14 | 24-Apr-17 | | | | | | | | | | | | | | |
| Kiewit KHG Summary | 26-Sep-14 | 24-Apr-17 | | | | | | | | | | | | | | |
| Foundations | 26-Sep-14 | 22-Sep-16 | | | | | | | | | | | | | | |
| Drilled Shafts | 26-Sep-14 | 27-Jul-16 | | | | | | | | | | | | | | |
| Columns | 10-Nov-14 | 22-Sep-16 | | | | | | | | | | | | | | |
| Guideway | 11-Dec-14 | 14-Nov-16 | | | | | | | | | | | | | | |
| Precast Segment Erection | 11-Dec-14 | 14-Nov-16 | | | | | | | | | | | | | | |
| Cast BC Segments | 27-Jul-15 | 25-Aug-16 | | | | | | | | | | | | | | |
| Trackwork | 29-Jul-15 | 09-Jan-17 | | | | | | | | | | | | | | |
| Direct Fixation Trackwork | 29-Jul-15 | 22-Dec-16 | | | | | | | | | | | | | | |
| Third Rail | 11-Aug-15 | 09-Jan-17 | | | | | | | | | | | | | | |
| KHG Project Finish Work, Demob, Punchlist | 04-Feb-16 | 24-Apr-17 | | | | | | | | | | | | | | |

| Contract Submittals | |
|---------------------|--------------------------|
| # Received | # Currently Under Review |
| 355 | 3 |

| Final Design Submittals | | |
|-------------------------|------------|------------|
| Total # | # Complete | % Complete |
| 50 | 29 | 58% |

| Requests for Information (RFI) from Contractor | | |
|--|--------|----------|
| # Received | # Open | # Voided |
| 88 | 0 | --- |

WORK

PROGRESS:

| KHG Status as of 10/31/14 | | | | | | |
|---------------------------|-------------|-----------|------------|-------------------|---------------|------------|
| Utility Status | Qty to Date | Final Qty | % Complete | Structure Element | Total to Date | % Complete |
| Water Line | 2,445 | 4,296 | 56.9% | Shafts | 0 | 0% |
| Gas Line | 6,483 | 12,522 | 51.8% | Columns | 0 | 0% |
| Sewer Line | 72 | 986 | 7.3% | Segment Casting | 0 | 0% |
| Drainage | 528 | 2,081 | 25.4% | Segment Erection | 0 | 0% |
| Elec/Telecom | 9,122 | 42,364 | 21.5% | Spans Stressed | 0 | 0% |

Activities this Month:

- Continued compilation of completed design package CIL for Safety and Security Certification.
- Finished installation of waterline C in Phase 11.
- Finished gas lines H and L in Phase 4, and continued gas lines I and M1 in Phase 5.
- Continued the relocation of the HECO 46KV lines in Phase 4 and relocation of HECO vaults in Phase 2.
- Continued relocation of Hawaiian Tel duct banks in Phases 1 and 3.
- Continued road widening in Phases 1, 5 and 12.
- Continued Intelligent Transportation Systems (ITS) Phase 2 work.
- Continued installation of joint use poles throughout the alignment.
- Continued road widening in Phase 1, and began road widening operations in Phase 5.
- Removed monkeypod trees at Blaisdell Park.
- Continued potholing for utility relocations.
- Continued observation of sensitive areas by archaeological and cultural monitors.

Look Ahead:

- Review Progress Payments 35, 36 and 37.
- Continue interface and design activities.
- Continue JUAO activities.
- Continue joint pole installation.
- Continue roadway widening in Phases 1, 5 and 12.
- Continue work on gas lines M1 and I.
- Continue relocation of HECO 46KV line in Package 6.
- Begin mobilization for installation of drilled shafts.

CRITICAL PATH ISSUES:

- Awaiting submission of recovery schedule from KIWC.
- Mitigate third-party dry utility relocation durations.
- Outstanding ROW issues, including securing construction right of entries for UH Urban Garden and the guideway work at Aloha Stadium, as well as reaching an understanding with TMKs 9-7-023-008, 9-7-022-008 and 9-7-022-021.

UTILITY AGREEMENTS:

- Five of six UCA’s have been executed. The remaining UCA that needs to be executed is HTI.
- HART has prepared a draft of the Hawaiian Telcom Construction Agreement, and is routing internally for review/comments.
- Looking Ahead: Execute HTI KHG UCA.

HAWAI’I DEPARTMENT OF TRANSPORTATION (HDOT) AGREEMENTS:

- AECOM, the HDOT Design Consultant for the KHG section (contract MM-921), continues to review design submittals for HDOT.

RIGHT OF WAY:

| Kamehameha Right-of-Way for Parcels | | | | | | | | | | | |
|-------------------------------------|--------------------|--------------------------|-----------------------|----------------------|-----------------------|-----------------|-------------------------------------|---------------------|------------------------|-----------------------|-------------------------------------|
| | # Parcels Impacted | Current # Parcels Needed | Appraisals In Process | Appraisals Completed | Letters of Offer Sent | Offers Accepted | Possession Granted for Condemnation | Agreements Executed | Acquisitions Completed | Relocations Completed | Properties Available for Contractor |
| Full Acquisition | 3 | 3 | | 3 | 3 | 3 | | | 3 | 1 | 2 |
| Partial Acquisition | 19 | 4 | | 3 | 3 | | 1 | | 1 | | 3 |
| Easement | 5 | 5 | 1 | | | | | 8 | 3 | | 3 |
| TOTAL | 27 | 12 | 1 | 6 | 6 | 3 | 1 | 8 | 7 | 1 | 8 |

| Kamehameha Relocation Status for Occupants | | | | | | | |
|--|--------------------------|--------------------------------|---------------------------|---------------------------------|--------------------|--------------------|-------------------------------------|
| Residential Relocations (a) | Business Relocations (b) | Not-For-Profit Relocations (c) | Total Relocations (a+b+c) | Relocation Assessment Completed | 90-Day Notice Sent | 30-Day Notice Sent | Relocations Completed for Occupants |
| | 4 | | 4 | 4 | 3 | 3 | 4 |

- Acquisitions:
 - Continued to work on completing partial acquisitions associated with TMK 9-7-023-008 and TMK 9-7-022-021.
 - Offered settlement on TMK 9-7-022-008.
 - Administrative settlement concurrence requested for TMK 9-7-022-008.
 - Letter of Intent sent for TMK 9-8-009-005.
- Look Ahead:
 - Anticipate TMK 9-8-010-002 to be available for contractor soon.

QUALITY MANAGEMENT:

- QA/QC activities are the same as the WOFH contract.
- Monitoring the KIWC and CE&I Inspection and Test Plan (ITP) updates and its implementation. KIWC submitted their revised ITPs for CE&I and HART QA designation of Witness Points and Hold Points.
- Participated in the construction pre-activity meetings: Street Lights and Traffic Signals Installations, and Drilled Shaft Construction.

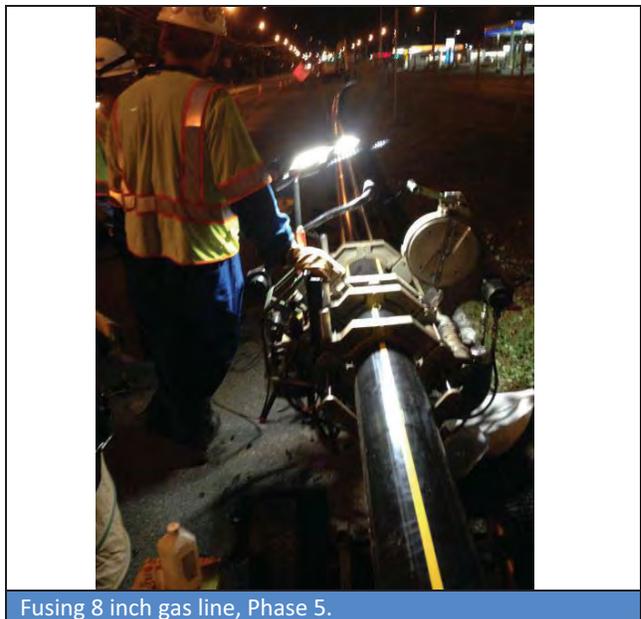
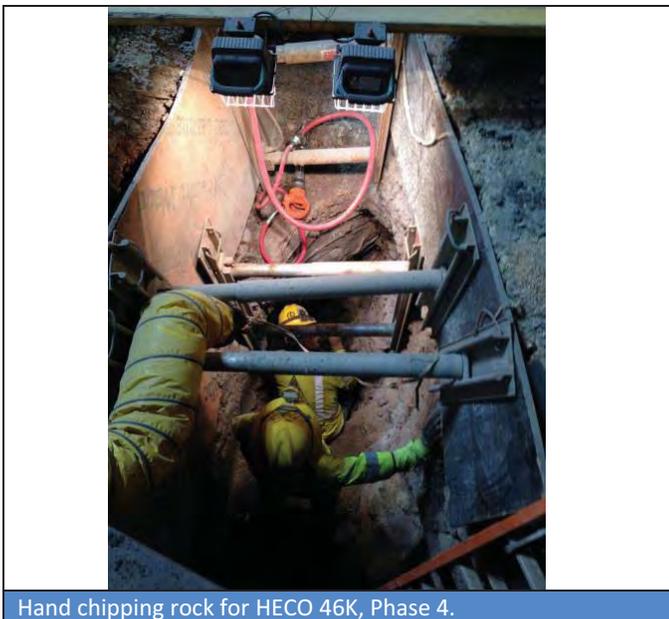
| KHG NCR Log | | |
|---------------------------|--------|------|
| Total NCRs Issued To Date | CLOSED | OPEN |
| 33 | 30 | 3 |

SAFETY AND SECURITY:

| Kamehameha Contracts | | | | | | |
|--|------------------------|---------------------------------------|---|-----------|--------------|--|
| Contract | Event Type | Total Number of Events since 1/1/2007 | Total Number of Events for October 2014 | Loss Type | Date | Event Description |
| DB-320 Kamehameha Highway Guideway | Environment | 2 | 0 | | | |
| | Loss or Damage | 6 | 0 | | | |
| | Near Miss | 4 | 0 | | | |
| | Road/Vehicle - Driving | 7 | 1 | No Loss | Oct 03, 2014 | Contractor hit an overhead sign. |
| | Security | 8 | 1 | Theft | Oct 01, 2014 | Generator stolen from work site while in use by contractor. |
| | Service Strike | 10 | 1 | No Loss | Oct 02, 2014 | Contractor made a small dimple on a 6" gas line with a rivet buster. |

*Reportable incidents: Requires OSHA to be notified within 8 hours, and includes the death of an employee or hospitalization of three or more employees.
 **Loss Time Injury: Time away from work due to injury.

PROJECT PICTURES:



B. Kamehameha Highway Station Group (KHSG)

Contract No.: FD-340

Contractor: Anil Verma Associates, Inc., Final Design Consultant (Engineer of Record)

Contract Start Date: November 2012

Construction Docs Bid-Ready: March 4, 2015

Project Description: The Kamehameha Highway Stations Group FD Contract (KHSG) consists of architectural and engineering services for the design of three (3) transit stations situated along the Kamehameha Highway Guideway. The three (3) stations comprising the KHSG contract are the Pearl Highlands Station and H2R2 Ramp, the Pearlridge Station, and the Aloha Stadium Station.



COST INFORMATION:

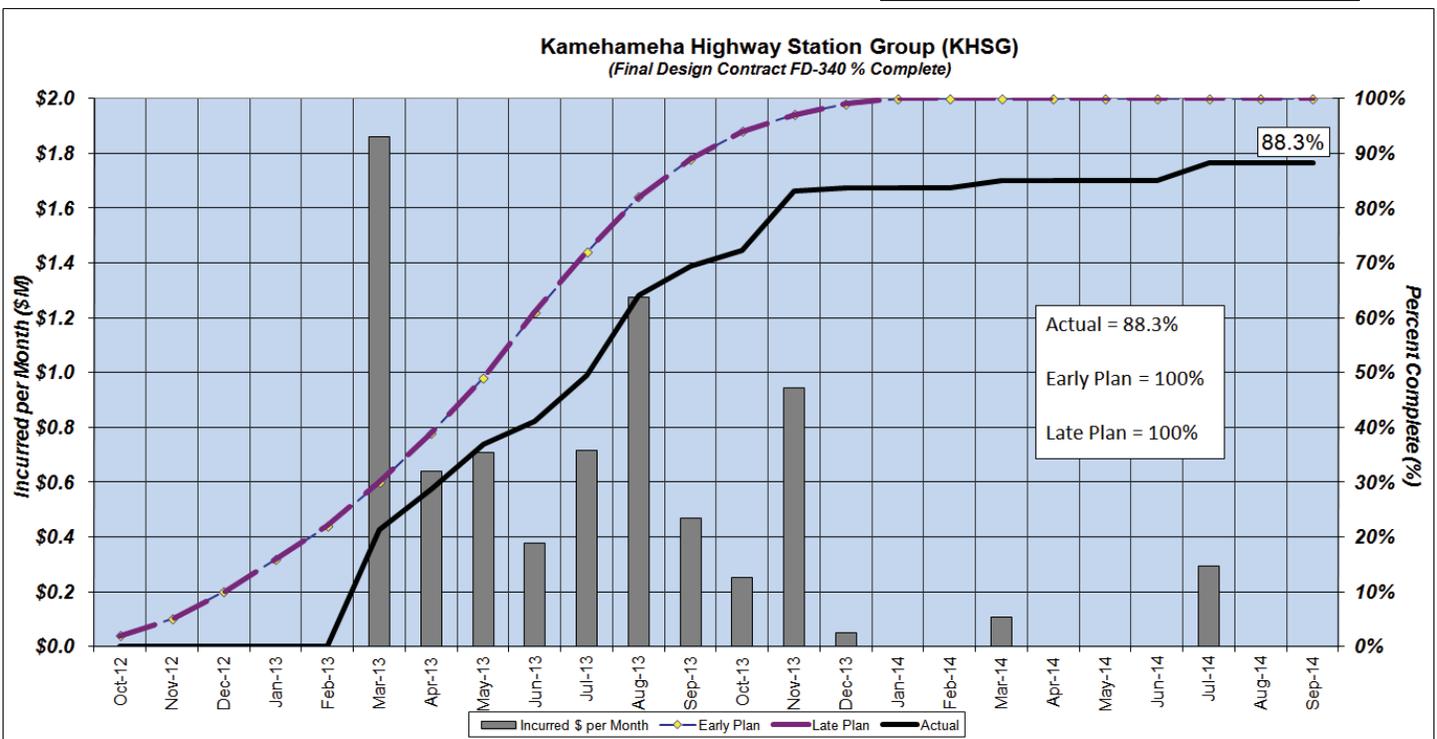
| | | |
|---|---------------------|--------------------|
| Original Contract: \$8,702,592 | NTP 1A: \$491,104 | NTP 3: \$1,913,030 |
| Committed ¹ : \$8,702,592 | NTP 1B: \$2,533,421 | NTP 4: \$77,979 |
| Authorized ² : \$8,004,496 (92%) | NTP 2: \$2,860,226 | |
| Incurred-to-Date: \$7,687,346 | | |
| Incurred in Sept.: \$0 | | |

¹Commitment = Original contract value (not including contingency) with Design Allowance + executed Change Orders
²Total Authorized for Expenditure (AFE) = NTP dollar values + executed Change Orders

| Disadvantaged Business Enterprise (DBE) Participation | |
|---|-------------|
| Actual DBE Participation: | \$3,239,360 |
| DBE % Attained: | 37.22% |

| September Notices to Proceed |
|------------------------------|
| None |

| September Change Orders/Amendments | |
|------------------------------------|------------------|
| Change No./Amend | Amount (\$) |
| Amendment 1 | \$27,932 |
| Amendment 3 | \$71,911 |
| Amendment 5 | \$28,893 |
| Cumulative to Date | \$128,736 |



SCHEDULE:

| September 2014 Update | | | | Data Date: 26-Sep-14, Printed On: 08-Oct-14 | | | | | | | | | | | | | | | | | |
|-----------------------|---|-------------|-----------|---|---|---|------|---|---|------|---|---|------|---|---|------|---|---|------|---|---|
| Activity ID | Activity Name | Start | Finish | 2014 | | | 2015 | | | 2016 | | | 2017 | | | 2018 | | | 2019 | | |
| | | | | Q | Q | Q | Q | Q | Q | Q | Q | Q | Q | Q | Q | Q | Q | Q | Q | Q | Q |
| | Kamehameha Highway (KH) - Section 2 | 28-Jun-11 A | 30-Jun-17 | | | | | | | | | | | | | | | | | | |
| | Kamehameha Highway Station Group | 28-Jun-11 A | 30-Jun-17 | | | | | | | | | | | | | | | | | | |
| | Design - Kamehameha Highway Station Group | 28-Jun-11 A | 05-Jun-15 | | | | | | | | | | | | | | | | | | |
| | Construction - Kamehameha Highway Station Group | 05-Jun-15 | 30-Jun-17 | | | | | | | | | | | | | | | | | | |
| | Pearl Highlands - Station | 05-Jun-15 | 08-Mar-17 | | | | | | | | | | | | | | | | | | |
| | Pearl Ridge Station | 04-Dec-15 | 30-Jun-17 | | | | | | | | | | | | | | | | | | |
| | Aloha Stadium Station | 04-Sep-15 | 03-Apr-17 | | | | | | | | | | | | | | | | | | |

WORK PROGRESS:

Activities this Month:

- Held biweekly interface meetings.
- Continued to process pending changes.
- Continued to resolve third-party comments/approvals.
- Identified scope items to modify or eliminate.
- Focused on 3-station bid package.

Look Ahead:

- Continue processing pending changes.
- Resolve third-party comments/approvals.
- Finalize scope items to cut.
- Identify and issue DCNs to get the final designers working on the scope changes and separating station packages.

CRITICAL PATH ISSUES:

- Coordination with other contractors on construction interface milestones.

QUALITY MANAGEMENT:

- Monitoring AVA QA/QC activities. Resumed Quality Task Force Meetings.
- Reviewing Constructability Review Report prepared by AECOM.

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

A. Airport Section Guideway and Utilities



Contract No.: FD-430

Contractor: AECOM Technical Services, Inc., Final Design Consultant (Engineer of Record)

Contract Start Date: January 2012

Construction Docs Bid-Ready:

Utilities: December 2013

Guideway: June 2014

Project Description: The Airport Segment Guideway and Utilities FD Contract (Airport) consists of widening of portions of Kamehameha Highway and other streets to accommodate the guideway columns, provide bus stops, improve sidewalks and medians, related traffic signals, address environmental mitigation commitments, and other related improvements. Design of barrier walls attached to the guideway, and running rails. Numerous utilities along the proposed alignment require relocation to allow for the guideway construction.

COST INFORMATION:

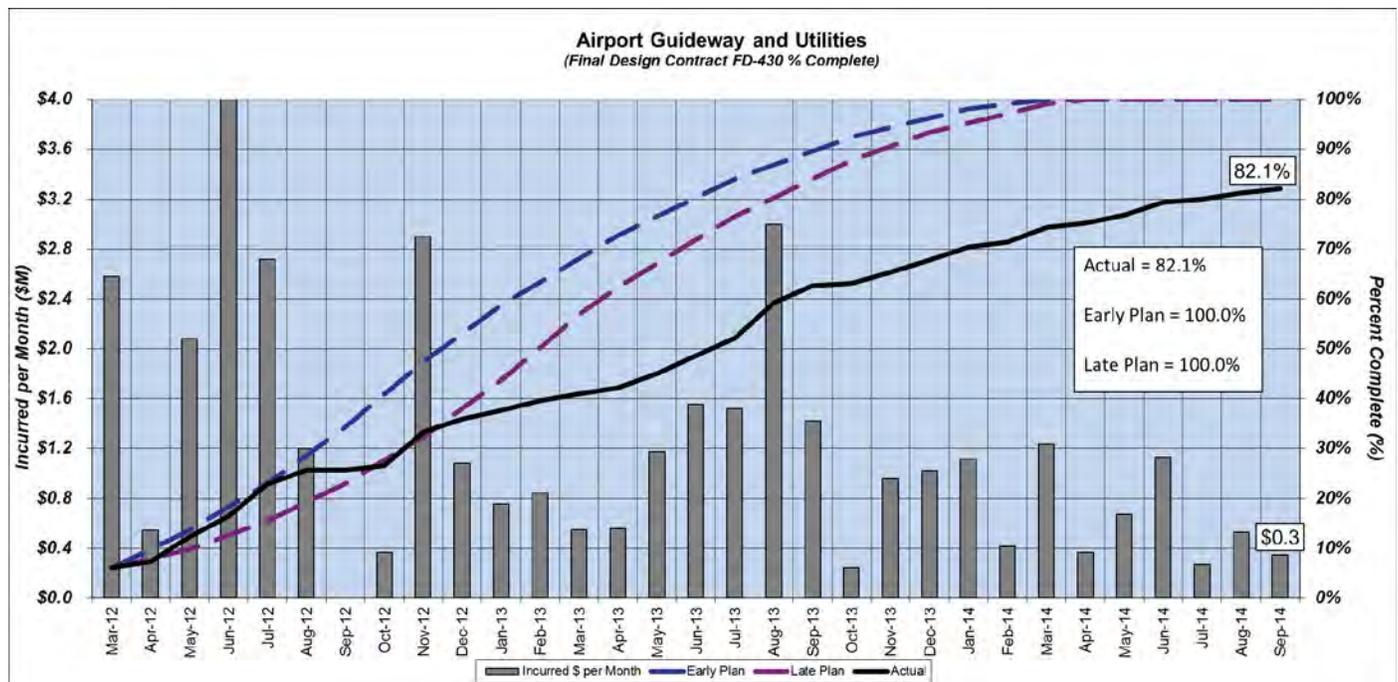
| | | |
|---|----------------------|---------------------|
| Original Contract: \$38,840,960 | NTP 1A: \$784,136 | NTP 3: \$293,939 |
| Committed ¹ : \$42,552,132 | NTP 1B: \$13,233,957 | NTP 3A: \$5,892,216 |
| Authorized ² : \$44,140,146 (103.7%) | NTP 2: \$17,048,698 | NTP 4: \$433,681 |
| Incurred-to-Date: \$34,928,013 | | NTP 5: \$1,154,333 |
| Incurred in Sept.: \$347,575 | | |

¹Commitment = Original contract value (not including contingency) with Design Allowance + executed Change Orders
²Total Authorized for Expenditure (AFE) = NTP dollar values + executed Change Orders

| Disadvantaged Business Enterprise (DBE) Participation | |
|---|-----------|
| Actual DBE Participation: | \$162,813 |
| DBE % Attained: | 0.42% |

| September Notices to Proceed |
|------------------------------|
| None |

| September Change Orders/Amendments | |
|------------------------------------|--------------------|
| Change No./Amend | Amount (\$) |
| Amendment 8 | \$1,588,014 |
| Amendment 11 | \$45,000 |
| Cumulative to Date | \$5,299,186 |



- Design was combined with the City Center Guideway and Utilities and was completed in June 2014 to support the Airport and City Center Sections Guideway Construction procurement in July 2014.

SCHEDULE:

| September 2014 Update | | | | Data Date: 26-Sep-14, Printed On: 29-Sep-14 13:24 | | | | | | | | | | | | | | | | | | | |
|--|---------------|-------------|-------------|---|----|----|----|------|----|----|----|------|----|----|----|------|----|----|----|------|----|----|----|
| Activity ID | Activity Name | Start | Finish | 2014 | | | | 2015 | | | | 2016 | | | | 2017 | | | | 2018 | | | |
| | | | | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 |
| Total | | 09-Nov-11 A | 16-Nov-17 | [Gantt bar from Nov 2011 to Nov 2017] | | | | | | | | | | | | | | | | | | | |
| Airport Programmatic | | 01-May-12 A | 04-Feb-14 A | [Gantt bar from May 2012 to Feb 2014] | | | | | | | | | | | | | | | | | | | |
| Airport Permits | | 09-Nov-11 A | 05-Jan-16 | [Gantt bar from Nov 2011 to Jan 2016] | | | | | | | | | | | | | | | | | | | |
| Design - Airport Guideway & Utilities | | 05-Jan-12 A | 26-Sep-14 | [Gantt bar from Jan 2012 to Sep 2014] | | | | | | | | | | | | | | | | | | | |
| Construction - Airport Guideway | | 09-Feb-15 | 16-Nov-17 | [Gantt bar from Feb 2015 to Nov 2017] | | | | | | | | | | | | | | | | | | | |

WORK PROGRESS:

Activities this Month:

- Continued processing pending changes.
- Continued coordination with HDOT (Highway and Airport Divisions), utility companies, U.S. Navy and other stakeholders.
- Continued weekly progress/design and interface meetings.
- Supporting HART right-of-way team with property acquisitions.

Look Ahead:

- Continue processing pending changes.
- Resolve third-party comments/approvals.
- Finalize decision on AM Radio Tower EMI shielding design.

CRITICAL PATH ISSUES:

- Coordination with other contractors on design and construction interface milestones.
- Coordination of existing utility relocations with HECO.
- Coordination of work at Post Office area with USPS.
- Coordination with DOT-Airports for construction contract interface.
- Coordination with U.S. Navy/General Services Administration (GSA) for land acquisition at Makalapa Gate.

UTILITY AGREEMENTS:

- All engineering utility agreements for the Airport and City Center sections have been executed.
- AT&T Corp. is reviewing HART comments to the draft Construction Agreement. It is not necessary for this agreement to be in place for the Airport Segment utility construction.
- Oceanic has provided comments to the draft. HART has reviewed the comments and sent a revised draft to Oceanic for review.
- Looking Ahead:
 - Execute Oceanic Airport UCA.
 - Execute HECO Airport UCA.

HDOT AGREEMENTS:

- Looking Ahead: Airport Joint Use and Occupancy expected to be executed December 2014.

RIGHT OF WAY:

| Airport Right-of-Way for Parcels | | | | | | | | | | | |
|----------------------------------|--------------------|--------------------------|-----------------------|----------------------|-----------------------|-----------------|-------------------------------------|---------------------|------------------------|-----------------------|-------------------------------------|
| | # Parcels Impacted | Current # Parcels Needed | Appraisals In Process | Appraisals Completed | Letters of Offer Sent | Offers Accepted | Possession Granted for Condemnation | Agreements Executed | Acquisitions Completed | Relocations Completed | Properties Available for Contractor |
| Full Acquisition | 5 | 5 | 1 | 4 | 5 | 5 | | | 4 | 1 | 1 |
| Partial Acquisition | 8 | 8 | | 3 | 1 | | | 1 | 1 | | 1 |
| Easement | 43 | 39 | 1 | 4 | 2 | | | 22 | 22 | | 24 |
| TOTAL | 56 | 52 | 2 | 11 | 8 | 5 | | 23 | 27 | 1 | 26 |

| Airport Relocation Status for Occupants | | | | | | | |
|---|--------------------------|--------------------------------|---------------------------|---------------------------------|--------------------|--------------------|-------------------------------------|
| Residential Relocations (a) | Business Relocations (b) | Not-For-Profit Relocations (c) | Total Relocations (a+b+c) | Relocation Assessment Completed | 90-Day Notice Sent | 30-Day Notice Sent | Relocations Completed for Occupants |
| | 8 | | 8 | 5 | 7 | | 4 |

- Acquisitions:
 - Appraisal completed on TMKs 1-2-013-020, 1-1-016-012, 1-1-016-013, 1-1-016-016 and 1-2-013-021.
 - Continued to work on completing full acquisition of TMK 9-9-003-066.
 - Offers made on TMKs 1-1-002-001 and 1-1-016-012.
 - FTA concurrence requested for TMKs 1-2-013-020 and 1-2-013-021.
- Look Ahead:
 - Complete appraisal on TMK 1-1-016-017.
 - Conduct updated appraisal on TMK 1-1-016-007.
 - Sent updated Notice of Eligibility on TMK 1-1-016-006.
 - Make offers for TMKs 1-1-016-007, 1-1-016-013, 1-1-016-016 and 1-1-016-017.
 - Complete relocation by mid-November for TMK 1-1-016-005.

QUALITY MANAGEMENT:

- Monitoring AECOM QA/QC activities.
- Issued QA Audit Report to AECOM on audit held on September 3.

SAFETY AND SECURITY:

| Airport Contracts | | | | | | |
|---|---|---------------------------------------|---|-----------|------|-------------------|
| Contract | Event Type | Total Number of Events since 1/1/2007 | Total Number of Events for October 2014 | Loss Type | Date | Event Description |
| FD-430 Airport Section Guideway & Utilities | Environment | 3 | 0 | | | |
| | Loss or Damage | 1 | 0 | | | |
| | Near Miss | 1 | 0 | | | |
| | *Reportable Occupational Injury/Illness | 0 | 0 | | | |
| | Security | 1 | 0 | | | |
| | **Loss Time Occupational Injury/Illness | 2 | 0 | | | |
| | Service Strike | 2 | 0 | | | |

*Reportable incidents: Requires OSHA to be notified within 8 hours, and includes the death of an employee or hospitalization of three or more employees.
 **Loss Time Injury: Time away from work due to injury.

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B. Airport Section Utilities Construction

Contract No.: DBB-505

Contractor: Nan, Inc.

Contract Start Date: July 2014

Substantial Completion: February 2016



Project Description: The Airport Utilities contract consists of relocation of a portion of utilities and some utility facilities that will be impacted by the construction of the HART aerial guideway and associated facilities between Aloha Stadium and Middle Street Transit Center. Specifically, the work involves construction of utility relocations affecting underground and overhead communications lines, Navy-owned electrical lines, fuel lines, gas lines, water lines, storm sewer lines, sanitary sewer lines and street light lines and poles/fixtures; HECO work is excluded from this contract. The work also includes installation of ITS (Intelligent Transportation Systems) facilities, to maintain traffic during construction, and demolition of buildings and other site improvements. Erosion control measures, temporary planting, permanent irrigation facilities and restoration of existing facilities are also incorporated into the contractor’s scope of work.

COST INFORMATION:

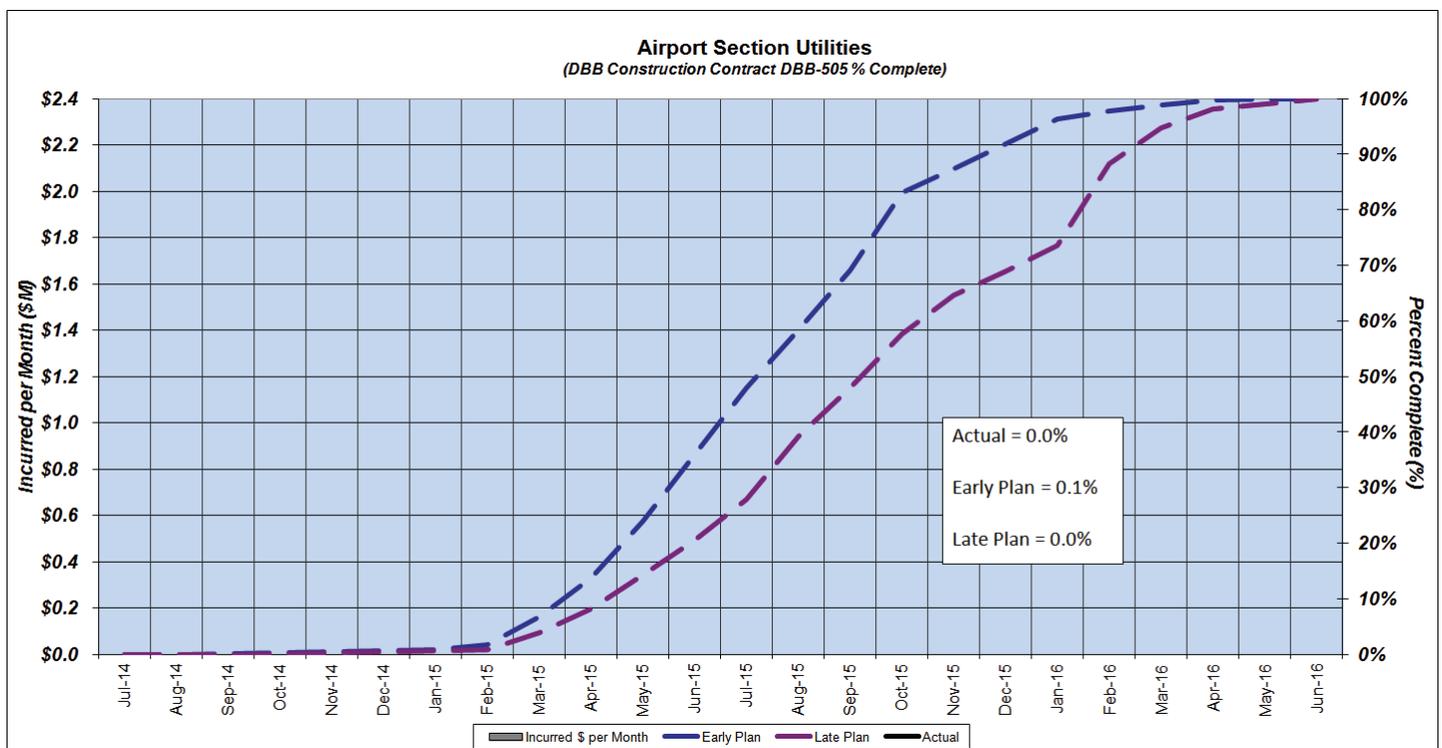
| | | | |
|---------------------------|--------------|------|-----|
| Original Contract: | \$28,413,974 | NTP: | N/A |
| Committed ¹ : | \$28,413,974 | | |
| Authorized ² : | N/A (0%) | | |
| Incurred-to-Date: | \$0 | | |
| Incurred in Sept.: | \$0 | | |

¹Commitment = Original contract value (not including contingency) + executed Change Orders
²Total Authorized for Expenditure (AFE) = NTP dollar values + executed Change Orders

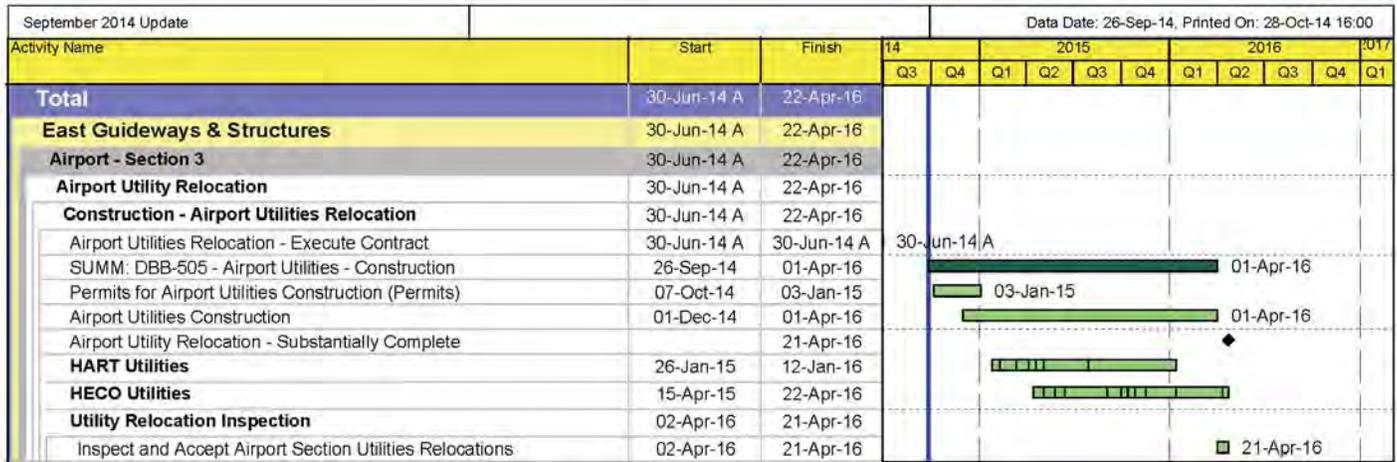
| Disadvantaged Business Enterprise (DBE) Participation | |
|---|-----|
| Actual DBE Participation: | \$0 |
| DBE % Attained: | 0% |

| September Notices to Proceed |
|------------------------------|
| None |

| September Change Orders | |
|---------------------------|-------------|
| Change No. | Amount (\$) |
| None | --- |
| Cumulative to Date | \$0 |



SCHEDULE:



WORK PROGRESS:

Activities this Month:

- NTP issued on Oct. 6, 2014.
- The Site Safety Security plan (SSSP) was approved
- Continued advancement to finalize the Quality Management Plan (QMP).
- Continued working on the construction schedule.
- Currently completing NPDES permit application.
- Continued working on the Environmental Management Plan (EMP).
- Continued working on the Environmental Compliance Plan (ECP).
- Continued working on the Public Information Plan.
- Submitting RFI and shop drawings for approvals.
- Working on developing a Public Awareness and Community Relations plan.
- Preconstruction meeting was held on Oct. 15, 2014.

Look Ahead:

- Continue to complete submittals/RFI.
- Ongoing efforts to establish site field office/trailer.
- Coordinating Project blessing program for groundbreaking.

CRITICAL PATH ISSUES:

- Submission and approval of contractor’s baseline schedule.

QUALITY MANAGEMENT:

- Met with contractor Nan, Inc. QA manager to discuss HART comments on the Quality Assurance Plan (QAP).
- Continued reviewing revised Draft QAP submitted by Nan, Inc. including OTS review of the QAP with Quality Manager.
- Attended and participated in the pre-construction conference with Nan Inc., CE&I (East) and HART.

C. Airport Section Guideway Seven Pier Construction

Contract No.: DBB-525
Contractor: HDCC/CJA JV
Contract Start Date: September 2014
Completion: February 2015



Project Description: The Airport 7-piers contract consists of seven drilled shaft foundations to be installed within the Honolulu Airport Consolidated Rental Car Facility (CONRAC), which is currently in construction. This work needs to be completed in conjunction with the current construction of the CONRAC facility; if not the work area will not be available until early 2018. The contractor will be installing piers foundations No. 546-549, relocating miscellaneous utilities, and coordinating with the airport and Kiewit, who is the contractor for the CONRAC facility.

COST INFORMATION:

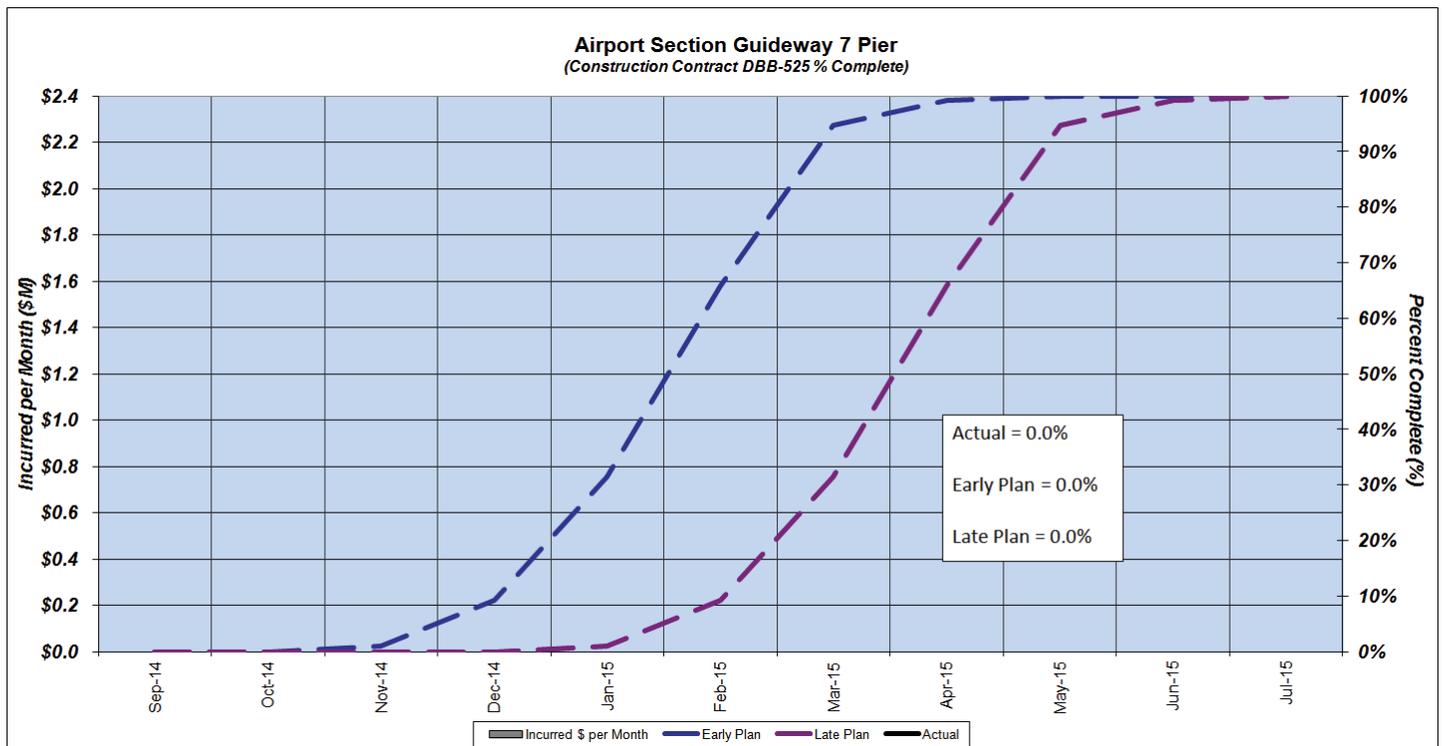
| | | | |
|---------------------------|-------------|------|-----|
| Original Contract: | \$3,973,000 | NTP: | N/A |
| Committed ¹ : | \$3,973,000 | | |
| Authorized ² : | N/A (0%) | | |
| Incurred-to-Date: | \$0 | | |
| Incurred in Sept.: | \$0 | | |

¹Commitment = Original contract value (not including contingency) + executed Change Orders
²Total Authorized for Expenditure (AFE) = NTP dollar values + executed Change Orders

| Disadvantaged Business Enterprise (DBE) Participation | |
|---|-----|
| Actual DBE Participation: | \$0 |
| DBE % Attained: | 0% |

| September Notices to Proceed |
|------------------------------|
| None |

| September Change Orders | |
|---------------------------|-------------|
| Change No. | Amount (\$) |
| None | --- |
| Cumulative to Date | \$0 |



SCHEDULE:

| September 2014 Update | | Data Date: 26-Sep-2014, Printed On: 16-Oct-2014 15:02 | | | | |
|---|-------------|---|------|----|------|--|
| Activity Name | Start | Finish | 2014 | | 2015 | |
| | | | Q4 | Q1 | Q2 | |
| Total | 30-Oct-2014 | 27-May-2015 | | | | |
| East Guideways & Structures | 30-Oct-2014 | 27-May-2015 | | | | |
| Airport - Section 3 | 30-Oct-2014 | 27-May-2015 | | | | |
| Airport Section Guideway 7-Pier Construction | 30-Oct-2014 | 27-May-2015 | | | | |
| Mobilization | 30-Oct-2014 | 26-Nov-2014 | ■ | | | |
| Foundations | 01-Dec-2014 | 27-May-2015 | | | | |
| Drilled Shafts | 01-Dec-2014 | 24-Mar-2015 | | ■ | | |
| Pour Foundation Piers | 30-Dec-2014 | 21-Apr-2015 | | ■ | | |
| Transition Zone Rebar Cages | 04-Mar-2015 | 27-May-2015 | | | ■ | |

WORK PROGRESS:

Activities this Month:

- Held initial meeting between all parties; Hawaiian Dredging/Condon-Johnson, and HART/CE&I team.
- Met with HDOT-Airport CONRAC project team to identify work scope and schedule of work for CONRAC project.
- Began reviewing RFI's, permit applications and initial submittals.

Look Ahead:

- Will begin biweekly coordination meetings.
- Review preliminary contract schedule.
- Continue to respond to RFI's, permit applications and submittal reviews.
- Attend weekly Wednesday HDOT-Airport CONRAC construction update meetings.

CRITICAL PATH ISSUES:

- HDCC/CJ to submit contract schedule.
- HDCC/CJ to submit permit applications.
- HDCC/CJ to submit required safety, quality and work plans.
- Airport Car Rental Facility contractor limiting work area availability for Guideway Pier contractor delaying the start of pier construction.

QUALITY MANAGEMENT:

- Attended and participated in the pre-NTP meeting with HDCC Project Team, CE&I (East) and HART. Met with HDCC Quality Manager and discussed required QAP and HART quality expectations.

D. Airport Station Group (ASG)

Contract No.: FD-440

Contractor: AECOM Technical Services, Inc., Final Design Consultant (Engineer of Record)

Contract Start Date: November 2012

Construction Docs Bid-Ready: May 15, 2015

Project Description: Architectural and engineering services for the design of four (4) transit stations situated along the Airport Guideway. The four (4) stations comprising the ASG contract are the Pearl Harbor Naval Base Station, the Honolulu International Airport Station, the Lagoon Drive Station, and the Middle Street Station.



COST INFORMATION:

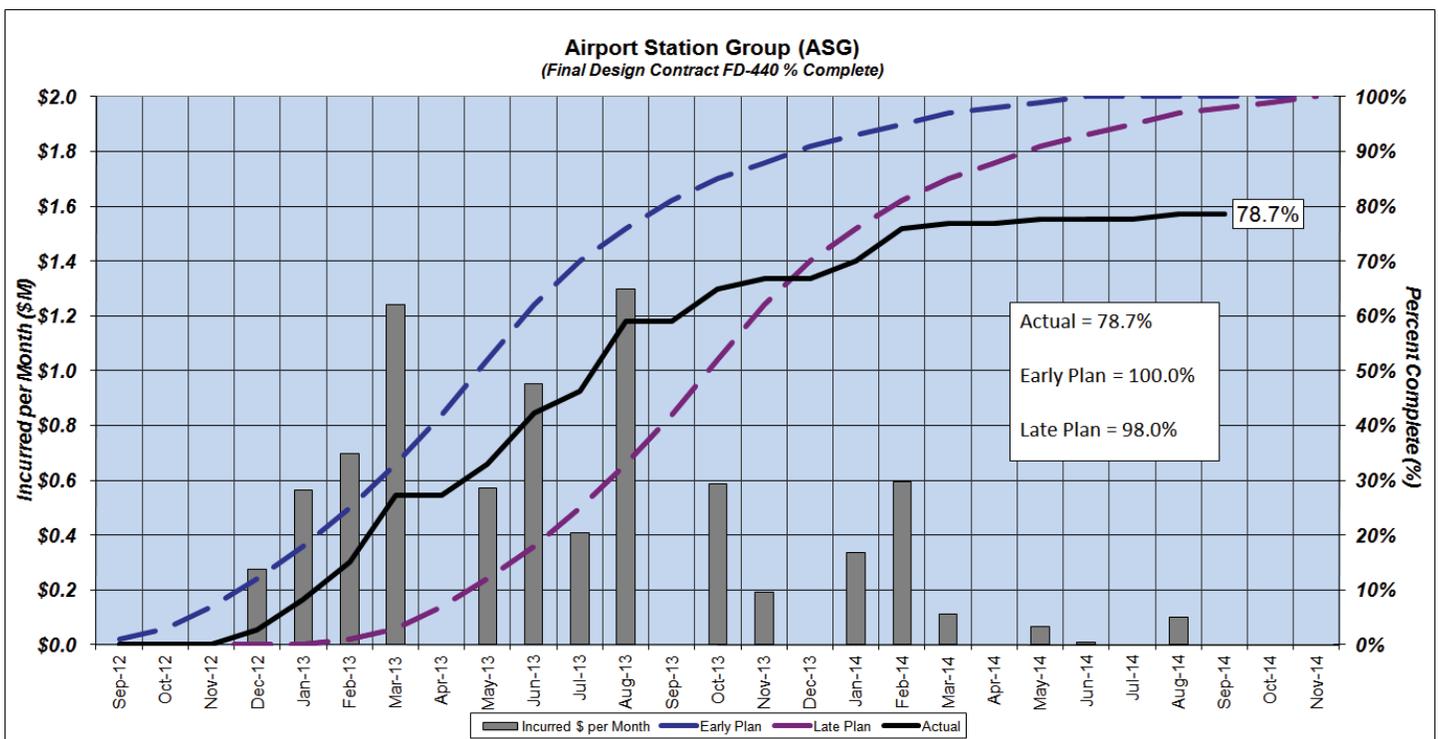
| | | |
|---|---------------------|--------------------|
| Original Contract: \$10,177,365 | NTP 1A: \$276,035 | NTP 2: \$3,626,123 |
| Committed ¹ : \$10,177,365 | NTP 1B: \$2,602,508 | NTP 3: \$2,623,356 |
| Authorized ² : \$9,128,022 (89.7%) | | |
| Incurred-to-Date: \$8,008,084 | | |
| Incurred in Sept.: \$0 | | |

¹Commitment = Original contract value (not including contingency) with Design Allowance + executed Change Orders
²Total Authorized for Expenditure (AFE) = NTP dollar values + executed Change Orders

| Disadvantaged Business Enterprise (DBE) Participation | |
|---|-----------|
| Actual DBE Participation: | \$234,761 |
| DBE % Attained: | 2.31% |

| September Notices to Proceed |
|------------------------------|
| None |

| September Change Orders | |
|---------------------------|-------------|
| Change No. | Amount (\$) |
| None | --- |
| Cumulative to Date | \$0 |



- Schedule delay is due to ongoing design coordination with third-party stakeholders, including the Navy and HDOT-Airports.

SCHEDULE:

| September 2014 Update | | Data Date: 26-Sep-14, Printed On: 08-Oct-14 | | | | | | | | | | | | | | | | | | | |
|--------------------------------------|---------------|---|-----------|------|---|---|------|---|---|------|---|---|------|---|---|------|---|---|------|---|---|
| Activity ID | Activity Name | Start | Finish | 2014 | | | 2015 | | | 2016 | | | 2017 | | | 2018 | | | 2019 | | |
| | | | | Q | Q | Q | Q | Q | Q | Q | Q | Q | Q | Q | Q | Q | Q | Q | Q | Q | Q |
| Airport - Section 3 | | 02-May-11 A | 28-Feb-18 | | | | | | | | | | | | | | | | | | |
| Airport Station Group | | 02-May-11 A | 28-Feb-18 | | | | | | | | | | | | | | | | | | |
| Design - Airport Station Group | | 02-May-11 A | 25-Apr-15 | | | | | | | | | | | | | | | | | | |
| Design - Airport Station Group | | 02-May-11 A | 25-Apr-15 | | | | | | | | | | | | | | | | | | |
| Construction - Airport Station Group | | 20-Oct-15 | 28-Feb-18 | | | | | | | | | | | | | | | | | | |
| Pearl Harbor Station | | 20-Oct-15 | 15-May-17 | | | | | | | | | | | | | | | | | | |
| HNL Airport Station | | 03-Jun-16 | 28-Dec-17 | | | | | | | | | | | | | | | | | | |
| Lagoon Drive Station | | 21-Oct-15 | 16-May-17 | | | | | | | | | | | | | | | | | | |
| Middle Street Station | | 03-Aug-16 | 28-Feb-18 | | | | | | | | | | | | | | | | | | |

WORK PROGRESS:

Activities this Month:

- Continued final design development which is approx. 95% complete due to amendments to the contract.
- Continued biweekly progress/design and interface meetings.
- Continued processing pending changes.
- Continued to resolve third-party comments/approvals.
- Prepared AM Radio Tower EMI shielding design options.

Look Ahead:

- Continue coordination meetings with stakeholders: HDOT, U.S. Navy and others.
- Finalize decision on AM Radio Tower EMI shielding design.

CRITICAL PATH ISSUES:

- Coordination with other contractors on design and construction interface milestones.
- Resolution of easements at Pearl Harbor Station.
- Resolution of Airport Station interface with DOT-Airports.

QUALITY MANAGEMENT:

- Monitoring AECOM QA/QC activities.
- Issued QA Audit Report to AECOM on audit held on September 3.

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

A. City Center Section Guideway and Utilities

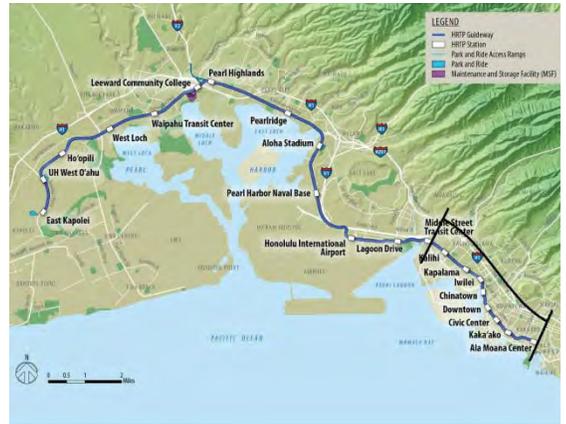
Contract No.: FD-530

Contractor: AECOM Technical Services, Inc., Final Design Consultant (Engineer of Record)

Contract Start Date: July 2012

Construction Docs Bid-Ready:

Guideway and Utilities: September 2014



Project Description: The City Center Guideway and Utilities FD Contract (CCUG) consists of widening of portions of Kamehameha Highway and other streets to accommodate the guideway columns, provide bus stops, improve sidewalks and medians, related traffic signals, address environmental mitigation commitments, and other related improvements. Design of barrier walls attached to the guideway, and running rails.

COST INFORMATION:

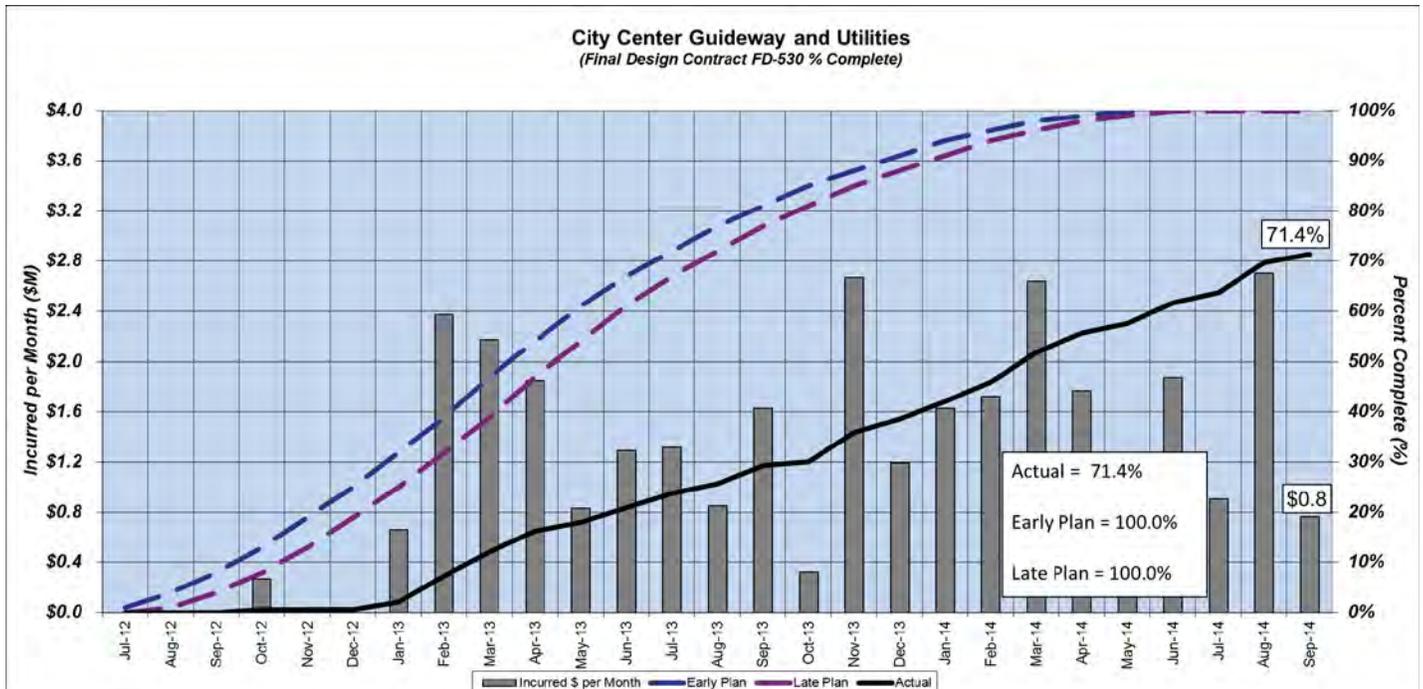
| | | |
|--|----------------------|---------------------|
| Original Contract: \$43,948,220 | NTP 1A: \$537,870 | NTP 2: \$18,680,227 |
| Committed ¹ : \$45,231,023 | NTP 1B: \$15,411,551 | NTP 3: \$6,315,814 |
| Authorized ² : \$42,614,702 (94.2%) | | NTP 4: \$386,437 |
| Incurred-to-Date: \$32,294,351 | | |
| Incurred in Sept.: \$763,356 | | |

¹Commitment = Original contract value (not including contingency) with Design Allowance + executed Change Orders
²Total Authorized for Expenditure (AFE) = NTP dollar values + executed Change Orders

| Disadvantaged Business Enterprise (DBE) Participation | |
|---|-----------|
| Actual DBE Participation: | \$191,227 |
| DBE % Attained: | 0.44% |

| September Notices to Proceed |
|------------------------------|
| None |

| September Change Orders/Amendments | |
|------------------------------------|--------------------|
| Change No./Amend | Amount (\$) |
| Amendment 5 | \$72,000 |
| Cumulative to Date | \$1,282,803 |



- Finalization of geotechnical borings and reports is delayed due to the previous federal lawsuit restrictions on property acquisitions.

SCHEDULE:

| September 2014 Update | | | | Data Date: 26-Sep-14, Printed On: 29-Sep-14 15:31 | | | | | | | | | | | | | | | | | | |
|--|---------------|-------------|-----------|---|----|----|----|------|----|----|----|------|----|----|----|------|----|----|----|------|----|----|
| Activity ID | Activity Name | Start | Finish | 2014 | | | | 2015 | | | | 2016 | | | | 2017 | | | | 2018 | | |
| | | | | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 |
| Total | | 19-Aug-11 A | 07-Jun-18 | [Gantt bar showing project duration from 2014 Q4 to 2018 Q3] | | | | | | | | | | | | | | | | | | |
| City Center Programmatic | | 01-Nov-11 A | 01-Jun-15 | [Gantt bar showing programmatic work from 2014 Q4 to 2015 Q2] | | | | | | | | | | | | | | | | | | |
| City Center Permits | | 19-Aug-11 A | 08-Dec-15 | [Gantt bar showing permit work from 2014 Q4 to 2015 Q4] | | | | | | | | | | | | | | | | | | |
| Design - City Center Guideway & Utilities | | 01-Jul-12 A | 26-Nov-14 | [Gantt bar showing design work from 2014 Q3 to 2015 Q4] | | | | | | | | | | | | | | | | | | |
| Construction - City Center Guideway & Utilities | | 29-Jan-15 | 07-Jun-18 | [Gantt bar showing construction work from 2015 Q1 to 2018 Q3] | | | | | | | | | | | | | | | | | | |

WORK PROGRESS:

Activities this Month:

- Continued processing pending changes.
- Continued coordination with HDOT (Highway and Airport Divisions), utility companies, U.S. Navy and other stakeholders.
- Continued coordination with HECO.
- Continued weekly progress/design and interface meetings.
- Continued geotechnical investigations and design.
- Continued to refine design based on right-of-way input.

Look Ahead:

- Continue processing pending changes.
- Continue geotechnical investigations.
- Resolve third-party comments/approvals.

CRITICAL PATH ISSUES:

- Coordination with other contractors on design and construction interface milestones.
- Coordination of existing utility relocations with HECO.
- Coordination with property owners and developers along alignment.
- Timely acquisition of properties and easements.

UTILITY AGREEMENTS:

- All engineering utility agreements for the Airport and City Center sections have been executed.
- AT&T Corp. is reviewing HART comments to the draft Construction Agreement.
- HART has sent a draft of the Utility Construction Agreement to Hawai'iGAS Utility for review/comments.
- Looking Ahead:
 - Execute Hawai'iGAS City Center UCA.

HDOT AGREEMENTS:

- Looking Ahead: City Center Joint Use and Occupancy expected to be executed early 2015.

RIGHT OF WAY:

| City Center Right-of-Way for Parcels | | | | | | | | | | | |
|--------------------------------------|--------------------|--------------------------|-----------------------|----------------------|-----------------------|-----------------|-------------------------------------|---------------------|------------------------|-----------------------|-------------------------------------|
| | # Parcels Impacted | Current # Parcels Needed | Appraisals In Process | Appraisals Completed | Letters of Offer Sent | Offers Accepted | Possession Granted for Condemnation | Agreements Executed | Acquisitions Completed | Relocations Completed | Properties Available for Contractor |
| Full Acquisition | 20 | 20 | 1 | 17 | 18 | 14 | | | 11 | 5 | 5 |
| Partial Acquisition | 89 | 78 | 11 | 18 | 18 | 1 | | | | | |
| Easement | 41 | 33 | 2 | 1 | 1 | | | 2 | 2 | | 2 |
| TOTAL | 150 | 131 | 14 | 36 | 37 | 15 | | 2 | 13 | 5 | 7 |

| City Center Relocation Status for Occupants | | | | | | | |
|---|--------------------------|--------------------------------|---------------------------|---------------------------------|--------------------|--------------------|-------------------------------------|
| Residential Relocations (a) | Business Relocations (b) | Not-For-Profit Relocations (c) | Total Relocations (a+b+c) | Relocation Assessment Completed | 90-Day Notice Sent | 30-Day Notice Sent | Relocations Completed for Occupants |
| 10 | 59 | | 69 | 21 | 35 | 11 | 23 |

- Acquisitions:
 - Offer accepted for TMKs 1-2-009-017 and 2-3-007-033.
 - Offers made on TMKs 1-2-003-014, 2-1-030-043, 2-1-030-001, 2-1-031-030, 1-2-009-005, 1-2-009-006 and 1-2-009-16.
 - Offers re-sent for TMKs 1-2-003-018 and 1-2-003-106.
 - Counter offers received on TMKs 1-2-003-014 and 2-3-007-054.
 - Acquisitions completed for TMKs 2-3-007-033, 2-3-007-036 and 2-3-007-044.
 - Property available for contractor: TMKs 2-3-004-048 and 1-2-003-082.
 - Escrow opened on TMK 1-5-007-021.
 - Appraisal in process for TMKs 1-2-003-101, 1-5-015-006, 1-5-015-007 and 1-2-003-006.
 - Completed appraisals for TMKs 1-2-009-005, 1-2-009-006, 1-2-009-016, 2-3-002-069 and 1-2-010-072.
 - FTA concurrence requested for TMK 2-3-007-054.
 - Letter of Intent sent for TMK 9-8-009-005.
- Relocations:
 - 90-Day notice delivered for two tenants at TMK 1-2-010-068.
 - Commenced relocation on TMK 1-2-009-018.
 - Sent updated Notice of Eligibility on TMKs 1-5-007-021, 2-3-007-044, 2-3-007-036 and 2-3-004-069.
- Look Ahead:
 - Conduct appraisal site inspections on TMKs 1-2-003-020, 2-3-039-004, 2-3-039-013, 1-5-015-001, 1-5-015-005, 1-5-015-006, 1-5-015-007, 1-5-015-008, 2-3-007-028, 2-3-039-011 and 2-3-039-006.
 - Make offers for TMKs 1-2-003-006, 1-2-003-020, 1-2-003-101, 1-5-015-007, 1-5-015-006, 1-5-015-017, 1-5-015-010, 2-3-002-069 and 2-3-007-027.
 - Close escrow on TMKs 1-5-007-021, 1-2-003-017, 1-2-009-017, 1-2-009-018 and 2-3-007-054.
 - Obtain administrative settlement on TMK 2-3-007-054.
 - Commence relocation on TMKs 2-3-007-033, 1-2-009-017 and 1-2-009-018.
 - Re-send offers for TMKs 1-5-028-066, 1-5-028-022, 1-5-028-019, 1-5-029-049, 1-5-029-050, 1-5-029-060, 1-5-029-065, 1-5-021-011, 1-5-021-037, 1-5-020-007, 1-5-020-001, 1-5-020-003, 2-1-030-001 and 2-1-030-043.
 - Complete appraisals for TMKs 1-2-003-006, 1-2-003-020, 1-2-003-101, 1-5-015-007, 1-5-015-006, 1-5-015-017, 1-5-015-010 and 2-3-007-027.
 - Anticipate all tenants to vacate for TMK 2-3-007-054.
 - Anticipate completion of relocation for TMK 1-1-016-005.

QUALITY MANAGEMENT:

- Monitoring AECOM QA/QC activities.
- Issued QA Audit Report to AECOM on audit held on September 3.

SAFETY AND SECURITY:

| City Center Contracts | | | | | | |
|--|------------|---------------------------------------|---|-----------|------|-------------------|
| Contract | Event Type | Total Number of Events since 1/1/2007 | Total Number of Events for October 2014 | Loss Type | Date | Event Description |
| FD-550 Dillingham and Kaka'ako Station Group | Near Miss | 1 | 0 | | | |

*Reportable incidents: Requires OSHA to be notified within 8 hours, and includes the death of an employee or hospitalization of three or more employees.
 **Loss Time Injury: Time away from work due to injury.

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B. Dillingham and Kaka'ako Station Group (DKSG)

Contract No.: FD-550

Contractor: Perkins+Will, Final Design Consultant (Engineer of Record)

Contract Start Date: August 2013

Construction Docs Bid-Ready: Aug. 15, 2015

Project Description: Design eight stations for the fourth and final phase of the rail transit project that will connect Dillingham Blvd. to Ala Moana Center.



COST INFORMATION:

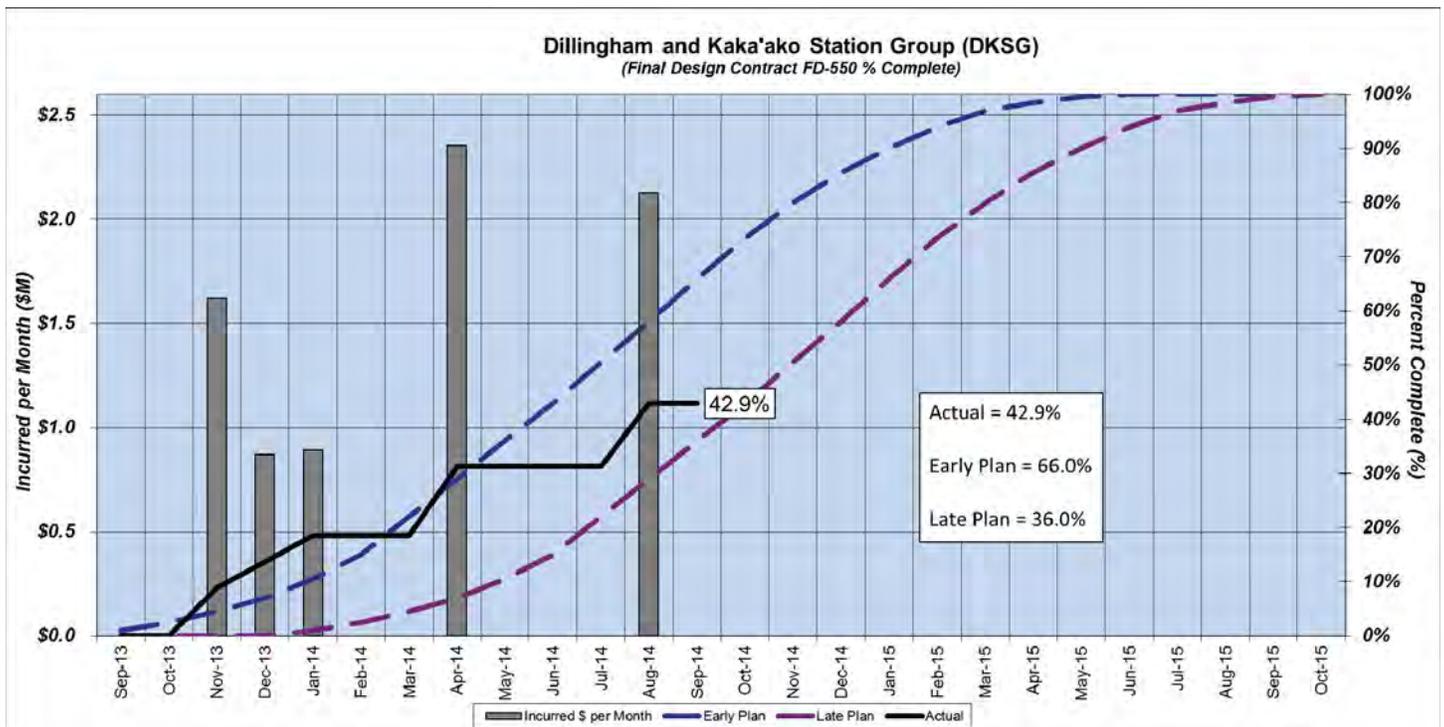
| | | | | | |
|---------------------------|----------------------|---------|-------------|---------|-------------|
| Original Contract: | \$18,321,918 | NTP 1A: | \$1,305,204 | NTP 1B: | \$4,593,942 |
| Committed ¹ : | \$18,321,918 | NTP 2: | \$5,763,606 | NTP 3: | \$3,023,242 |
| Authorized ² : | \$14,685,994 (80.2%) | | | | |
| Incurred-to-Date: | \$7,864,923 | | | | |
| Incurred in Sept.: | \$0 | | | | |

¹Commitment = Original contract value (not including contingency) with Design Allowance + executed Change Orders
²Total Authorized for Expenditure (AFE) = NTP dollar values + executed Change Orders

| Disadvantaged Business Enterprise (DBE) Participation | |
|---|-----|
| Actual DBE Participation: | \$0 |
| DBE % Attained: | 0% |

| September Notices to Proceed |
|------------------------------|
| NTP 3 |

| September Change Orders | |
|---------------------------|-------------|
| Change No. | Amount (\$) |
| None | --- |
| Cumulative to Date | \$0 |



SCHEDULE:

| September 2014 Update | | Data Date: 26-Sep-14, Printed On: 08-Oct-14 | | | | | | | | | | | | | | | | | | |
|---|---------------|---|--------|------|----|----|------|----|----|------|----|----|------|----|----|------|----|----|------|----|
| Activity ID | Activity Name | Start | Finish | 2014 | | | 2015 | | | 2016 | | | 2017 | | | 2018 | | | 2019 | |
| | | | | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 |
| City Center (CC) - Section 4 | | | | | | | | | | | | | | | | | | | | |
| Dillingham Station Group | | | | | | | | | | | | | | | | | | | | |
| Design - Dillingham Station Group | | | | | | | | | | | | | | | | | | | | |
| Construction - Dillingham Station Group | | | | | | | | | | | | | | | | | | | | |
| Kalihi Station | | | | | | | | | | | | | | | | | | | | |
| Kapalama Station | | | | | | | | | | | | | | | | | | | | |
| Iwilei Station | | | | | | | | | | | | | | | | | | | | |
| Chinatown Station | | | | | | | | | | | | | | | | | | | | |
| Kaka'ako Station Group | | | | | | | | | | | | | | | | | | | | |
| Design - Kaka'ako Station Group | | | | | | | | | | | | | | | | | | | | |
| Construction - Kaka'ako Station Group | | | | | | | | | | | | | | | | | | | | |
| Downtown Station | | | | | | | | | | | | | | | | | | | | |
| Civic Center Station | | | | | | | | | | | | | | | | | | | | |
| Kaka'ako Station | | | | | | | | | | | | | | | | | | | | |
| Ala Moana Center Station | | | | | | | | | | | | | | | | | | | | |

WORK PROGRESS:

Activities this Month:

- Continued design which is 45% complete.
- Continued weekly progress/design and interface meetings.
- Resolving interface loads.
- Approved P+W's PM replacement.
- Conducting community meetings.
- Coordinated with various private developers, third-party stakeholders and the city Department of Planning and Permitting regarding TOD.
- Continued geotechnical borings and topographic survey.

Look Ahead:

- Continue final design.
- Continue coordination with various stakeholders and private developers.

CRITICAL PATH ISSUES:

- Coordination with other contractors on design and construction interface milestones.
- Coordination with property owners/developers on station integration.
- Property acquisition for construction.

QUALITY MANAGEMENT:

- Monitoring P+W QA/QC activities.
- Issued Constructability Reviews performed by AECOM for reference only.

4.6 Project-Wide

A. Program Management Support Consultant-2 (PMSC-2)

Contract No.: MM-901

Contractor: InfraConsult LLC

Contract Start Date: March 2012

Contract Completion: March 2015 with option to renew contract for two additional years

Project Description: Provide program management support services in the areas of elevated guideway engineering, rail station design, construction management, project management, environmental planning, federal programmatic requirements, and other services for the Honolulu Rail Transit Project.

COST INFORMATION:

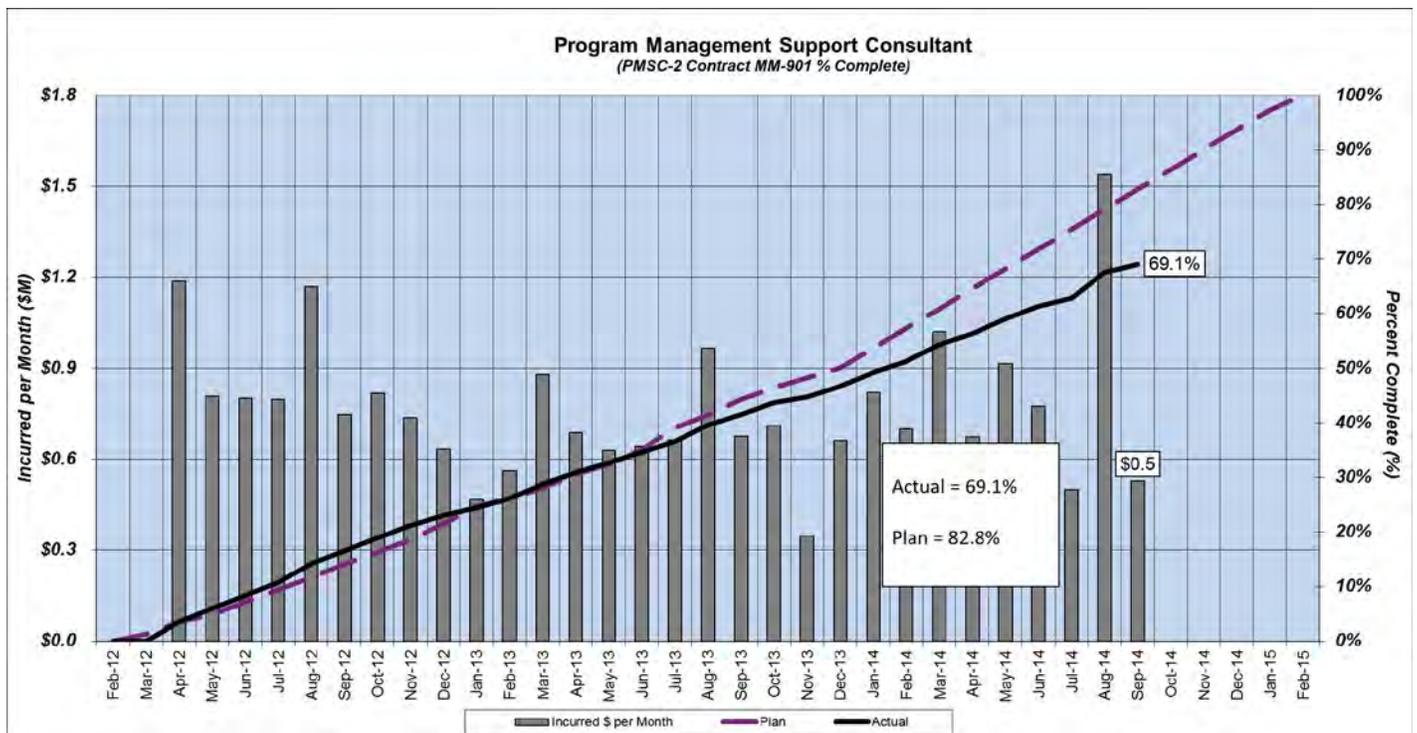
| | |
|---|--|
| <u>Original Contract:</u> \$33,376,897 | <u>NTP1:</u> \$11,240,790 |
| <u>Committed¹:</u> \$33,376,897 | <u>FY13 Encumbrance:</u> \$5,000,000 |
| <u>Authorized²:</u> \$26,680,790 (79.9%) | <u>FY14 Encumbrance:</u> \$5,000,000 |
| <u>Incurred-to-Date:</u> \$23,063,770 | <u>FY14-A Encumbrance:</u> \$5,440,000 |
| <u>Incurred in Sept.:</u> \$529,523 | |

¹Commitment = Original contract value (not including contingency) + executed Change Orders
²Total Authorized for Expenditure (AFE) = NTP dollar values + executed Change Orders

| Disadvantaged Business Enterprise (DBE) Participation | |
|---|-----|
| Actual DBE Participation: | \$0 |
| DBE % Attained: | 0% |

| September Notices to Proceed |
|------------------------------|
| FY14-A Encumbrance |

| September Change Orders | |
|-------------------------|-------------|
| Change No. | Amount (\$) |
| None | \$0 |
| Cumulative to Date | \$0 |



ISSUES:

- No issues.

B. General Engineering Consultant III (GEC-3)

Contract No.: MM-913

Contractor: CH2M HILL

Contract Start Date: December 2013

Contract Completion: March 2019

Project Description: HART GEC III support services include: schedule and estimating, interface coordination and management, environmental and planning, design management services, and program management (aka GEC III contract management).

COST INFORMATION:

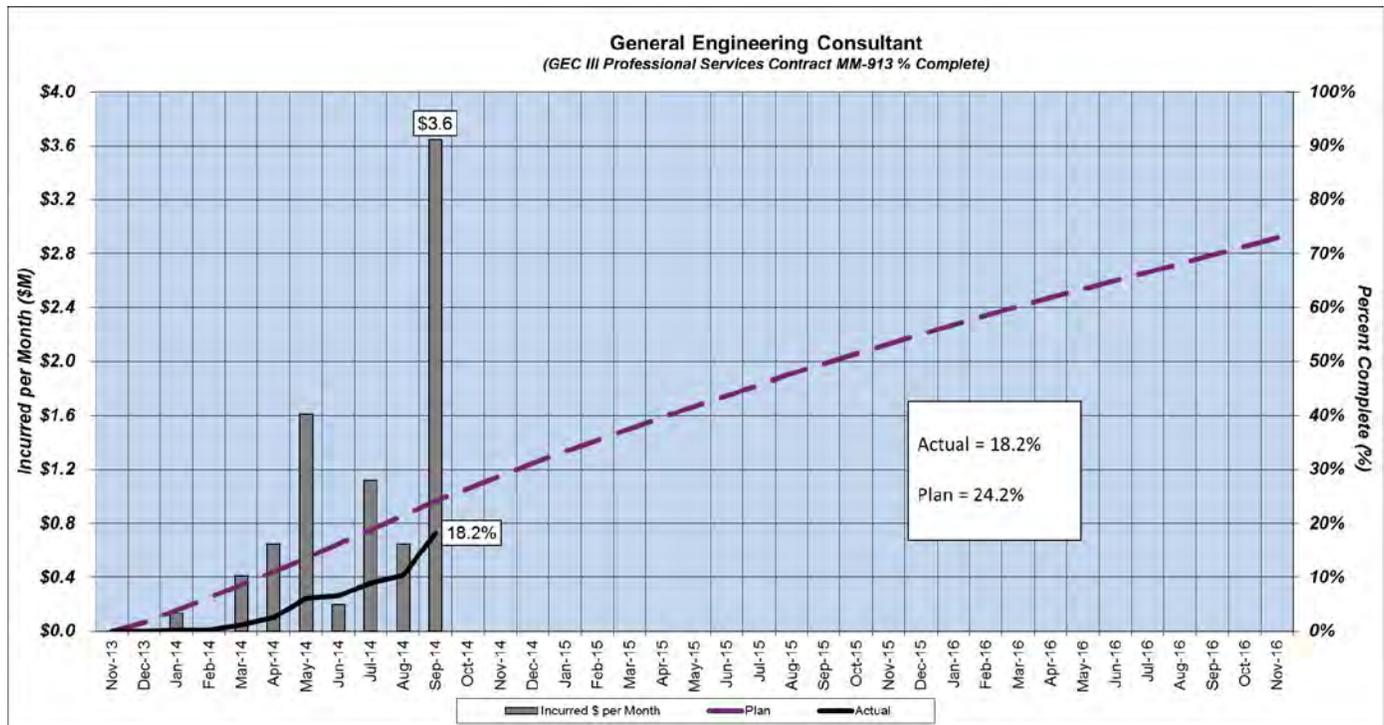
| | |
|--|---------------------------------|
| Original Contract: \$46,143,277 | NTP 1: \$4,359,403 |
| Committed ¹ : \$46,143,277 | FY2015 Encumbrance: \$8,718,805 |
| Authorized ² : \$13,078,208 (28.3%) | |
| Incurred-to-Date: \$8,417,592 | |
| Incurred in Sept.: \$3,648,544 | |

¹Commitment = Original contract value (not including contingency) + executed Change Orders
²Total Authorized for Expenditure (AFE) = NTP dollar values + executed Change Orders

| Disadvantaged Business Enterprise (DBE) Participation | |
|---|-----------|
| Actual DBE Participation: | \$470,942 |
| DBE % Attained: | 1.02% |

| September NTP/Encumbrance |
|---------------------------|
| FY2015 Encumbrance |

| September Change Orders | |
|---------------------------|-------------|
| Change No. | Amount (\$) |
| None | --- |
| Cumulative to Date | \$0 |



ISSUES:

- The level of effort required to administer and support environmental and planning activities is being closely monitored to ensure budget requirements are met.
- Design management support efforts are being extended in an effort to improve contract documents and lower overall project construction costs.

C. Construction Engineering & Inspection West Side Sections

Contract No.: MM-290
Contractor: PGH Wong Engineering, Inc.
Contract Start Date: January 2014
Contract Completion: January 2020

Project Description: The West Side Section CE&I (West CE&I) team is providing Construction Engineering and Inspection Services (CE&I) for the West Section, which includes aerial guideway, stations, maintenance & storage facility, and garage & transit center from East Kapolei in West O’ahu to Aloha Stadium, of the 20-mile Honolulu Rail Transit Project (H RTP) for the Honolulu Authority for Rapid Transportation (HART).

The West CE&I team provides HART staff augmentation for construction management and administration services to monitor and observe the design-build and design-bid-build construction work such that the projects are constructed in general conformity with the plans, specifications, and special provisions for the WOFH, KHG, MSF, WSSG, and PHGT contracts. These CE&I services also include: constructability review, resident engineering, on-site field oversight, project controls, scheduling review, change management, cost control, document controls, contract administration, construction cost estimating, environmental monitoring, surveying, material testing, interface coordination and claims analysis.

COST INFORMATION:

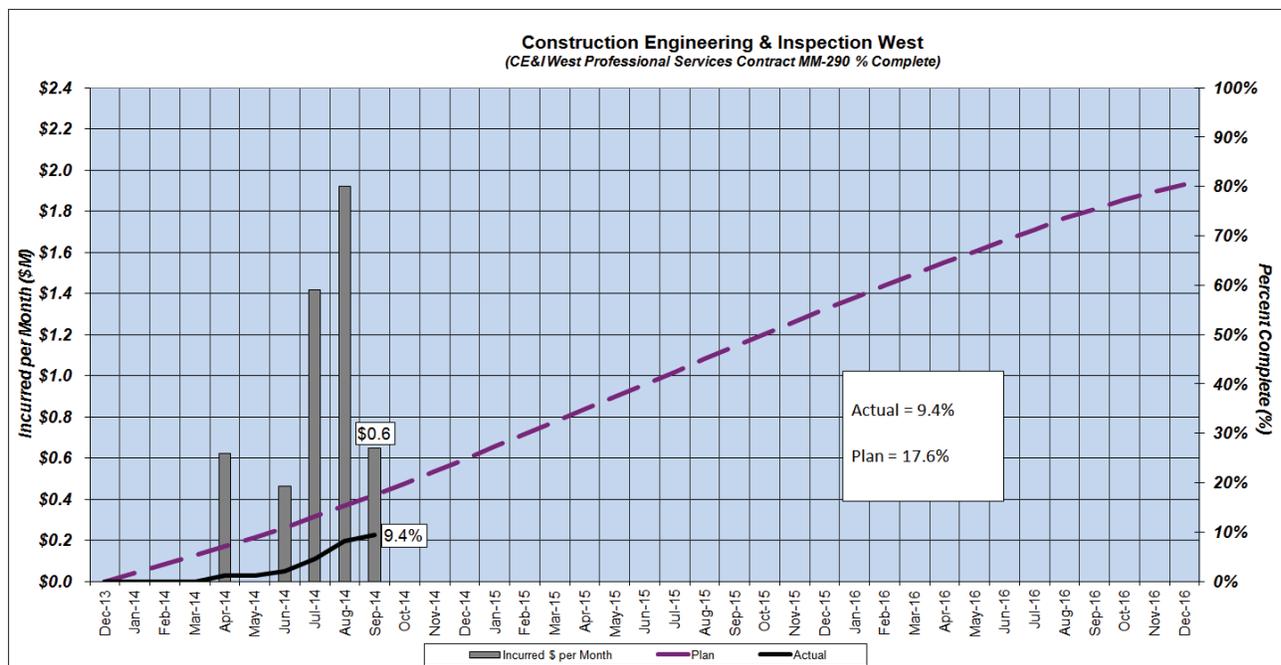
| | | | |
|---------------------------|----------------------|--------|--------------|
| Original Contract: | \$54,232,480 | NTP 1: | \$16,650,000 |
| Committed ¹ : | \$54,232,480 | | |
| Authorized ² : | \$16,650,000 (30.7%) | | |
| Incurred-to-Date: | \$5,073,786 | | |
| Incurred in Sept.: | \$648,927 | | |

¹Commitment = Original contract value (not including contingency) + executed Change Orders
²Total Authorized for Expenditure (AFE) = NTP dollar values + executed Change Orders

| Disadvantaged Business Enterprise (DBE) Participation | |
|---|-----------|
| Actual DBE Participation: | \$403,775 |
| DBE % Attained: | 0.75% |

| September Notices to Proceed |
|------------------------------|
| None |

| September Change Orders | |
|---------------------------|-------------|
| Change No. | Amount (\$) |
| None | --- |
| Cumulative to Date | \$0 |



ISSUES:

- Staffing and level of effort for environmental field oversight is being closely monitored to evaluate if appropriate coverage is being provided to support construction activities.

D. Construction Engineering & Inspection East Side Sections

Contract No.: MM-595

Contractor: URS Corporation

Contract Start Date: January 2014

Contract Completion: December 2018

Project Description: The URS team is providing Construction Engineering and Inspection Services (CE&I) for the East Section of the Honolulu Rail Transit Project (H RTP) for the Honolulu Authority for Rapid Transportation (HART). The H RTP will construct a 20-mile passenger rail system connecting East Kapolei in west O’ahu to Ala Moana Center in Honolulu’s dense urban core.

The URS team is providing services from the preconstruction phase through construction closeout. CE&I services include: constructability review, resident engineering, construction observation, project controls, scheduling, change management, cost control, document controls, contract administration, estimating, environmental monitoring, surveying, material testing, interface coordination, geographic information system (GIS) support and claims analysis. The primary role of the URS team is to inform the HART project manager of any significant omissions, substitutions, defects, and deficiencies noted in the work of the contractor and the corrective action that has been directed by HART to be performed by the contractor.

COST INFORMATION:

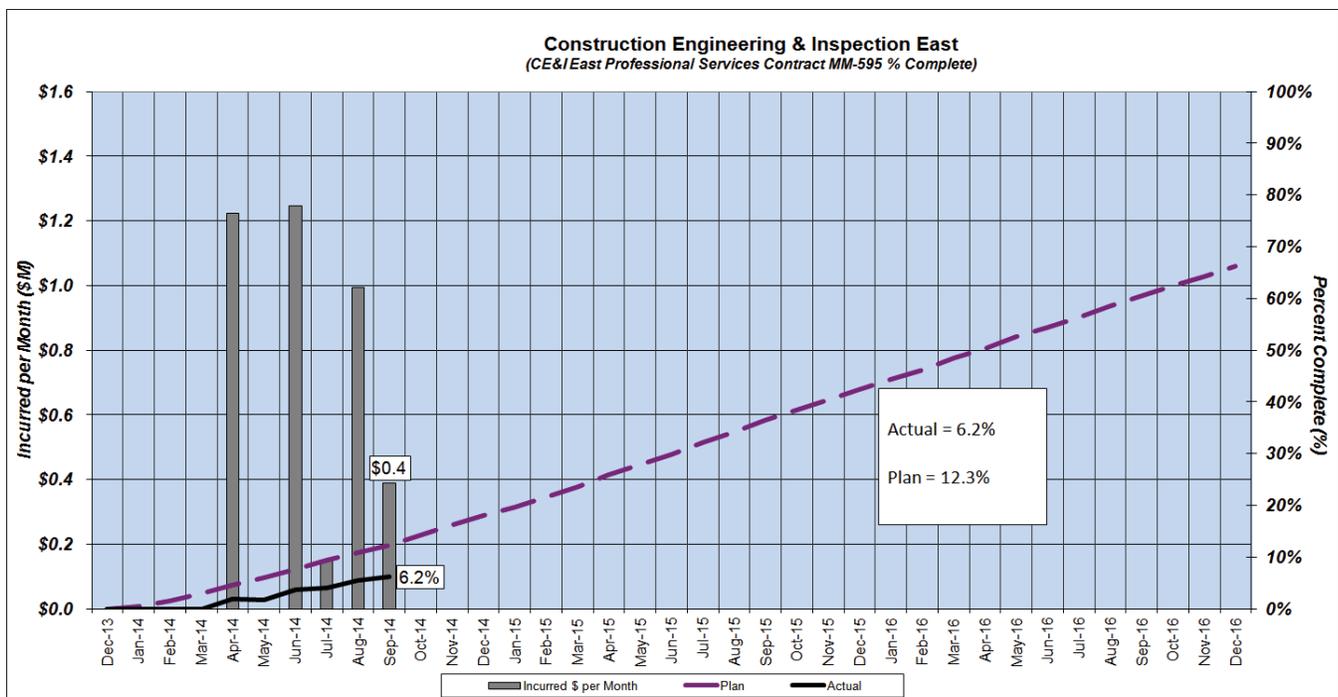
| | |
|---|----------------------------|
| <u>Original Contract:</u> \$63,083,417 | <u>NTP 1:</u> \$15,257,000 |
| <u>Committed¹:</u> \$63,083,417 | |
| <u>Authorized²:</u> \$15,257,000 (24.2%) | |
| <u>Incurred-to-Date:</u> \$3,904,027 | |
| <u>Incurred in Sept.:</u> \$388,566 | |

¹Commitment = Original contract value (not including contingency) + executed Change Orders
²Total Authorized for Expenditure (AFE) = NTP dollar values + executed Change Orders

| Disadvantaged Business Enterprise (DBE) Participation | |
|---|-----------|
| Actual DBE Participation: | \$482,239 |
| DBE % Attained: | 0.76% |

| September Notices to Proceed |
|------------------------------|
| None |

| September Change Orders | |
|---------------------------|-------------|
| Change No. | Amount (\$) |
| None | --- |
| Cumulative to Date | \$0 |



ISSUES:

- HART is evaluating the recent AECOM acquisition of URS and possible impacts to the CE&I services.

E. Core Systems Contract Oversight Consultant

Contract No.: MM-962

Contractor: Lea+Elliot, Inc.

Contract Start Date: February 2014

Contract Completion: August 2019

Project Description: Provide professional services for design and construction management and testing/commissioning of the Core Systems Design-Build-Operate-Maintain (DBOM) Contract. The major systems of the Core Systems DBOM contract are the vehicles, the automated train control (ATC) system, the traction electrification system, the communications system, and the platform screen gates (PSGs). Services include review and approval of design submittals, manufacturing oversight, installation oversight, operation/maintenance design oversight and support, system testing/acceptance, and contract close-out.

COST INFORMATION:

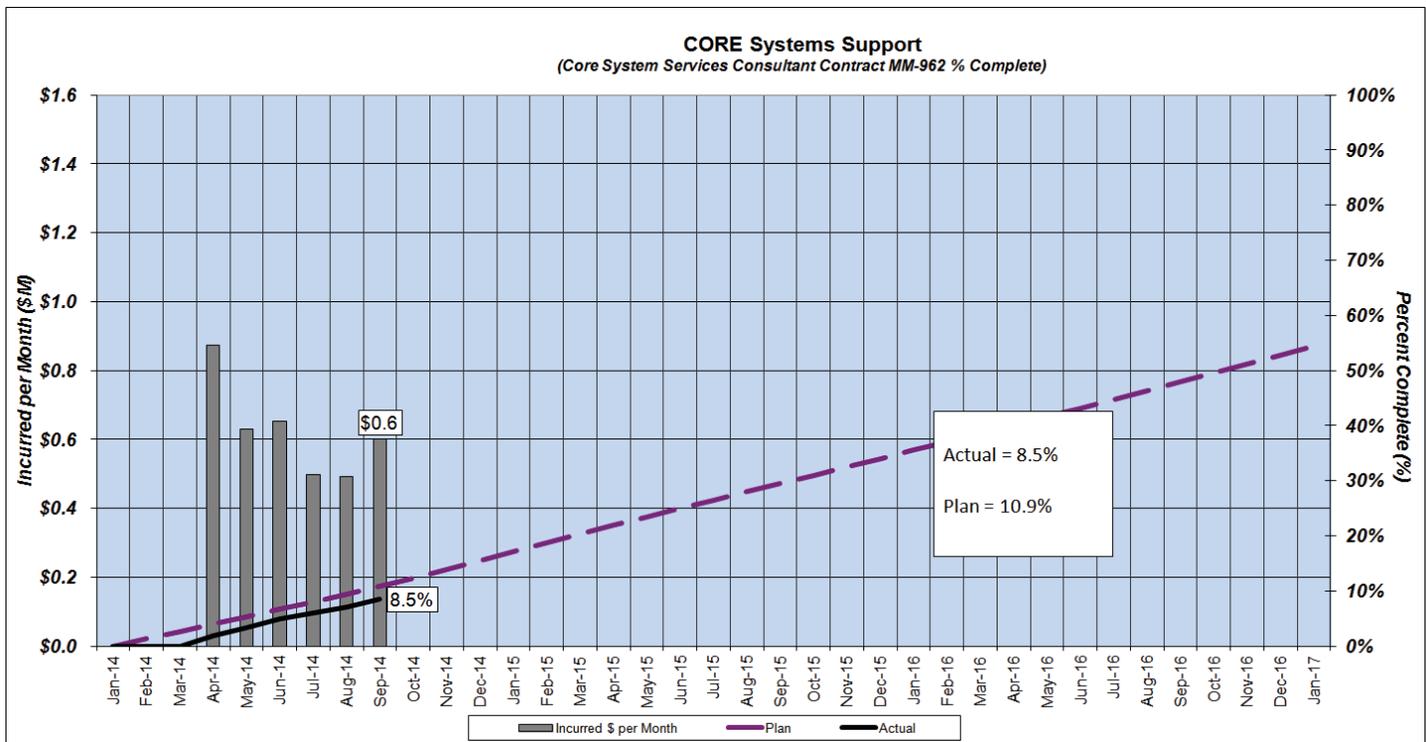
| | | | |
|---------------------------|--------------------|--------|-------------|
| Original Contract: | \$43,988,989 | NTP 1: | \$3,600,000 |
| Committed ¹ : | \$43,988,989 | | |
| Authorized ² : | \$3,600,000 (8.2%) | | |
| Incurred-to-Date: | \$3,749,764 | | |
| Incurred in Sept.: | \$602,003 | | |

¹Commitment = Original contract value (not including contingency) + executed Change Orders
²Total Authorized for Expenditure (AFE) = NTP dollar values + executed Change Orders

| Disadvantaged Business Enterprise (DBE) Participation | |
|---|----------|
| Actual DBE Participation: | \$95,547 |
| DBE % Attained: | 0.23% |

| September Notices to Proceed |
|------------------------------|
| None |

| September Change Orders | |
|---------------------------|-------------|
| Change No. | Amount (\$) |
| None | --- |
| Cumulative to Date | \$0 |



ISSUES:

- Support oversight of vehicle shell manufacturing.
- Coordination with other contractors on construction interface milestones.
- Review and acceptance of procedures for factory acceptance tests.
- Design review completion with respect to manufacturing fabrication and test schedule.

5 OVERALL PROJECT-WIDE ACTIVITIES

5.1 Interface

- **Activities this month**

- Facilitated 22 interface definition meetings with various contractors. Meetings are held monthly and workshops are held to resolve critical issues.
- Facilitated Assessment Team meeting for KHSG ICDs approaching Rev. 0.
- Continuing efforts to support FHSG, WOSG and KHSG PMs, CE&I RE, and design consultants with resolution of interface issues, closeout of RFIDs, and preparation of Interface Control Documents (ICDs).
- Facilitating resolution of station-to-guideway interfaces for DKSG stations.
- Facilitating resolution of elevator and escalator interfaces with stations and guideway.
- Providing part-time assistance to facilitate resolution of MSF and CSC interfaces.
- Facilitating resolution of interfaces with peripheral devices and platform screen gates with stations.
- Tracking electromagnetic mitigation options for AM antenna as they affect the Airport City Center Guideway (ACG), CSC and ASG contracts.
- Tracking resolution of West Yard Leads for WOFH, MSF and CSC contracts.
- Updating interface strategy and allocation of roles and resources within the Interface team and external counterparts with the addition of new HART senior managers.
- Participated in cost reduction discussions for FHSG, WOSG, KHSG and other contracts.
- Participated in resolving guideway design speed interface between CSC and guideway contracts.

| Requests for Interface Data (RFIDs) | |
|-------------------------------------|--------|
| Total Submitted | Closed |
| 1,501 | 1,035 |

| Interface Issues Elevated | | | | | |
|---------------------------|-----|------|--------|---------|-----|
| Total | New | Open | Closed | On Hold | OSR |
| 53 | 8 | 1 | 6 | 2 | 36 |

- **Look Ahead**

- Continue monitoring contractor RFIDs and ICDs pertaining to the Final Design Baseline (Revision 0).
- Continue to support FHSG, WOSG and KHSG PMs, CE&I RE, and design consultants with resolution of interface issues, closeout of RFIDs, and preparation of ICDs prior to issuance for bid.
- Conduct risk assessment of elevated issues for FHSG and WOSG, engaging HART’s “A-Team” (i.e., assessment team) comprised of HART senior managers, for path forward to construction.
- Facilitate workshops between CSC and station designers to finalize peripheral devices and platform screen gates interface details.

5.2 Other Design Activities

- **Activities this month**

- Prepared and conducted community meeting presentations.
- Coordination with various private developers and third-party stakeholders.
- Support weekly maintenance of traffic coordination.
- Technical review of Request for Changes.
- Technical review of design submittals.
- Provide technical support for construction-related issues.
- Provide technical support for design-related issues.

- **Look Ahead**

- Ongoing coordination with the Project Controls and Procurement teams to maintain alignment between design schedule and programmatic goals.

5.3 Permits

- **Activities this month**

- HART submitted a revision to the Hawai'i Department of Health (HDOH) community noise permit and variance application for the West O'ahu Farrington Highway section and Maintenance and Storage Facility, for 5-years of permit coverage.
- HART received an extension of the WOFH-MSF Community Noise Variance to allow nighttime work activities until April 12, 2015. The WOFH-MSF Community Noise Variance request for a 5-year extension is still under review.
- The Fish and Wildlife Service (FWS) submitted an ecological assessment of the construction impacts along Waiawa Stream and Tributary.
- HART held a meeting with FWS on Oct. 3, 2014, to discuss ecological impacts of construction along Waiawa Stream and Tributary.
- HART submitted the Municipal Separate Storm Sewer System (MS4) for Airport section guideway construction to the Navy.
- HART submitted the MS4 for Airport and City Center sections guideway construction to the Hawai'i Department of Transportation.
- HART submitted the MS4 for City Center section guideway construction to the Hawai'i Community Development Authority (HCDA).

- **Look Ahead**

- Upcoming significant permit activity:
 - HART will submit the Halawa Clean Water Act Section 404 Certification to the Hawai'i Department of Health.
 - HART will submit a Stream Channel Alteration Permit request for Halawa, Moanalua and Kalihi streams.
- HART is waiting to receive approval of its section 401 permit application for Waiawa Stream and Tributary from the Hawai'i Department of Health.
- HART is waiting to receive approval of its section 404 permit application for Waiawa Stream and Tributary from the U.S. Army Corps of Engineers.
- HART is waiting to receive approval of its Airport Community Noise Variance from the Hawai'i Department of Health.
- HART is waiting to receive approval of its Coastal Zone Management from the Department of Planning and Permitting.

5.4 Hawai'i Department of Transportation (HDOT) Agreements

- **Activities this month**

- Alignment-wide, the HDOT Traffic Management Consultant (contract MM-915) continues to review traffic signals, ITS and construction Maintenance of Traffic (MOT) for HDOT.
- Kiewit is responsible for maintenance of Farrington Highway and Kamehameha Highway as part of the Master Agreement.
- SSFM, the HDOT Design Coordination Consultant for the Airport and City Center Guideway sections (contract MM-922), is reviewing guideway design submittals for HDOT.

5.5 Utility Agreements

Figure 16. Utility Agreements Status

| Utility Agreements Status Matrix | | | | | | | | | |
|----------------------------------|----------|----------------------|---|---|---|--|--------------------------------|-----------------|----------------------------------|
| Utility Owner | Status | WOFH | | KHG | | Airport | | City Center | |
| | | ESA | UCA | ESA | UCA | UCA | COMBINED ESA | UCA | |
| AT&T | Executed | 5/11/11 | 12/20/11 | | | | | | |
| | NTP | 5/12/11 | 12/21/11 | 5/18/12 | AT&T has provided comments 4/11/14 (will include City Center) | Submitted draft to AT&T (will include City Center) | Agreement Executed | | |
| Chevron | Executed | 12/4/09 | | 11/4/11 | | | | | |
| | NTP | 12/22/09 | | 11/15/11 | | | | | |
| Hawaiian Telcom | Executed | 5/20/10 | HTI has signed. Routing for execution. | 5/10/12 | Draft is routing internally for review. | | HTI agreement executed 9/27/13 | | |
| | NTP | 6/14/10 | | | | | | | |
| HECO | Executed | | 4/20/12 (to be vacated once Design and Construction Services Agreements Executed) | 7/12/12 (Agreement to be vacated once Design and Construction Services Agreements are Executed) | | Airport Bridging Agreement (Expired 11/29/13) City Center Bridging Agreement (Expired 11/29/13) | | | |
| | NTP | By Agreement with PB | | | | | | | |
| | | Pre-Construction | | Pre-Construction | | Pre-Construction | | | |
| | Executed | 10/30/13 | | 10/4/13 | | n/a | | | |
| | Expired | 11/29/13 | | 11/29/13 | | n/a | | | |
| | | Design Services | Construction Services | Design Services | Construction Services | Design Services | Construction Services | Design Services | Construction Services |
| | Executed | 11/20/13 | 11/29/13 | 11/20/13 | 11/29/13 | 11/20/13 | | 11/25/13 | |
| | NTP | 11/20/13 | 11/29/13 | 11/20/13 | 11/29/13 | 11/20/13 | | 11/25/13 | |
| Oceanic Time Warner Cable | Executed | 12/8/09 | | | | | | | |
| | NTP | 12/22/09 | 12/21/11 | 1/9/12 | 6/2/14 | HART completed review of comments from Oceanic and returned to Oceanic | 4/4/2013 | | |
| Pacific Lightnet/Wavecom | Executed | 4/28/10 | 3/12/12 | 2/15/12 | | | | | |
| | NTP | 4/29/10 | 3/13/12 | 2/16/12 | | | | | |
| Sandwich Isle Communications | Executed | 5/20/10 | Submitted draft to SIC | 4/20/12 | Submitted draft to SIC | Submitted draft to SIC | | | |
| | NTP | 6/8/10 | | | | | | | |
| Hawai'iGAS | Executed | 12/18/09 | 6/30/11 | 6/1/12 | 4/14/14 | 8/20/14 | 9/27/13 | | Draft under review by Hawai'iGAS |
| | NTP | 12/22/09 | 7/12/11 | | | | | | |
| tw telecom | Executed | 12/2/09 | | 2/14/12 | No Scope – Oceanic to relocate for tw telecom for KHG | 10/11/12 | | | |
| | NTP | 12/22/09 | | 2/16/12 | | | | | |
| Tesoro | Executed | | | 2/15/12 | Agreement executed 9/12/13 | Agreement executed 9/3/13 | | | |
| | NTP | | | 2/16/12 | | | | | |

Legend:  = Action this month
 = Not applicable

COR = Corporation Counsel
 ESA = Engineering Services Agreement

UCA = Utility Construction Agreement
 UFCRA = Combined Engineering and Construction Utility Agreement

5.6 Right-of-Way (data as of October 28, 2014)

o **Budget**

- o \$64.8M was spent to acquire 31 properties. The budgeted amount for the 31 parcels was \$77.2M, resulting in a budget underrun of \$12.4M.
- o \$3.8M has been expended to date for relocations.

Figure 17. Right-of-Way Status for the Parcels [data provided by Real Estate Acquisition database (READ)]

| Right-of-Way Status for the Parcels* | | | | | | | | | | | |
|--------------------------------------|--------------------|--------------------------|-----------------------|----------------------|-----------------------|-----------------|-------------------------------------|---------------------|------------------------|-----------------------|-------------------------------------|
| | # Parcels Impacted | Current # Parcels Needed | Appraisals In Process | Appraisals Completed | Letters of Offer Sent | Offers Accepted | Possession Granted For Condemnation | Agreements Executed | Acquisitions Completed | Relocations Completed | Properties Available for Contractor |
| Full Acquisition | 44 | 44 | 2 | 38 | 40 | 35 | 1 | 2 | 33 | 17 | 24 |
| Partial Acquisition | 128 | 94 | 11 | 26 | 24 | 2 | 1 | 3 | 3 | | 5 |
| Easement | 106 | 92 | 9 | 5 | 3 | | | 41 | 34 | | 36 |
| GRAND TOTAL | 278 | 230 | 22 | 69 | 67 | 37 | 2 | 46 | 70 | 17 | 65 |

* During design development, the real estate requirements have been adjusted to accommodate the design refinements. Parcel requirements are adjusted as design is finalized.

Figure 18. Relocation Status for the Occupants (data provided by READ)

| Relocation Status for the Occupants | | | | | | | | | |
|-------------------------------------|-----------------------------|--------------------------|--------------------------------|---------------------------|---------------------------------|--------------------|--------------------|-------------------------------------|--|
| | Residential Relocations (a) | Business Relocations (b) | Not-For-Profit Relocations (c) | Total Relocations (a+b+c) | Relocation Assessment Completed | 90-Day Notice Sent | 30-Day Notice Sent | Relocations Completed for Occupants | |
| GRAND TOTAL | 28 | 77 | 1 | 106 | 41 | 57 | 22 | 55 | |

Figure 19. Third-Party Agreement Status

| Third-Party Agreements | | | | |
|--|----------|---------------|------------------------|---|
| Agreement | Status | Target | Section | Notes/Remarks |
| University of Hawai'i (UH) Master Agreement | Pending | October 2014 | WOFH, KHG, City Center | Final negotiations are underway. Will secure Right of Construction as not to delay the project. |
| UH -West O'ahu (UHWO) Pre-Construction Right of Entry | Executed | | WOFH | |
| UH - West O'ahu (UHWO) Construction Right of Entry | Pending | October 2014 | WOFH | In negotiations. |
| Leeward Community College (LCC) Pre-Construction Right of Entry | Executed | | WOFH | |
| Leeward Community College (LCC) Construction Right of Entry | Pending | October 2014 | WOFH | In negotiations. |
| UH Urban Garden Pre-Construction Right of Entry | Executed | | KHG | |
| UH Urban Garden Construction Right of Entry | Executed | | KHG | |
| D.R. Horton Agreement for Construction | Executed | | WOFH | Allows for construction to proceed. |
| D.R. Horton Final Easement Agreement | Pending | December 2014 | WOFH | Document in process with D.R. Horton. |
| Honolulu Community College (HCC) Pre-Construction Right of Entry | Executed | | City Center | |
| Honolulu Community College (HCC) Construction Right of Entry | Pending | October 2014 | City Center | In negotiations. |
| Department of Land and Natural Resources (DLNR) Right of Entry | Executed | | WOFH | Right of entry is in place. Extension granted by DLNR Board. |
| Department of Land and Natural Resources (DLNR) Easement | Pending | | WOFH | Easement documents in process. |

| Third-Party Agreements | | | | |
|---|----------|---------------|---------------------------|---|
| Agreement | Status | Target | Section | Notes/Remarks |
| Department of Education Master Agreement and Consent to Construct | Executed | | WOFH | ROE is pending to allow entry for work to proceed; Master Agreement is pending. |
| Aloha Stadium / Department of Accounting & General Services (DAGS) Right of Entry | Executed | | KHG | Limited ROE granted for staging for Kiewit for KHG Contract. |
| Aloha Stadium / Department of Accounting & General Services (DAGS) Easement | Pending | November 2014 | KHG | Consent to enter submitted for consideration. |
| DHHL Master Agreement | Executed | | WOFH, MSF | |
| DHHL Consent to Construct | Executed | | WOFH, MSF | Consent to construct in place. |
| DHHL License | Executed | | WOFH, MSF | |
| HDOT Master Agreement | Executed | | WOFH | |
| HDOT Joint Use & Occupancy (JU&O) Sub-agreement | Executed | | WOFH | |
| HDOT Master Agreement for KHG, Airport and City Center | Executed | | KHG, Airport, City Center | |
| HDOT JU&O Sub-agreement | Executed | | KHG, Airport, City Center | |
| HDOT SOA MOU | Executed | | Program | |
| OCDC/Hawai'i Department of Public Safety Agreement Dillingham Blvd | Pending | December 2014 | City Center | New striping plan for parking configuration being reviewed. |
| HI Community Development Agreement (HCDA) | Pending | November 2014 | City Center | Awaiting final design requirements for the guideway. |
| DAGS | Pending | December 2014 | City Center | Processing. |
| U.S. Navy / General Services Administration (GSA) | Pending | N/A | Airport | Easements and fee taking are being processed by the Navy. Navy will not charge for all licenses and easements. Exemption granted. |
| U.S. Post Office Honolulu Processing Center | Pending | November 2014 | Airport | Finalized design. Offer made. |
| Federal Court House/GSA | Pending | December 2014 | City Center | Negotiations underway with GSA. |
| Pacific Guardian Center | Pending | December 2015 | City Center | Awaiting final design requirements for the guideway and Downtown station. |
| Howard Hughes Corporation – Joint Development Agreement | Pending | December 2015 | City Center | Awaiting final design requirements for the guideway and Kaka'ako station. |
| Sam House Development LLC – Joint Development Agreement | Pending | December 2015 | City Center | Awaiting final design requirements for the guideway and Ala Moana Center station. |
| GGP Ala Moana LLC – Joint Development Agreement | Pending | December 2015 | City Center | Awaiting final design requirements for the guideway and Ala Moana station. |

5.7 Safety and Security Project-Wide Contracts

Figure 20. Project-Wide Contracts

| Project-Wide Contracts | | | | | | |
|--|---|---------------------------------------|---|-----------|------|-------------------|
| Contract | Event Type | Total Number of Events since 1/1/2007 | Total Number of Events for October 2014 | Loss Type | Date | Event Description |
| Archaeological Inventory Survey | Environment | 1 | 0 | | | |
| | Loss or Damage | 1 | 0 | | | |
| | Near Miss | 3 | 0 | | | |
| | *Reportable Occupational Injury/Illness | 0 | 0 | | | |
| | **Loss Time Occupational Injury/Illness | 0 | 0 | | | |
| | Road/Vehicle - Driving | 3 | 0 | | | |
| | Security | 3 | 0 | | | |
| MM-905 General Engineering Consultant (EIS/PE) | Road/Vehicle - Driving | 1 | 0 | | | |
| MM-910 General Engineering Consultant II (Final Design & Construction) | Road/Vehicle - Driving | 1 | 0 | | | |

*Reportable incidents: Requires OSHA to be notified within 8 hours, and includes the death of an employee or hospitalization of three or more employees.
 **Loss Time Injury: Time away from work due to injury.

6 MANAGEMENT AND ADMINISTRATIVE UPDATES

6.1 Safety and Security

Figure 21. Safety and Security Issues Overview

| Overview of Safety and Security Issues | | |
|--|---------------------------|--------------------------------------|
| Period/Date | Number | Comments |
| Q1 2014 | 10 in Q1 2014 | January (0), February (5), March (5) |
| Q2 2014 | 16 in Q2 2014 | April (3), May (3), June (10) |
| Q3 2014 | 12 in Q3 2014 | July (4), August (4), September (4) |
| Oct. 2014 | 8 in October | |
| 2014 | 46 to date in 2014 | |

- **Activities this month**

- HART reviewed submittals from KKJV, AHJV, DKSG, AECOM, WOFH, WOSG, and MSF for compliance and technical specifications.
- HART staff continued to meet with HDOT biweekly to address FTA, HDOT, and HART concerns.
- Continued to hold Sensitive Security Information (SSI) Implementation working group meeting.
- Participated in the monthly Joint Traffic Management System (JTMS) steering committee meeting.
- Participated in the weekly HART Core Systems staff meeting.
- Conducted the monthly Fire Life Safety Working Group.
- Continued work in evaluating submittals.
- Participated in biweekly Project Interface meeting.
- Participated in biweekly Safety and Security Certification Working Group (SSCWG) meeting.
- SSI Program to be presented to HART staff, as needed.
- Continued to meet with the fire and police departments to review design packages for compliance.
- Participated in multi-agency MOT meeting on Fridays to better plan MOT activities for the guideway.
- Developed a HART Safety Hazard Tracking Log to address Safety and Security concerns across the project.
- Biweekly meeting to address Hazard Tracking Log.
- Safety and Security has been actively participating in meetings concerning the Line Speed, the AM Radio Tower, MOU with Hawaiian Electric, Track Obstruction Detection, the Pinchpoint at the West Yard Lead, and several other critical hot topics.

- **Look Ahead**

- Continue to hold safety meetings with contractors, particularly AHJV, committees and staff.
- On-going discussion of security concerns with the Transportation Security Administration (TSA), Honolulu Police Department (HPD), Honolulu Fire Department (HFD) and Department of Public Safety (DPS), and of emergency plans with Emergency Responders and Emergency Management.
- Continue to meet and review design issues with contractors.
- Continue to process CIL/CEL's from all contracts.
- Continue development of the Safety and Security Management Plan, Safety and Security Information Procedures, and Safety and Security Certification Plan.
- Safety and Security staff will continue to provide SSI training to employees that need to be trained.
- Continue to work with the Department of Emergency Management concerning Hurricane Drill and Tsunami event.

6.2 Quality Management

- **Activities this month**

- HART Quality Assurance (QA) staff holds a weekly meeting to discuss overall Project QA/Quality Control (QC) issues with consultants, contractors, subs and internal staff. The QA staff also reviews the Weekly To Do List.
- Continued updating and implementing the 1) QA Audits and 2) Environmental Compliance Audits Schedules for 2014.
- Responded to and incorporated PMOC comments on the revised QMP (Revision 2.A). QMP (Revision 2.B) is being reviewed internally prior to submittal to the PMOC.
- Continued updating and reviewing appropriate Project Baseline Plans and Procedures due to new policies, re-organization, process improvement and lessons learned from the internal audits. Updates to the appropriate Baseline Plans and Procedures have been prioritized for completion by 2014.
- Conducted biweekly Quality Task Force (QTF) meetings with CE&I, contractors and consultants' QA teams to discuss the status of: design and construction activities; procurement activities; inspection and testing; Non Conformance Report (NCRs); Corrective Actions (CARs) and Preventative Actions (PARs); quality compliance; various process improvements; and Buy America compliance.
- Reviewing Core Systems Contract Oversight Consultant (Lea+Elliott) supplemental QAP to HART QMP.
- Continued participation on the interface management plan.

| HART NCR Log | | |
|---------------------------|-----------|----------|
| Total NCRs Issued To Date | CLOSED | OPEN |
| 26 (Audits) | 26 | 0 |
| 1 (Construction) | 0 | 1 |

- **Look Ahead**

- Continue mentoring and training personnel on approved Project Plans and Procedures.
- Continue QA/QC and Environmental Compliance monitoring and oversight of contracts executed to date.
- Update and implement the 2014: QA and Environmental Audit Schedules.
- Perform QA Audits: Environmental Compliance of AUG, CCUG and ASG (AECOM) on Oct. 23-24; CSC (AB) Italy on Dec. 10-17; CSOC (L&E) on Nov.5-6; and CSC (AHJV) Environmental Compliance Audit on Dec. 2-3; and FHSG (URS) Final Design on Nov. 17-18.
- Follow up on and close corrective and preventative actions on all NCRs and Observations issued to all contracts.
- Review and approve contractor/consultant QAPs, Inspection and Test Plans (ITPs) and implementing procedures (new and updates).

6.3 Buy America Compliance (49 CFR 661 and 49 CFR 663)

Core Systems

- **Activities this month**

- 49 CFR 661 and 49 CFR 663 requires that Rolling Stock, Train Control Equipment, Communication Equipment, and Traction Power Equipment shall have 60% of US contents and be Finally Assembled in the USA.
- Met with PMOC and Ansaldo Breda PM to discuss Buy America compliance on the Passenger Vehicle including the requirements for End Cars and Middle Cars.
- Continued discussion on procurement status and Buy America updates with AHJV (ASTS/AB):
 - E Cars (Breda): 69.3% Pre-Award Audit US contents – July 2014 Monthly Report shows 71% US contents. The higher value includes the proposed manufacturing of Truck Frames and Bolsters at the Finmeccanica (DRS) facilities in West Plains, MO. No changes during this reporting period.
 - M Cars (Breda): Prepare Buy America Compliance Matrix (BACM) upon completion of contract negotiation.
 - Train Control System Wayside Portion (ASTS USA): 90% US contents HART-approved BACM; no changes during this reporting period.
 - Supervisory Control and Data Acquisition (SCADA) System (ASTS USA): 92.8% US contents HART-approved BACM; no changes during this reporting period.

- Traction Electrification System (Siemens): 69.9% US contents HART-approved BACM; no changes during this reporting period.
- Communication System Wayside Portion (Alcatel-Lucent): 80.7% US contents HART-approved BACM; no changes during this reporting period.
- MOW Multi-purpose Vehicle (Modern Track Machinery, Inc. [MTM]): 100% US contents HART-approved BACM; no changes during this reporting period.
- MOW 15 Ton Flatbed Trailer (MTM): 100% US contents HART-approved BACM; no changes during this period.
- MOW Rail Grinder Equipment (MTM): 69.3% US contents HART-approved BACM; changed to **70.0 %** (+0.7%). No changes during this reporting period.
- MOW Tamper (MTM): 85% US contents HART-approved BACM; changed to **88%** (+3%).
- MOW Geometry Car (MTM): 81.7% (+9.8%) US contents HART-approved BACM; no changes during this reporting period.
- MOW High Reach Lift Truck (MTM): 100% US contents HART-approved BACM; no changes during this period.
- MOW Rail Car Mover (MTM): 100% US contents HART-approved BACM; no changes during this reporting period.
- MOW Enclosed Trailer (MTM): 71% US contents HART-approved BACM; changed to 73.9% (+2.9%); no changes during this reporting period.
- Fire Detection & Alarm System Components (Johnson Controls): 100% US contents HART-approved BACM; no changes during this reporting period.
- Uninterrupted Power Supply (UPS) System: 73.6% US contents HART-approved BACM.
- Platform Screen Gates System, a Train Control Subsystem (Stanley Access Technologies, LLC): 96.4% US contents HART-approved BACM; no changes during this reporting period.

- **Look Ahead**

- Monitoring AHJV/AB Buy America compliance.
- Perform interim Buy America compliance audit of Ansaldo Breda in January 2015.

Construction

- **Activities this month**

- 49 CFR 661 requires that all iron, steel and manufactured products, which apply to all construction materials used in infrastructure projects such as transit or maintenance facilities, rail lines, and bridges, must be manufactured in the USA.
- Monitored Final Design consultants to include Buy America requirements into Design and Specifications.
- Included Buy America compliance on QA Audit Checklist of Final Design consultants.
- Monitored DB contractors' compliance to Buy America requirements.
- Update and implement the 2014: Buy America Audit Schedule.
- Continue reviewing MSF KONE Bridge and jib cranes for Buy America compliance with FTA Region IX. Rejected crane rails made in China supplied by KONE.
- Issued Buy America Compliance Audit Report to KKJV on MSF structural steel held on August 27. Received response from KKJV, and HART is currently evaluating their responses and preventative actions.

- **Look Ahead**

- Monitoring KIWC (WOFH and KHG) and KKJV (MSF) Buy America compliance.

Utilities

- **Activities this month**

- 49 CFR 661 requires that all iron, steel and manufactured products, which apply to all construction materials used in infrastructure projects such as transit or maintenance facilities, rail lines, and bridges must be manufactured in the USA.
- All utilities are Buy America compliant.

- **Look Ahead**

- Monitoring utilities' Buy America compliance.

6.4 Disadvantaged Business Enterprise (DBE)

- **Activities this month**

- \$19,772,667 = total dollar participation for all DBEs on all HART contracts from 9/24/07 to 10/31/14
 - 7.61% = DBE utilization on total disbursed FTA funds received to date (\$19,772,667 divided by \$259,960,026)
 - 1.12% = DBE utilization to date on total Project FTA funds (\$19,772,667 divided by \$1,763,903,901)

*Total DBE Participation = \$19.8M
(previous report = \$19.2M)*

Figure 22. DBE Participation this Month

| DBE Participation in October | | |
|------------------------------|------------------------------|------------------|
| DBE Firm | Contract Number | Participation |
| Ki Concepts | SC-HRT-1200077 MM-922/923 | \$3,600 |
| Element Environmental | SC-HRT-1400050 MM-290 | \$89 |
| LKG-CMC | SC-HRT-1400051 MM-595 | \$43,705 |
| FIC, LLC | SC-HRT-1400051 MM-595 | \$204,827 |
| Lawson & Associates | SC-HRT-1400061 MM-964 | \$53,222 |
| ADS System Safety Consulting | SC-HRT-1400061 MM-964 | \$91,488 |
| LKG-CMC | SC-HRT-1400049 MM-962 | \$12,494 |
| AMR Estimating Services | SC-HRT-1400027 MM-913 | \$99,205 |
| The Solis Group | SC-HRT-1400027 MM-913 | \$103,647 |
| TOTAL FOR THE MONTH | | \$612,277 |

- **Look Ahead**

- HART staff will continue to review, tabulate, and evaluate DBE participation reports submitted by prime contractors with their requests for payments, and take action to ensure DBEs and other small businesses have an equal opportunity to participate in our contracts at all levels. For all contracts, HART shall require prime contractors to identify elements of a contract, or a specific subcontract that are of a size that small businesses, including DBEs, can reasonably perform and actively recruit.
- HART’s plan is to continue to disseminate the prime contractor and potential prime contractor contact information to the certified DBEs and other points of contact for small businesses to inform them of opportunity. HART’s mission is to breakdown as many barriers as possible by acting as a liaison between the primes, subcontractors, DBEs and small businesses to develop mutually beneficial business relationships.
- HART has an extensive outreach program directed to the minority small business community through their leaders and organizations, as well as is conducting periodic pre-bid conferences, seminars, workshops and business fairs to inform and encourage participation. HART staff will be readily available to address and satisfy any special assistance needs that arise.
- HART’s commitment is to meet the maximum feasible portion of its overall goals through race-neutral means. HART is aware there may be concerns that certain minority groups are being underutilized in the DBE participation process. Race-neutral participation is being closely monitored and contract goals or other race or gender conscious means will be utilized if it becomes apparent that the overall goal cannot be met through race-neutral means.

Note: For a full listing of DBE participation to date, please see Appendix F.

6.5 Planning and Environment

• Activities this month

- Programmatic Agreement (PA) by PA Stipulation number and section letter, if applicable:
 - I. Roles and Responsibilities:
 - Oct. 9 Consulting Party discussion regarding Kākoʻo.
 - III. Identification and Protection of Archaeological Sites and Burials - Archaeological Inventory Surveys (AIS):
 - Supplemental AIS work began in Kakaʻako on Sept. 15; completion of this work is expected in November.
 - To date, 12 of the 13 trenches have been excavated with one trench, 177A, identifying a flexed in situ burial which has been protected in place pending determination.
 - Oct. 1 Descendant Consultation postponed to Nov. 5 in order to provide an update/results of the Supplemental Archaeological Inventory Survey (S-AIS).
 - Weekly S-AIS updates distributed to consulting parties, signatory parties, recognized cultural descendants, SHPD, OIBC, et al.
 - Human Skeletal Remains Discovery notice sent to recognized cultural descendants, SHPD and OIBC.
 - IV. Design Standards:
 - The Kākoʻo meeting scheduled for September 25 was postponed and rescheduled for October 23. The Kākoʻo developed the agenda for this meeting.
 - Kākoʻo met with Historic Hawaiʻi Foundation to discuss the Treatment Plan for Cultural and Historic Resources at Aloha Stadium Station. The plan is being revised and finalized.
 - Off-site design coordination meeting planned for early November.
 - The Downtown and Ala Moana Center Stations Rail Station Design Community Informational Meeting was held on Oct. 8.
 - The Kalihi and Chinatown Stations Rail Station Design Community Informational Meeting was held on Oct. 9.
 - VI. National Register of Historic Places/Historic Landmark Nominations:
 - Historical research was conducted for the preparation of NRHP/HPCA documents. In August 2014 it was decided that the two properties (Sung Huong Restaurant and Holau Market) would be combined under the name Holau Market/Ai-Goto Building into a single multi-property NRHP nomination. Research for the document was completed on Oct. 15. Draft text for the NRHP document was completed on Oct. 27, 2014. HART and State Historic Preservation Division (SHPD) staff met at the former Sung Huong Restaurant (Ai-Goto Building) to discuss closure measures because of the continued threat of vagrant activity. HART staff also met with HART's on-call contractor in advance of the preparation of an SOW for building closure. HART staff finalized a draft building closure SOW and submitted it to SHPD on Sept. 22, 2014. Following consultation with that agency and the FTA, it was decided to further revise and resubmit the SOW. Holau Market remains under closure.
 - The documents for the two Makalapa NRHP nominations (*Makalapa Navy Housing Historic District* and *Little Makalapa Navy Housing Historic District*) are being revised to incorporate comments received from the U.S. Navy, Historic Hawaiʻi Foundation (HHF), and other consulting parties, and will be re-scheduled for an upcoming Hawaiʻi Historic Places Review Board (HHPRB) meeting.
 - IX. B. Historic Preservation Program:
 - A meeting of the members of the Historic Preservation Fund (HPF) committee was held on June 8 to conduct final reviews of HPF applications. Eight projects were selected for funding. Letters notifying the property owners of the results are in preparation. A site visit with Fung Associates and the lessee of 2 Hotel Street was conducted to discuss the first floor exterior façade renovations and interior rehabilitation eligibility for historic preservation tax credits. Following discussions with the lessee and consultation with SHPD, it was decided to not pursue the preparation of a Historic Preservation Certification Application for historic preservation (HP) tax credits.

- Mitigation Monitoring Program (MMP)
 - MMP Reporting:
 - The Third Quarter 2014 Mitigation Monitoring Report was submitted to FTA in October 2014.
 - Revision 1 of the MMP was completed in October 2014.
- Planning Activities
 - Coordinated with HCDA regarding consultation (HRS § 206E-13) for the guideway development through the Kaka’ako Community Development District (KCDD).
 - Continued coordination on Transit-Oriented Development (TOD) with the Department of Planning and Permitting (DPP) and Department of Transportation Services (DTS). Continued to participate in weekly subcabinet meetings and monthly coordination meetings.
 - Continued coordination with city Department of Transportation Services (DTS) and operations contractor O’ahu Transit Services (OTS) to collaborate on bus-to-rail service design leading up to and following the anticipated first operating segment opening in 2018.
 - Collaboration with city DTS on a Bus Fleet Management Plan to determine appropriate TheBus fleet size as well as mix of appropriate vehicle types (sizes and propulsion) for proposed bus-to-rail service designs leading up to and following the anticipated first operating segment opening in 2018.
- **Looking Ahead**
 - Conduct monthly HART/Kāko’o meeting with consulting parties
 - Conduct monthly OIBC and cultural descendant meetings
 - Conduct monthly sustainability meetings
 - Conduct monthly bus-rail integration planning meetings with city DTS
 - Off-site design coordination meeting to discuss circulation at Aloha Stadium Station
 - Presentation to HCDA board regarding construction of guideway through Kaka’ako Community Development District.

6.6 Risk Management

Risk management is integral to all phases leading up to project delivery including: planning, design, construction, systems testing, system operation start up, and ultimately to project construction closeout. Risk management is the systematic process of identifying, analyzing, and responding to risk in a timely manner. Risk assessments are performed to identify, assess, prioritize, manage and mitigate risk exposure, and develop prudent contingency plans. The Project Risk Register (RR) is the depository for all risks identified for the Project. Every month, risks contained in the RR are reviewed to confirm risks are appropriately identified, identify new risks, and close out risks that no longer pose an issue.

A major goal for HART and the FTA is to complete the Project within budget and on schedule. The primary strategy of risk management is to maintain a reserved contingency balance throughout the life of the Project that is acceptable to HART and the FTA, and in turn reassures the public that the Project will be completed on time and on budget. Effective management of project risks is necessary to significantly increase the likelihood of delivering a successful project.

Maintaining the RR includes assessing the potential for a risk to happen as well as the cost and schedule impacts should the risk occur in isolation. The cost and time impacts to the Project are assessed based on a “most likely scenario.” Construction of the Project involves systematically using equipment and materials through a variety of means and methods to create a quality transit system. Therefore, not all risks (known and unknown) will occur with the same frequency or probability as estimated in isolation. In addition, risks can be eliminated due to design best practices as well as through the implementation of safe alternative means and methods of construction to avoid the occurrence.

This report includes a listing of the top program wide risks which is an aggregate of the individual contract risks of the same category. Key metrics are subject to change as more is learned about the risks and as additional expertise is brought in to implement various aspects of the Project. By actively managing the RR, HART is able to actively manage the Project and ensure it is built on time and on budget for the tax payer and future passengers.

Figure 23. Risk Matrix

| Risk Matrix | | | | | |
|-------------|----------|--------------|------------|---------------|-----------------|
| Legend | Low (1) | Med (2) | High (3) | Very High (4) | Significant (5) |
| Probability | < 10% | 10><50% | > 50% | 75% ><90% | >90% |
| Cost | < \$250K | \$250K><\$1M | \$1M><\$3M | \$3M><\$10M | >\$10M |
| Schedule | < 1 Mths | 1 ><3 Mths | 3><6 Mths | 6><12 Mths | > 12 Mths |
| Rating | < =3 | 3.1-9.49 | > =9.5 | | |

The risk matrix is used to score and rank identified risks. The rating is the average cost and schedule impact score multiplied by the probability score.

Figure 24. Top Project Risks

| Top Risks October 2014 | | | | | | | | |
|------------------------|---|---|-------------|-------------|-------------|-------------|----------------------|-----------------------|
| Current Risk ID | Contract Package | Risk Description | Probability | Prob Rating | Cost Impact | Time Impact | Oct. '14 Risk Rating | Sept. '14 Risk Rating |
| 96.09 | West Side Station Group | Market - Procurement results in higher pricing than FFGA estimate assumptions. | 100% | 5 | 5 | 4 | 22.5 | 22.5 |
| 110.06 | City Center Guideway | Right of Way - Real Estate market could rebound before purchase of all needed properties, greatly increasing cost of property and delaying construction if legal actions are pursued. | 75% | 4 | 5 | 4 | 18 | 18 |
| 20.07 | Maintenance & Storage Facility Contract | Interface - Late delivery of systems interface design information to MSF results in re-design and/or delay to construction. | 90% | 5 | 3 | 4 | 17.5 | 17.5 |
| 75.03 | West O'ahu/ Farrington Highway Guideway | ROW - Late turnover of ROW to contractor may result in delays to interim opening. | 90% | 5 | 4 | 3 | 17.5 | 17.5 |
| 11.06 | City Center Guideway | Utilities - Agreements with all utility owners are not yet in place, and subsequent agreements may expose the City to unforeseen costs and schedule impacts. | 75% | 4 | 4 | 4 | 16 | 16 |
| 11.05 | Airport Guideway | Utilities - Agreements with all utility owners are not yet in place, and subsequent agreements may expose the City to unforeseen costs and schedule impacts. | 75% | 4 | 4 | 4 | 16 | 16 |
| 1.03 | West O'ahu/ Farrington Highway Guideway | Market - Due to court delays, escalation rates of commodities (concrete, freight, lumber and steel) may be higher than forecasted. | 90% | 5 | 5 | 1 | 15 | 15 |
| 20.08 | Core Systems Contract | Interface - Delays in access milestones of MSF, stations, or guideway interfaces to systems results in delays to core systems contractor substantial completion milestones. | 100% | 5 | 4 | 2 | 15 | 15 |
| 35.06 | City Center Guideway | Geotech - Due to court delays, lack of property access resulted in limited geotechnical information available at PE level. Additional costs for redesign may be incurred. | 75% | 4 | 4 | 3 | 14 | 14 |
| 83.06 | City Center Guideway | Utilities - Due to court case, delay of utility easement identification for City Center Guideway may result in a delay of ROW acquisition and ultimately the start of construction. | 75% | 4 | 4 | 3 | 14 | 14 |

Risks are placed in order based on highest risk rating for the month. The Top Risks list represents risks that could have a major impact on the Project and require additional focus by management. There are other high rated risks that are not listed and are in the process of being mitigated.

Figure 25. Risks Added

| Risks Added in October 2014 | | | | | | | |
|-----------------------------|------------------------------|---|-------------|-------------|-------------|-------------|-------------|
| Risk ID | Contract Package | Risk Description | Probability | Prob Rating | Cost Impact | Time Impact | Risk Rating |
| 171.05 | Airport Guideway | Construction laydown area may be inadequate in downtown area. | 35% | 2 | 3 | 2 | 5 |
| 171.06 | City Center Guideway | Construction laydown area may be inadequate in downtown area. | 35% | 2 | 3 | 2 | 5 |
| 171.14 | Dillingham Kaka'ako Stations | Construction laydown area may be inadequate in downtown area. | 35% | 2 | 3 | 2 | 5 |
| 172.14 | Dillingham Kaka'ako Stations | Dillingham Stations physical space envelope requirements have not been vetted with HECO (Kalihi and Kapalama). | 35% | 2 | 2 | 2 | 4 |
| 173.14 | Dillingham Kaka'ako Stations | Utility relocations requirements are pending; Kapalama (Hawaiian Tel substation and HECO transformer) and Civic Center (Gas Line Quit Claim). | 35% | 2 | 2 | 2 | 4 |

Figure 26. Risks Deleted

| Risks Deleted in October | | | | | |
|--------------------------|-------------------------|--|---|-------------|----------|
| Current Risk ID | Contract Package | Risk Description | Comments | Risk Rating | |
| | | | | Oct. '14 | Sept '14 |
| 28.09 | West Side Station Group | Potential of impacts from incomplete design resulting in delays to interim opening. FHSO has a set of comments that have not been responded to as the design version control was rushed during the transfer to a new designer. | Negotiated Design Contract Change Order to resolve issue prior to new procurement process. | 10.5 | 10.5 |
| 33.09 | West Side Station Group | Core Systems design interface may result in changes to fixed facility design resulting in formal change orders. | Core Systems has defined conduit size and approximate location. Actual equipment will be site adapted to conduit stub out location. | 7.5 | 7.5 |
| 156.09 | West Side Station Group | CSC requirements are not well defined for the stations (i.e. screen gates, partial access, etc.) | Design is nearly complete. | 6 | 6 |

Note: Risks by Contract Package and a Comparison of Risk Ratings can be found in Appendix G.

6.7 Community Outreach

- **Activities this month**

- HART’s public outreach during October focused on updating the community regarding construction work and gathering public input on preliminary designs for the eight stations in the City Center area. HART’s outreach team participated in more than 30 meetings, presentations and events this month, including key community events such as the Aloun Farms Pumpkin Patch festival and the Fall New Food and Products Show at the Neal S. Blaisdell Center.

To date, HART’s outreach team has participated in:

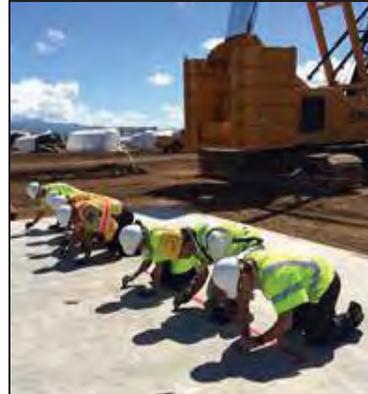
- *1,728 presentations and events*
- *927 Neighborhood Board meetings*

Figure 27. HART held two community meetings this month to discuss initial designs for rail stations in urban Honolulu.



HART Board Chairman Ivan Lui-Kwan invited the community to provide feedback on the preliminary designs for rail stations in urban Honolulu. More than 100 people attended the meeting. The station design meetings are part of a series of community meetings held along the alignment to discuss station designs.

Figure 28. HART officials held a media briefing at the Rail Operations Center.



HART officials were joined by the mayor, APTA President Michael Melaniphy, and Council members in signing a concrete wall that was incorporated into the Rail Operations Center.

- **Construction Outreach**

- HART held two major station design community meetings in urban Honolulu to unveil preliminary designs for eight stations in Honolulu’s urban core. Rail stations covered in these meetings included: Kalihi, Kapalama, Iwilei, Chinatown, Downtown, Civic Center, Kaka’ako and Ala Moana. Approximately 175 people attended the meetings to learn more about the project, ask questions, and provide their feedback on the early designs. Follow-up meetings will be held once those comments are reviewed and incorporated.
- HART, in partnership with its contractor, continued to provide monthly project construction updates for the Waipahu and Aiea-Pearl City area businesses to answer questions and address concerns regarding traffic impacts during construction.
- With construction in full swing in Waipahu and along Kamehameha Highway, HART’s outreach team continued its regular traffic briefings with media, weekly news releases, monthly reports to HART’s board of directors at public meetings, weekly eblasts, and regular posts on Facebook and Twitter. Keeping the public informed through a variety of platforms and portals helps the community and commuters plan their travel.

- **Community Input**

- HART’s public information team responded to more than 110 inquiries and requests in October that came in via the agency’s website, email and 24-hour hotline. Inquiries this month primarily focused on construction activities, including traffic and contracting opportunities.

- **Look Ahead**

Coming in November:

- Public service announcements and public information briefings regarding the Balanced Cantilever work and its impact on traffic
- Tailored briefings for businesses along the alignment to provide construction and property acquisition information
- Update regarding the progress of guideway construction
- General traffic updates and information for motorists continues

6.8 Staffing

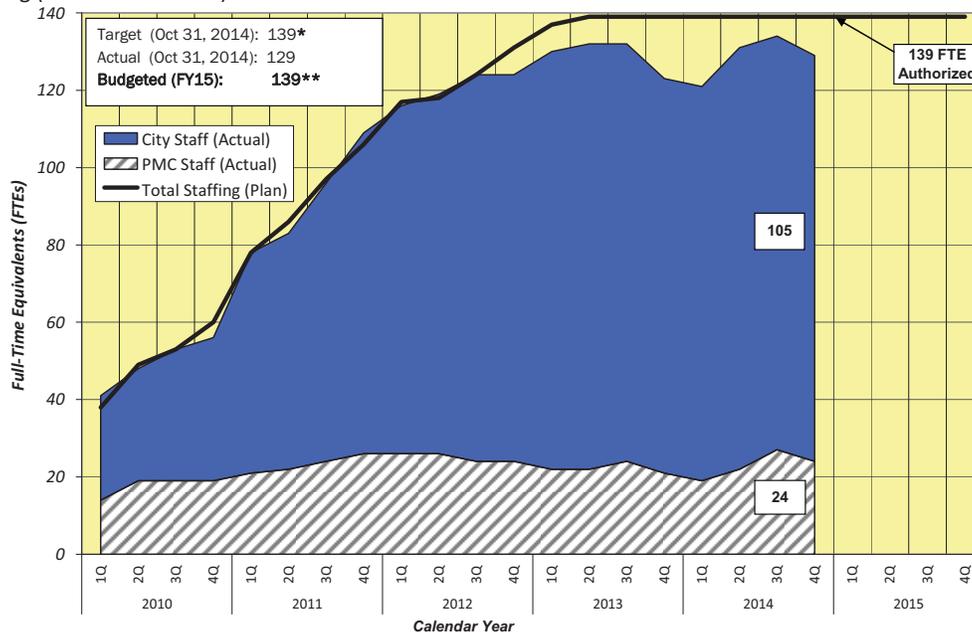
Figure 29. Staffing Activities

| Staffing Activities | | | | |
|--|---|--|--------------------------------|-------------|
| Title | Group | New/Existing HART position (City or PMC) | Position Status | Start Month |
| Executive Management | | | | |
| Senior Clerk (Receptionist) | Executive Management | Existing (City) | Recruiting | |
| Design and Construction | | | | |
| Assistant Deputy Director | Design | New (PMC) | Filled | Oct |
| Assistant Project Manager | Construction (KHG) | New (City) | Recruiting | |
| Assistant Project Manager | Construction (WOFH) | New (City) | Recruiting | |
| HECO Coordinator | Design & Construction | Existing (City) | Recruiting | |
| Budget and Finance | | | | |
| Budget Analyst | Budget and Finance | New (City) | Recruiting | |
| Project Director | | | | |
| Director of Procurement & Contracts | Project Director | Existing (City) | Filled | Oct |
| Deputy Director of Procurement & Contracts | Procurement & Contracts | Existing (City) | Recruiting | |
| Transit Contracts Manager* (2) | Contract Administration and Change Management | Existing (City) | Recruiting/Interviewing | |
| Planning, Utilities, Permits & Right-of-Way | | | | |
| Planner * (Land Use) | Planning | Existing (City) | Recruiting | |
| Planner* (Environmental) | Planning | Existing (City) | Recruiting | |
| Right-of-Way Agent | Right-of-Way | New (City) | Recruiting | |
| Student Aide (Internship) | Architectural Historian | New (City) | Filled | Oct |
| Student Aide (Internship) | Planning | New (City) | Recruiting | |
| Administrative Services | | | | |
| Personnel Clerk | Administrative Services | New (City) | City Position Creation Process | |
| Civil Rights | | | | |
| Human Resources Specialist | Equal Opportunity | Existing (City) | Recruiting/Interviewing | |

*Per qualifications.

HART currently receives direct project support in centralized functions from the following city departments: Honolulu Police Department (HPD), Department of Information Technology (DIT), Department of Budget and Fiscal Services (BFS), Department of Design and Construction (DDC), Corporation Counsel (COR) and Department of Human Resources (DHR); and from the State of Hawai'i Department of Transportation (HDOT) on Consultant Services Contracts.

Figure 30. Project Staffing (Actual vs. Planned)



* In accordance with Staffing and Succession Plan Rev 5 (Under Revision)
 ** 139 City positions authorized in FY 2015 HART Operating Budget

The actual number of employees reflects employees hired during this period as well as employees who left the project from both HART and the PMC staffs.

Note: For a project organization chart, see Appendix H.

APPENDICES

Appendix A. Project Fact Sheet



HONOLULU AUTHORITY FOR RAPID TRANSPORTATION PROJECT FACT SHEET
AS OF OCTOBER 2014

| | October Report | September Report | Variance | | October Report | September Report | Variance |
|--|----------------|------------------|----------|---|----------------|------------------|----------|
| FINANCIAL & PROJECT DATA | | | | | | | |
| Progress (Pg. 9-10) | | | | ROW (Pg. 66-67) | | | |
| Overall Project Progress | 27.4% | 26.7% | 0.7% | Total # Properties Acquired | 31 | 28 | 3 |
| Overall Construction Progress | 19.2% | 18.4% | 0.8% | Total \$ Spent on Acquisitions | \$64.8M | \$56.2M | \$8.6M |
| Overall Design Progress | 79.4% | 78.6% | 0.8% | Total \$ Expended for Relocations | \$3.8M | \$3M | \$0.8M |
| Overall Utilities Progress | 10.5% | 10.5% | 0.0% | Safety/Security Incidents (Pg. 69) | | | |
| Incurred Cost (Pg. 11) | | | | # of Incidents for the Month | | | |
| Total Incurred Cost | \$1.170B | \$1.118B | \$52.4M | 8 | 4 | N/A | |
| Monthly Incurred Cost | \$52.4M | \$43.7M | N/A | NCRs (Pg. 70) | | | |
| Committed Amount (Pg. 11) | | | | Total Open NCRs for the Month | | | |
| Total Committed | \$2.890B | \$2.835B | \$0.055B | 53 | 31 | N/A | |
| Authorized for Expenditure (AFE) (Pg. 11) | | | | DBE (Pg. 72) | | | |
| Total AFE by way of NTP | \$2.121B | \$2.097B | \$24.2M | Total Participation | | | |
| Monthly AFE | \$24.2M | \$7.059M | N/A | \$19.8M | \$19.2M | \$0.6M | |
| Project Contingency (Pg. 12-14) | | | | Risks (Pg. 74-76) | | | |
| Current Balance | \$550.1M | \$559.4M | -\$9.3M | Total # of Risks | | | |
| Monthly Drawdown | \$9.3M | \$4.3M | N/A | 229 | 227 | 2 | |
| Known Changes Balance | \$0 | \$0 | \$0 | Community Outreach (Pg. 77) | | | |
| Funding (Pg. 15-17) | | | | Presentations and Events | | | |
| Cash Received Since PE | \$1,479M | \$1,479M | \$0 | 1,728 | 1,704 | 24 | |
| Ending Cash Balance | \$355.4M | \$391.6M | N/A | Neighborhood Board Meetings | | | |
| \$ 5309 New Starts Received | \$256M | \$256M | \$0 | 927 | 916 | 11 | |
| GET Received Since PE | \$920M | \$920M | \$0 | Staffing (Pg. 78) | | | |
| GET Received Since 2007 | \$1,298M | \$1,298M | \$0 | Actual | | | |
| | | | | 129 | 134 | N/A | |

| CONSTRUCTION & DESIGN CONTRACTS EXPENDITURES STATUS | | | | | | | |
|--|---------------------|---------------------|-----------------|--|-------------------|-------------------|-----------------|
| CONSTRUCTION | | | | DESIGN | | | |
| CSC DBOM-920 (Pg. 20-21) | | | | WOSG FD-140 (Pg. 28-29) | | | |
| Committed / Incurred | \$603M / \$84.5M | \$603M / \$77.6M | \$0 / \$6.9M | Committed / Incurred | \$9.3M / \$7.2M | \$9.3M / \$7.2M | \$0 / \$0 |
| % Complete | 14.0% | 12.9% | 1.1% | % Complete | 78.2% | 78.2% | 0.0% |
| Elevators & Escalators MI-930 (Pg. 22-23) | | | | FHSG FD-240 (Pg. 30-31) | | | |
| Committed / Incurred | \$51M / \$2.9M | \$51M / \$2.7M | \$0 / \$0.2M | Committed / Incurred | \$12.2M / \$9.7M | \$12.2M / \$9.7M | \$0 / \$0 |
| % Complete | 16.1% | 15.3% | 0.8% | % Complete | 79.3% | 79.3% | 0.0% |
| WOFH DB-120 (Pg. 24-27) | | | | KHSG FD-340 (Pg. 40-41) | | | |
| Committed / Incurred | \$596.9M / \$303.5M | \$590.9M / \$289.5M | \$6M / \$14M | Committed / Incurred | \$8.7M / \$7.7M | \$8.7M / \$7.7M | \$0 / \$0 |
| % Complete | 50.8% | 48.9% | 1.9% | % Complete | 88.3% | 88.3% | 0.0% |
| MSF DB-200 (Pg. 32-35) | | | | Airport Section Guideway and Utilities FD-430 (Pg. 42-44) | | | |
| Committed / Incurred | \$265.9M / \$134.4M | \$264.7M / \$130.1M | \$1.2M / \$4.3M | Committed / Incurred | \$42.6M / \$34.9M | \$42.5M / \$34.6M | \$0.1M / \$0.3M |
| % Complete | 50.6% | 49.1% | 1.5% | % Complete | 82.1% | 81.4% | 0.7% |
| KHG DB-320 (Pg. 36-39) | | | | ASG FD-440 (Pg. 50-51) | | | |
| Committed / Incurred | \$383.7M / \$107.7M | \$383.7M / \$107.7M | \$0M / \$0M | Committed / Incurred | \$10.2M / \$8M | \$10.2M / \$8M | \$0 / \$0M |
| % Complete | 28.1% | 28.1% | 0.0% | % Complete | 78.7% | 78.7% | 0.0% |
| Airport Section Utilities (Pg. 46-47) | | | | City Center Section Guideway and Utilities FD-530 (Pg. 52-54) | | | |
| Committed / Incurred | \$28.4M / \$0 | \$28.4M / \$0 | \$0 / \$0 | Committed / Incurred | \$45.2M / \$32.3M | \$45.2M / \$31.5M | \$0M / \$0.8M |
| % Complete | 0% | 0% | 0% | % Complete | 71.4% | 69.8% | 1.6% |
| Airport Section 7-Piers (Pg. 48-49) | | | | DKSG FD-550 (Pg. 56-57) | | | |
| Committed / Incurred | \$4M / \$0 | N/A | N/A | Committed / Incurred | \$18.3M / \$7.9M | \$18.3M / \$7.9M | \$0 / \$0M |
| % Complete | 0% | N/A | N/A | % Complete | 42.9% | 42.9% | 0.0% |
| CONTRACTS TOTAL (Construction + Design) | | | | | | | |
| Committed | \$2.079B | \$2.068B | \$0.011B | | | | |
| Incurred-to-Date | \$740.7M | \$714.3M | \$26.4M | | | | |

Appendix B. Action Items

The following are Action Items for HART and/or the PMOC, which are reviewed and discussed on a monthly basis.

| Action Items | | | | | | |
|--------------|--|-------------------|-----------------|----------|----------------|---|
| Item No. | Item | Responsible Party | Date Identified | Date Due | Date Completed | Status |
| 1 | Schedule PMP & QMP compliance audit | PMOC | Nov-13 | TBD | | Open |
| 2 | Provide information and resolution on HECO's 50-foot offset requirement | HART | Mar-14 | Sep-14 | | Open – Boom truck equipment will arrive in September 2014 and HECO will deploy equipment in October 2014 after 2 – 3 weeks of training. |
| 3 | Process Kiewit submission of first claim for materials escalation due to AIS/NTP delay | HART | Mar-14 | Aug-14 | | Open – HART anticipates settling some claims in October 2014 and the remaining claims in November 2014. |
| 4 | Resolve issue with AHJV regarding cost savings associated with change to 4-car trains | HART | Mar-14 | Oct-14 | | Open – In progress. |
| 5 | Resolve HECO issue with Davis-Bacon requirements | HART/FTA | Mar-14 | Sept-14 | | Open – HECO waiver is pending. HART provided MOU to PMOC. |
| 6 | Update primary and secondary mitigation measures | HART | May-13 | Sept-14 | | Open |
| 7 | Revisit Hold Points after MPS is updated | HART | Sept-13 | Sept-14 | | Open |
| 8 | Re-baseline MPS | HART | Apr-14 | Sep-14 | | Open |
| 9 | Re-baseline budget | HART | Apr-14 | Sep-14 | | Open |
| 10 | Re-baseline Financial Plan | HART | Apr-14 | Aug-14 | | Open |
| 11 | Provide Geotechnical Data Report for Airport and City Center Guideway | HART | May-14 | Aug-14 | | Open – HART to provide GDRs to PMOC as they are completed for the 3 zones. HART to provide in December 2014. |
| 12 | Risk Register Breakout Session | HART | Jul-14 | Sep-14 | | Open– Scheduled for October 2014. |
| 13 | HART to provide plan to address conflict of interest with AECOM acquisition of URS | HART | Jul-14 | Aug-14 | | Open |
| 14 | HART QAM to review constructability and design QA of remaining bid packages | HART | Jul-14 | Aug-14 | | Open – In progress. |
| 15 | PMOC to schedule a conference call with HART to discuss RCMP | PMOC | Oct-14 | Nov-14 | | Open |
| 16 | HART to provide cost estimate for WSSG | HART | Oct-14 | Nov-14 | | Open |
| 17 | HART to provide response letter to HDOT letter regarding safety and security CELs/CILs | HART | Oct-14 | Nov-14 | | Open |

Appendix C. Project Contingency Management General Background and Clarifications

The FFGA Baseline Budget for Project Contingency is approximately \$643.6M and consists of the following elements:

- 1) Unallocated Contingency – Reserve contingency to address unknown changes to the Project and not currently allocated to a particular work package.
- 2) Project Allocated Contingency – Contingency allocated to each work package to address potential uncertain changes within each respective work package.
- 3) Allowance – A reserve designated for Final Design contracts and committed under the contracts.

Current Contingency Balance = \$550.1M

Current Known Changes Contingency = \$0M

The \$643.6M Baseline Budget for Total Project Contingency does not include amounts for Known Changes yet to be finalized at the time the Bottom-Up Estimate (BUE) was prepared.

As the project progresses, budget transfers will be executed, moving budgeted project scope and budgeted contingencies as appropriate to reflect either a realized cost savings, cost overruns, or a transfer of scope. It is expected that project contingency will continue to be drawdown as the overall design is further developed, risks are identified, and construction progress continues to advance. The following list details ways in which project contingency can either increase or decrease:

- 1) The budgeted amount for a contract package is either lower or higher than the actual executed contract amount. Contingency will increase if the budgeted amount is higher than the actual contract amounts which results in a budget surplus, and vice versa if the budgeted amount is lower.
- 2) Increase of a contract amount through the execution of a change order or contract amendment. Contingency is decreased and transferred to the appropriate SCC.
- 3) Transfer of work scope, e.g. utility relocation, between contract packages through a change order. The scope value from one contract is decreased and transferred to Contingency. Contingency is then decreased by the same scope value and transferred to the other contract. Contingency is used as a “holding account” in this instance.
- 4) Revisions to contract packaging. Further evaluation of contract packages may be considered to seek budget savings and/or to mitigate cost or schedule impacts. Budget savings, if any, would be transferred to Contingency.
- 5) Utilization of allowance in design contracts. The allowance amount to be utilized will decrease this contingency category and will be transferred to the appropriate SCC.

Changes Identified and Project Performance

HART and the PMOC continue to hold a monthly breakout session to review changes being considered for each contract. Changes are tracked by four categories which are determined by how well defined a change is and are summarized as Changes Identified in Project Cost reports. HART continually manages the strategy to avoid or mitigate as well as plan the timing of any potential changes. Breakout session discussions focus on opportunities to reduce costs and accelerate contract-scheduled activities to attain key milestones earlier than targeted. The session concludes with an overview of the cost and schedule drawdown curves, if and when changes might occur, in order to assess project performance against total project contingencies and buffer float.

The Risk and Contingency Management Plan (RCMP) is complete. It is consistent with the FFGA submittals, including the CPP, MPS, Project Budget and Financial Plan. The RCMP includes cost and schedule contingency drawdown curves, which establish minimum and buffer zone levels of cost and schedule contingency in accordance with FTA recommendations. Over the course of the project, if the cost or schedule contingency trend into the buffer zone (the area above the minimum contingency), Project Management will immediately implement actions to maintain the level of contingency appropriate for the project stage.

Known Changes Contingency

Known Changes, though tracked separately from the Project Contingency established under the FFGA, functions like contingency and is designated as SCC 90.07 on project cost reports. In re-baselining the Project Budget for FFGA, a bottoms-up estimate (BUE) was developed for each work package identified in the CPP based on the level of design and current pricing of material, equipment, construction labor, professional services, real estate and all other costs. These revised estimates took into account the reduction of contingency to reflect the advancement of Final Design since the Preliminary Engineering phase. Contingency was then allocated in accordance with FTA guidelines and current risk modeling methodologies. The net effect was a reduction of approximately \$170M of contingency between the previous Final Design Project Budget and the FFGA Project Budget. Included in the base costs of the BUE were elements that were considered “Known” or pending changes that were still subject to final negotiations with contractors and the execution of change orders. The estimated costs for Known Changes were applied to work packages established under the FFGA. Based on the level of risk, the estimated costs for Known Changes were either classified as base cost or as separate contingency for specific work packages (contingencies eventually convert to base costs via change order). Of the total \$170M estimated for Known Changes, \$97M was classified as base cost and allocated to multiple contracts. The remaining \$74M was classified as “contingency” in order to process all changes using a consistent methodology of transferring budget from contingency to the appropriate base cost code when a change order is executed. As it was intended for this reserve, the majority of the change orders executed since the BUE draws against this contingency since these were partially defined already.

HART Project Contingency Drawdown with Details

Data as of 10/24/14

| # | Project No. | Project Desc. | Budget Transfer/Change Description | Contingency Drawdown (Yr.) | Contingency Code |
|---------------------------------------|-------------|--|---|----------------------------|-------------------------------|
| July '12 (Bottoms-Up Estimate) | | | | | |
| | | | Beg. Balance: | \$643.6 | |
| 1) | FD-240 | Farrington Highway Stations Group FD | Budget Transfer at Bottoms-Up Estimate from Project Scope to Contingency (contract allowance) | \$58,443 | 90.02 - Allocated Contingency |
| 2) | FD-430 | Airport Section Guideway, Utilities FD | Budget Transfer for Contract Award less than the ASGU FD contract budget | \$2,054,106 | 90.02 - Allocated Contingency |
| 3) | MM-975 | LEED Commissioning Services | Budget Transfer for Contract Award above the LEED Comm. Services contract budget | (\$35,623) | 90.02 - Allocated Contingency |
| 4) | DB-520 | Kamehameha Highway Guideway DB | Budget Transfer for Contract Award above the KHG DB contract budget | (\$220,853) | 90.02 - Allocated Contingency |
| 5) | DB-120 | West Oahu Farrington Highway Guideway DB | Budget Transfer for Ins. Covg per executed CO No. 004 | \$3,935,230 | 90.02 - Allocated Contingency |
| | | | July '12 Contingency Drawdown | \$5,851,273 | |
| August '12 | | | | | |
| | | | July '12 - Ending Contingency Balance | \$649.4 | |
| | | | Beg. Balance: | \$649.4 | |
| 1) | FD-140 | West Oahu Stations Group FD | Budget Transfer for Contract Awarded under WOSG FD contract budget | \$1,808,200 | 90.02 - Allocated Contingency |
| 2) | FD-530 | City Center Guideway Utilities FD | Budget Transfer for Contract Awarded under CCGU FD contract budget | \$5,917,945 | 90.02 - Allocated Contingency |
| 3) | DB-120 | West Oahu Farrington Highway Guideway DB | Executed Change Order No. 17 - Procure and Install Portable Buildings | (\$2,670,000) | 90.02 - Allocated Contingency |
| | | | August '12 Contingency Drawdown | \$5,056,145 | |
| | | | August '12 - Ending Contingency Balance | \$654.5 | |
| September '12 | | | | | |
| | | | Beg. Balance: | \$654.5 | |
| | N/A | N/A | No Contingency Drawdown | \$0 | |
| | | | September '12 Contingency Drawdown | \$0 | |
| October '12 | | | | | |
| | | | September '12 - Ending Contingency Balance | \$654.5 | |
| | | | Beg. Balance: | \$654.5 | |
| 1) | DB-120 | West Oahu Farrington Highway Guideway DB | Executed Change Order No. 21 - Builders Risk Insurance Coverage | (\$56,889) | 90.02 - Allocated Contingency |
| | | | October '12 Contingency Drawdown | (\$56,889) | |
| November '12 | | | | | |
| | | | October '12 - Ending Contingency Balance | \$654.4 | |
| | | | Beg. Balance: | \$654.4 | |
| 1) | FD-440 | Airport Stations Group FD | Budget Transfer for Contract Award under ASG FD the contract budget | \$227,764 | 90.03 - Contract Allowance |
| 2) | FD-340 | Kamehameha Highway Stations Group FD | Budget Transfer for Contract Award under KHSS FD the contract budget | \$202,469 | 90.03 - Contract Allowance |
| 3) | MM-905 | General Engineering Consultant | Budget Transfer to align contract budget with Committed value | (\$120,650) | 90.02 - Allocated Contingency |
| | | | November '12 Contingency Drawdown | \$309,623 | |
| December '12 | | | | | |
| | | | November '12 - Ending Contingency Balance | \$664.7 | |
| | | | Beg. Balance: | \$654.7 | |
| 1) | FD-430 | Airport Section Guideway Utilities FD | Executed Contract Amendment No. 01 - Design & Engineering Cost Estimates | (\$275,000) | 90.02 - Allocated Contingency |

HART Project Contingency Drawdown with Details

Date as of 10/24/14

| # | Project Desc. | Budget Transfer/Change Description | Contingency Drawdown (k\$) | Contingency Code |
|--|---------------|---|----------------------------|-------------------------------|
| December '12 Contingency Drawdown | | | | |
| | | | (\$275,000) | |
| December '12 - Ending Contingency Balance | | | | |
| | | | \$654.4 | |
| January '13 | | | | |
| 1) | DB-320 | Kamehameha Highway Guideway DB | Beg. Balance: | |
| | | Executed Change Order No. 01 - Acaola Rd alternative analysis | (\$15,961) | 90 02 - Allocated Contingency |
| | | January '13 Contingency Drawdown | (\$16,961) | |
| January '13 - Ending Contingency Balance | | | | |
| | | | \$654.4 | |
| February '13 | | | | |
| 1) | DB-120 | West Oahu Farrington Highway Guideway DB | Beg. Balance: | |
| | | Executed Change Order No. 26 - Ins. Covg Requirement/ Additional BGV at Ft. Weaver Rd | (\$1,070,178) | 90 02 - Allocated Contingency |
| | | February '13 Contingency Drawdown | (\$1,670,178) | |
| February '13 - Ending Contingency Balance | | | | |
| | | | \$662.8 | |
| March '13 | | | | |
| | | Beg. Balance: | \$662.8 | |
| 1) | FD-240 | Farrington Highway Stations Group FD | (\$3,895) | 90 03 - Contract Allowance |
| 2) | DB-200 | Maintenance & Storage Facility DB | (\$464,876) | 90 02 - Allocated Contingency |
| | | Executed Change Order No. 06 - Ins. Covg Requirements/ DB Crossovers Insulated Joints | (\$468,761) | |
| | | March '13 Contingency Drawdown | | |
| March '13 - Ending Balance | | | | |
| | | | \$652.3 | |
| April '13 | | | | |
| | | Beg. Balance: | \$652.3 | |
| 1) | FD-140 | West Oahu Stations Group FD | (\$81,013) | 90 03 - Contract Allowance |
| 2) | DB-120 | West Oahu Farrington Highway Guideway DB | \$1,670,178 | 90 02 - Allocated Contingency |
| 3) | DB-200 | Maintenance & Storage Facility DB | \$434,000 | 90 02 - Allocated Contingency |
| 4) | DB-320 | Kamehameha Highway Guideway DB | \$600 | 90 02 - Allocated Contingency |
| | | Executed Contract Amendment No. 01 - Second elevator provision | | |
| | | Budget Transfer to offset Ins. Covg Requirement for Change Order No. 26 | | |
| | | Budget Transfer to offset Ins. Covg Requirement for Change Order No. 06 | | |
| | | Budget Transfer to Align current budget to contract Schedule of Milestones | | |
| | | April '13 Contingency Drawdown | \$2,023,765 | |
| April '13 - Ending Contingency Balance | | | | |
| | | | \$654.3 | |
| May '13 | | | | |
| | | Beg. Balance: | \$654.3 | |
| | N/A | No Contingency Drawdown | \$0 | |
| | | May '13 Contingency Drawdown | \$0 | |
| May '13 - Ending Contingency Balance | | | | |
| | | | \$654.3 | |
| June '13 | | | | |
| | | Beg. Balance: | \$654.3 | |
| | N/A | No Contingency Drawdown | \$0 | |
| | | June '13 Contingency Drawdown | \$0 | |
| June '13 - Ending Contingency Balance | | | | |
| | | | \$654.3 | |
| July '13 | | | | |
| | | Beg. Balance: | \$654.3 | |
| 1) | FD-430 | Airport Section Guideway Utilities FD | (\$464,114) | 90 02 - Allocated Contingency |
| | | Executed Contract Amendment No. 04 - Antenna Engineering Design Services | | |

HART Project Contingency Drawdown with Details

Date as of 10/24/14

| # | Project No. | Project Desc. | Budget Transfer/Change Description | Contingency Drawdown (+/-) | Contingency Code |
|---|-------------|--|---|------------------------------|-------------------------------|
| 2) | DB-200 | Maintenance & Storage Facility DB | Executed Change Order No. 07 - Archeological Inventory Survey (AIS) Provisional Sum Part 2 | (\$3,000,000) | 90 02 - Allocated Contingency |
| 3) | DB-200 | Maintenance & Storage Facility DB | Executed Change Order No. 08 - Maintenance & Storage Facility Yard Switch Machines | (\$533,000) | 90 02 - Allocated Contingency |
| 4) | DB-200 | Maintenance & Storage Facility DB | Executed Change Order No. 09 - Yard Layout Revisions | (\$514,426) | 90 02 - Allocated Contingency |
| 5) | DB-200 | Maintenance & Storage Facility DB | Executed Change Order No. 10 - Train Configuration | (\$27,700) | 90 02 - Allocated Contingency |
| 5) | DB-200 | Maintenance & Storage Facility DB | Executed Change Order No. 11 - Preliminary Design & Supplemental Project Mfg July '13 Contingency Drawdown | (\$634,806) (\$5,264,106) | 90 02 - Allocated Contingency |
| July '13 - Ending Contingency Balance | | | | \$649.1 | |
| August '13 | | | | \$649.1 | |
| 1) | DB-120 | West Oahu Farrington Highway Guideway DB | Executed Change Order No. 30 - Archeological Inventory Survey (AIS) Provisional Part 2 | (\$5,800,000) | 90 02 - Allocated Contingency |
| 2) | DB-120 | West Oahu Farrington Highway Guideway DB | Executed Change Order No. 32 - Kaloi Channel Station Mod Concept | (\$72,361) | 90 02 - Allocated Contingency |
| 3) | DB-120 | West Oahu Farrington Highway Guideway DB | Executed Change Order No. 34 - Traditional Cultural Property Construction Partial Suspension | (\$1,158,054) | 90 02 - Allocated Contingency |
| 4) | DB-120 | West Oahu Farrington Highway Guideway DB | Executed Change Order No. 35 - Holopii Station Relocation Design | (\$463,615) | 90 02 - Allocated Contingency |
| 5) | DB-320 | Kahelelania Highway Guideway DB | Executed Change Order No. 06 - Archeological Inventory Survey (AIS) Provisional Part 2 | (\$1,500,000) | 90 02 - Allocated Contingency |
| 6) | FD-140 | West Oahu Stations Group FD | Executed Contract Amendment No. 02 - Canopy Redesign | (\$524,368) | 90 03 - Contract Allowance |
| 7) | MI-930 | Elevator & Escalator Install/Maint | Budget Transfer for Contract Awarded under E&E/IM contract budget August '13 Contingency Drawdown | \$3,738,472 (\$5,824,004) | 90 02 - Allocated Contingency |
| August '13 - Ending Contingency Balance | | | | \$643.2 | |
| September '13 | | | | \$643.2 | |
| 1) | DB-120 | West Oahu Farrington Highway Guideway DB | Executed Change Order No. 33 - Provisional Sum HDOT Joint Use and Occupancy | (\$4,900,000) | 90 02 - Allocated Contingency |
| 2) | DB-120 | West Oahu Farrington Highway Guideway DB | Executed Change Order No. 35 - Aesthetic Column Design Conflict | (\$120,812) | 90 02 - Allocated Contingency |
| 3) | DB-200 | Maintenance & Storage Facility DB | Executed Change Order No. 12 - HNTB Design Escalation | (\$833,500) | 90 02 - Allocated Contingency |
| 4) | FD-240 | Farrington Highway Stations Group FD | Executed Contract Amendment No. 10 - Notice-to-Proceed 2 Delay/Design Delay from Core Systems Contract & West Oahu Farrington Highway DB Contract September '13 Contingency Drawdown | (\$270,965) (\$6,116,297) | 90 02 - Allocated Contingency |
| September '13 - Ending Contingency Balance | | | | \$637.1 | |
| October '13 | | | | \$637.1 | |
| 1) | DB-200 | Maintenance & Storage Facility DB | Executed Change Order No. 13 - Ins. Covg Requirements/ Roof Access Modification | (\$282,195) | 90 02 - Allocated Contingency |
| 2) | DB-200 | Maintenance & Storage Facility DB | Budget Transfer for Change Order No. '13 for Ins. Covg Requirements | \$266,500 | 90 02 - Allocated Contingency |
| 3) | DB-120 | West Oahu Farrington Highway Guideway DB | Executed Change Order No. 37 - Ala Ike Street Mod/W36 at DR Horton & Farrington HWY | \$24,815 | 90 02 - Allocated Contingency |

HART Project Contingency Drawdown with Details

Data as of 10/24/14

| # | Project No. | Project Desc. | Budget Transfer/Change Description | Contingency Drawdown (1/1) | Contingency Code |
|---|-------------|--|--|--------------------------------|---|
| 4) | DBOM-920 | Core Systems Design/Bid/CIM | Executed Change Order No. 05 - Platform Screen Gates Systems | (\$23,301,657) | 90 02 - Allocated Contingency 90 01 - Unallocated Contingency |
| 5) | FD-560 | Dillingham and Kaka'ako Stations Group FD | Budget Transfer for Contract awarded under DKSG FD contract budget. October '13 Contingency Drawdown | \$1,157,780 (\$22,134,737) | 90 02 - Allocated Contingency |
| October '13 - Ending Contingency Balance \$615.0 | | | | | |
| November '13 | | | | | |
| Beg. Balance: \$615.0 | | | | | |
| 1) | DB-120 | West Oahu/Farrington Highway Guideway DB | Executed Change Order No. 38 - Insurance Coverage Requirement Q4 2013 | (\$1,600,000) | 90 02 - Allocated Contingency |
| 2) | DB-120 | West Oahu/Farrington Highway Guideway DB | Budget Transfer for Change Order No. 038 for Ins. Covg. Requirements | \$1,600,000 | 90 02 - Allocated Contingency |
| 3) | DB-200 | Maintenance & Storage Facility DB | Executed Change Order No. 014 - Preliminary Design & Supplemental Project Management 2 | (\$914,846) | 90 02 - Allocated Contingency |
| 4) | DB-200 | Maintenance & Storage Facility DB | Executed Change Order No. 015 - Yard Layout Revisions/RFP Structural Steel Modification | (\$1,723,000) | 90 02 - Allocated Contingency |
| 5) | DB-200 | Maintenance & Storage Facility DB | Budget Transfer for Change Order No. 015 for Ins. Covg. Requirements | \$223,000 | 90 02 - Allocated Contingency |
| 6) | FD-530 | City Center Guideway Utilities FD | Executed Contract Amendment No. 01 - Archeological Inventory Survey (AIS) Suspension | (\$532,800) | 90 02 - Allocated Contingency |
| 7) | FD-240 | Farrington Highway Station Group FD | Budget Transfer for Contract Award for FHSG FD II November '13 Contingency Drawdown | (\$2,700,205) (\$4,947,851) | 90 01 - Unallocated Contingency |
| December '13 | | | | | |
| Beg. Balance: \$610.0 | | | | | |
| 1) | FD-430 | Airport Section Guideway Utilities FD | Executed Contract Amendment No. 05 - Urena St redesign scope impact | (\$245,658) | 90 02 - Allocated Contingency |
| 2) | FD-140 | West Oahu Station Group FD | Executed Contract Amendment No. 03 - Design relocation of HECO 46kv and fiber optic lines December '13 Contingency Drawdown | (\$25,938) (\$272,896) | 90 02 - Allocated Contingency |
| January '14 | | | | | |
| Beg. Balance: \$609.8 | | | | | |
| 1) | FD-430 | Airport Section Guideway Utilities FD | Executed Contract Amendment No. 06 - Archeological Inventory Survey (AIS) Suspension | (\$3,306,450) | 90 02 - Allocated Contingency |
| 2) | FD-530 | City Center Guideway Utilities FD | Executed Contract Amendment No. 02 - Soil Resistance Test and Max. Sag Calculation | (\$405,153) | 90 02 - Allocated Contingency |
| 3) | MM-290 | Construction Engineering & Inspection West | Budget Transfer for Contract Award less than CE&I West contract budget | \$181,068 | 90 02 - Allocated Contingency |
| 4) | MM-595 | Construction Engineering & Inspection East | Budget Transfer for Contract Award less than CE&I East contract budget January '14 Contingency Drawdown | \$1,102,817 (\$1,428,718) | 90 02 - Allocated Contingency |
| February '14 | | | | | |
| Beg. Balance: \$608.3 | | | | | |
| 1) | FD-430 | Airport Section Guideway Utilities FD | Executed Contract Amendment No. 07 - Resist & Sag Geotech Investigation | (\$329,600) | 90 02 - Allocated Contingency |

HART Project Contingency Drawdown with Details

Date as of 10/24/14

| # | Project No. | Project Desc. | Budget Transfer/Change Description | Contingency Drawdown (F+) | Availability Code |
|--|-------------|--|---|---------------------------|-------------------------------|
| 2) | HRT-201 | HART ODC | Budget Transfer for Contract Award - Archeological & Cultural Monitoring contract | (\$11,467) | 90 02 - Allocated Contingency |
| 3) | MM-910 | GEC II | Budget Transfer for Contract Award - Archeological & Cultural Monitoring & Core Systems Support contracts | (\$4,424,170) | 90 02 - Allocated Contingency |
| 4) | MM-960 | Archeological & Cultural Monitoring | Budget Transfer for Contract Award - Archeological & Cultural Monitoring contract | \$36,761 | 90 02 - Allocated Contingency |
| 5) | M/M-962 | Core Systems Support | Budget Transfer for Contract Award - Core Systems Support contract | \$4,358,899 | 90 02 - Allocated Contingency |
| February '14 Contingency Drawdown | | | | (\$132,900) | |
| February '14 - Ending Contingency Balance | | | | \$608.2 | |
| March '14 | | | | Beg. Balance: | |
| | N/A | | No Contingency Drawdown | \$0 | |
| March '14 Contingency Drawdown | | | | \$0 | |
| March '14 - Ending Contingency Balance | | | | \$608.2 | |
| April '14 | | | | Beg. Balance: | |
| 1) | FD-140 | West Oahu Stations Group FD | Executed Contract Amendment No. 04 - East Kapiolani Staff Room Pre-Final Submittal | (\$60,243) | 90 03 - Contract Allowance |
| 2) | FD-450 | Airport Section Guideway, Utility FD | Executed Contract Amendment No. 08 - Notice-to-Proceed 485/Provisional Sum for Design Support during bid | 161,500 (714) | 90 03 - Contract Allowance |
| 3) | DB-200 | Maintenance & Storage Facility DB | Executed Change Order No. 016 - Rail Lubricators | (\$102,000) | 90 02 - Allocated Contingency |
| 4) | DB-200 | Maintenance & Storage Facility DB | Executed Change Order No. 017 - Yard Layout Reconfiguration/Automated Train Operation Design | (\$2,250,000) | 90 02 - Allocated Contingency |
| 5) | DB-200 | Maintenance & Storage Facility DB | Executed Change Order No. 018 - Rail Material Storage Plan | (\$370,000) | 90 02 - Allocated Contingency |
| 6) | DB-200 | Maintenance & Storage Facility DB | Executed Change Order No. 019 - Train Wash Facility Shortening | \$0 | 90 02 - Allocated Contingency |
| 7) | DB-120 | West Oahu Farrington Highway Guideway DB | Executed Change Order No. 040 - Precast Yard Alternative Site | (\$12,400,638) | 90 02 - Allocated Contingency |
| 8) | DB-120 | West Oahu Farrington Highway Guideway DB | Executed Change Order No. 041 - Revised Track Alignment and Profile | (\$46,800) | 90 02 - Allocated Contingency |
| 9) | DB-120 | West Oahu Farrington Highway Guideway DB | Executed Change Order No. 042 - Sandwhich Isles Communications Utility Relocation @ North South Rd. | (\$756,049) | 90 02 - Allocated Contingency |
| 10) | DB-320 | Kamehameha Highway Guideway DB | Executed Change Order No. 005 - Rebar Clear Spacing Design Criteria | \$0 | 90 02 - Allocated Contingency |
| April '14 Contingency Drawdown | | | | (\$17,490,782) | |
| April '14 - Ending Contingency Balance | | | | \$590.7 | |
| May '14 | | | | Beg. Balance: | |
| 1) | FD-140 | West Oahu Stations Group FD | Budget Transfer for Executed Contract Amendment No. 05 - Final Design for relocated Hoopili Station | \$220,123 | 90 02 - Allocated Contingency |
| 2) | DB-320 | Kamehameha Highway Guideway DB | Executed Change Order No. 008 - APFC work restrictions/abandoned utilities removal | (\$505,674) | 90 02 - Allocated Contingency |
| 3) | DB-320 | Kamehameha Highway Guideway DB | Executed Change Order No. 009 - Emergency walkway/insurance covg. Requirements 2013 | (\$839,000) | 90 02 - Allocated Contingency |

HART Project Contingency Drawdown with Details

Date as of 10/24/14

| Project No. | Project Desc. | Budget Transfer Change Description | Contingency Drawdown (M) | Contingency Code |
|--|--|--|--------------------------|---------------------------------|
| 4) | DBOM-920 Core Systems Contract Design Build O&M | Executed Change Order No. 007 - Relocate TPSS to system site #3 | \$867,054 | 90 02 - Allocated Contingency |
| 5) | MM-915 HDOT MOT Consultant | Budget Transfer for Executed Contract Amendment No.002 - Increase T&M contract value | \$287,391 | 90 02 - Allocated Contingency |
| 5) | MM-975 MSF LEED Consultant | Budget Transfer for Executed Contract Amendment No. 021 - LEED measurement and verification plan | (\$9,910) | 90 02 - Allocated Contingency |
| 7) | DB-200 Maintenance & Storage Facility DB | Executed Change Order No. 020 - CSC consolidated changes construction | (\$22,500,000) | 90 01 - Unallocated Contingency |
| 8) | DB-200 Maintenance & Storage Facility DB | Executed Change Order No. 025 - OSB reconfiguration | \$170,000 | 90 02 - Allocated Contingency |
| May '14 Contingency Drawdown | | | (\$22,310,016) | |
| June '14 | | | \$568.4 | |
| May '14 - Ending Contingency Balance | | | \$568.4 | |
| 1) | DB-200 Maintenance & Storage Facility DB | Board Approved RFCC 00010 - Amendment 1 Non-Rail Escalation | (\$5,000,000) | 90 02 - Allocated Contingency |
| June '14 Contingency Drawdown | | | (\$5,000,000) | |
| July '14 | | | \$563.4 | |
| June '14 - Ending Contingency Balance | | | \$563.4 | |
| 1) | DBOM-920 Core Systems Contract Design Build O&M | Executed Change Order No. 008 Platform Screen Gates Mobilization | (\$898,194) | 90 02 - Allocated Contingency |
| 2) | RCW Real Estate/Right-of-Way | Budget Transfer for Contract Award above the Real Estate Map & Survey budget | (\$1,344,612) | 90 02 - Allocated Contingency |
| 3) | DB-200 Maintenance & Storage Facility DB | Budget Transfer to Project Contingency from remaining "known" Changes balance | \$1,007,860 | 90 02 - Allocated Contingency |
| 4) | DB-120 West Oahu Farrington Highway Guideway DB | Budget Transfer to Project Contingency from remaining "known" Changes balance | \$1,556,107 | 90 02 - Allocated Contingency |
| July '14 Contingency Drawdown | | | \$321,161 | |
| August '14 | | | \$563.7 | |
| July '14 - Ending Contingency Balance | | | \$563.7 | |
| 1) | DB-320 Kamehameha Highway Guideway DB | Executed Change Order No. 010 - Delay in issuance of Notices-to-Proceed 2 & 3 | (\$1,628,000) | 90 02 - Allocated Contingency |
| 2) | FD-140 West Oahu Stations Group FD | Executed Amendment No. 006 - Passenger screen gates | (\$80,233) | 90 02 - Allocated Contingency |
| 3) | DBB-505 Airport Section Utility Construction DBB | Budget Transfer for Contract Award above Airport Section Utility Construction original budget | (\$2,155,371) | 90 02 - Allocated Contingency |
| 4) | MM-946 On Call Hazmat Removal Consultant | Budget Transfer due to scope transfer from ROW to Hazmat consultant | \$470,823 | 90 02 - Allocated Contingency |
| 5) | MM-945 On Call Contractor | Budget Transfer for Contract Award above On Call Contractor original budget | (\$130,435) | 90 02 - Allocated Contingency |
| August '14 Contingency Drawdown | | | (\$4,323,166) | |
| September '14 | | | \$559.4 | |
| August '14 - Ending Contingency Balance | | | \$559.4 | |
| 1) | MM-950 OCIP Consultant Contract | Budget Transfer to unallocated contingency as estimate at completion is less than current budget | \$750,000 | 90 02 - Allocated Contingency |

HART Project Contingency Drawdown with Details

Data as of 10/24/14

| # | Project No. | Project Desc. | Budget Transfer/Change Description | Contingency Drawdown (1/1) | Contingency Code |
|--|-------------|--|--|--|---|
| 2) | DB-200 | Maintenance & Storage Facility DB | Executed Change Order No. 027 - Traditional Cultural Properties (TCP) Suspension | (\$473,593) | 90 02 - Allocated Contingency |
| 3) | DB-200 | Maintenance & Storage Facility DB | Executed Change Order No. 026 - Insurance Coverage Requirements 2014 | (\$1,112,000) | 90 02 - Allocated Contingency |
| 4) | DB-320 | Kamehameha Highway Guideway DB | Executed Change Order No. 011 - Revised Vehicle Criteria/Construction Safety Security Plan | (\$231,500) | 90 02 - Allocated Contingency |
| 5) | DB-320 | Kamehameha Highway Guideway DB | Executed Change Order No. 012 - Insurance Coverage Requirements 9/1/13 - 6/30/14 | (\$1,400,000) | 90 02 - Allocated Contingency |
| 6) | DB-120 | West Oahu Farrington Highway Guideway DB | Executed Change Order No. 045 - Standard Specification Revision 2.0 | (\$2,050,000) | 90 02 - Allocated Contingency |
| 7) | DB-120 | West Oahu Farrington Highway Guideway DB | Executed Change Order No. 046 - Insurance Coverage Requirements 2014 | (\$5,400,000) | 90 02 - Allocated Contingency |
| 8) | FD-530 | City Center Guideway Utilities FD | Executed Contract Amendment 004 - Astretto Station Column | (\$271,850) | 90 02 - Allocated Contingency |
| 9) | FD-530 | City Center Guideway Utilities FD | Executed Contract Amendment 005 - City Center Section Rescue Cart Scope Impact | (\$72,000) | 90 02 - Allocated Contingency |
| 10) | FD-340 | Kamehameha Highway Stations Group FD | Executed Contract Amendment 001 - Special Provisions Update/Shear Wave Analysis | (\$27,532) | 90 03 - Contract Allowance |
| 11) | FD-340 | Kamehameha Highway Stations Group FD | Executed Contract Amendment 003 - Historic Architect/Replace Highway Sign | (\$71,911) | 90 03 - Contract Allowance |
| 12) | FD-340 | Kamehameha Highway Stations Group FD | Executed Contract Amendment 005 - Adzed Bus Shelters at Aloha Stadium Station | (\$28,850) | 90 03 - Contract Allowance |
| 13) | FD-430 | Airport Section Guideway Utility FD | Executed Contract Amendment 010 - Astretto Station Column and Pearl Harbor Station Redesign | (\$238,730) | 90 02 - Allocated Contingency |
| 14) | FD-430 | Airport Section Guideway Utility FD | Executed Contract Amendment 011 - Airport Section Rescue Cart Scope Impact | (\$45,000) | 90 02 - Allocated Contingency |
| 15) | FD-140 | West Oahu Stations Group FD | Executed Contract Amendment 007 - Traffic Signal Conflict UHWO/Ho'opili Access Road September '14 Contingency Drawdown | (\$62,722) (\$9,336,161) | 90 03 - Contract Allowance |
| * July '14 - Board Approved Changes Only - Pending execution | | | | \$560.1 | |
| 1) | MM-935 | Real Estate Consultant | Extended Paragon Services | (\$3,340,168) | 90 02 - Allocated Contingency |
| * August '14 - Board Approved Changes Only - Pending execution | | | | | |
| | N/A | N/A | No Board Approved Changes this period | \$0 | |
| * September '14 - Board Approved Changes Only - Pending execution | | | | | |
| | N/A | N/A | No Board Approved Changes this period | \$0 | |
| * October '14 - Board Approved Changes Only - Pending execution | | | | | |
| 1) | DB-120 | West Oahu Farrington Highway Guideway DB | Station Loads and Configuration Mods | (\$4,400,000) | 90 02 - Allocated Contingency/90 01 - Unallocated Contingency |
| 2) | DB-320 | Kamehameha Highway Guideway DB | Station Loads and Configuration Mods | (\$1,350,000) | 90 02 - Allocated Contingency |
| 3) | DB-200 | Maintenance & Storage Facility DB | Escalation due to Schedule Impacts Subtotal Board Approved Contingency Drawdown | (\$5,750,000) (\$17,550,189) | 90 01 - Unallocated Contingency |
| October '14 - Ending Contingency Balance (Pending Execution) | | | | \$532.5 | |

Appendix D. Project Cost Reports (data as of September 26, 2014)

Project Costs by Contract

Cost reports are run from the HART Contract Management System (CMS)



Costs Reported as of Month Ending September 2014
Project Monthly Cost Report by Contract - One Line Summary

Page: 1 of 3

| CPP No | Title | A | B | | C-A+B | D | E | F |
|-----------|--|-------------|-------------|-------------|--------------|---|--------------|------|
| | | | Original | Changes | | | | |
| ART | Project Wide ART | 0 | 0 | 0 | 0 | 0 | 0 | 0% |
| CCH-100 | Inactive Hwt/Qty CCH | 15,348,443 | 0 | 0 | 15,348,443 | 0 | 14,925,228 | 97% |
| CCH-101 | HART/Qty Dept of BFS | 105,092 | 0 | 0 | 105,092 | 0 | 0 | 0% |
| CCH-102 | HART/Qty DDC Land Division | 236,201 | 0 | 0 | 236,201 | 0 | 173,182 | 88% |
| CCH-107 | HART/Qty Corporation Counsel (COR) | 1,672,585 | 0 | 0 | 1,672,585 | 0 | 129,635 | 8% |
| CCH-108 | Board of Water Supply (BWS) | 928,325 | 0 | 0 | 928,325 | 0 | 928,325 | 100% |
| DB-120 | West Oahu/Farrington Hwy. Guideway | 482,924,000 | 113,998,382 | 596,922,382 | -596,922,382 | 0 | 303,496,128 | -51% |
| DB-200 | Maintenance & Storage Facility DB | 195,258,000 | 70,600,008 | 265,858,008 | -195,888,742 | 0 | -134,422,288 | -51% |
| DB-320 | Kamehameha Hwy Guideway DB | 372,150,000 | -11,515,863 | 383,665,863 | -173,681,444 | 0 | -107,746,869 | -28% |
| DBB-185 | West Side SG Construction | 0 | 0 | 0 | 0 | 0 | 0 | 0% |
| DBB-275 | Pearl Highlands Pkg. Str. Constr. OLD | 0 | 0 | 0 | 0 | 0 | 0 | 0% |
| DBB-470 | Airport Station Group Constr. | 0 | 0 | 0 | 0 | 0 | 0 | 0% |
| DBB-505 | Airport Section Utilities Constr. | 28,413,974 | 0 | 28,413,974 | 0 | 0 | 0 | 0% |
| DBB-510 | City Center Section Utilities Constr. | 0 | 0 | 0 | 0 | 0 | 0 | 0% |
| DBB-520 | Airport-City Center Guideway Constr. | 0 | 0 | 0 | 0 | 0 | 0 | 0% |
| DBB-525 | Airport Section Guideway 7 Pier Constr | 3,973,000 | 0 | 3,973,000 | 0 | 0 | 0 | 0% |
| DBB-580 | Dillingham/Kaka'ako SG Construction | 0 | 0 | 0 | 0 | 0 | 0 | 0% |
| DBB-600 | UHMO Pkg/Hoopili Str Finishes Constr. | 0 | 0 | 0 | 0 | 0 | 0 | 0% |
| DBB-M-920 | Core Systems Design Build O/M | 573,782,793 | 23,138,490 | 602,981,288 | -587,066,271 | 0 | 84,465,458 | 14% |
| FD-140 | West Oahu Station Group Final Design | 7,783,000 | 1,473,805 | 9,262,805 | 7,893,707 | 0 | 7,293,918 | 78% |
| FD-240 | Farrington Highway Stations Group 2 | 9,300,636 | 2,907,349 | 12,208,045 | -10,590,132 | 0 | 9,686,873 | -79% |
| FD-245 | Pearl Highlands Pkg. Str. FD OLD | 0 | 0 | 0 | 0 | 0 | 0 | 0% |
| FD-340 | Kamehameha Hwy Station Group H2R2 FD | 8,702,582 | 0 | 8,702,582 | 8,004,436 | 0 | 7,687,346 | 88% |
| FD-480 | Airport Sect. Guideway/Utilities FD | 38,840,960 | 3,711,172 | 42,552,132 | 44,140,148 | 0 | 34,928,013 | 82% |
| FD-440 | Airport Station Group FD | 10,177,365 | 0 | 10,177,365 | 9,128,022 | 0 | 8,008,084 | 79% |
| FD-330 | City Center Guideway/Utilities FD | 43,948,220 | 1,282,803 | 45,231,023 | 42,614,702 | 0 | 32,294,351 | 71% |
| FD-550 | Dillingham and Kaka'ako SG FD | 18,321,918 | 0 | 18,321,918 | -14,685,934 | 0 | 7,864,923 | -43% |
| FD800 | UHMO Pkg-Hoopili Station Finishes FD | 0 | 0 | 0 | 0 | 0 | 0 | 0% |
| HRT-200 | HRT Labor | 31,451,942 | 0 | 31,451,942 | 0 | 0 | 30,538,915 | 97% |
| HRT-201 | HART ODC | 15,459,498 | 0 | 15,459,498 | 0 | 0 | 12,244,158 | 79% |
| M-930 | Elevators & Escalators Install/Maint | 30,362,714 | 0 | 30,362,714 | 5,442,108 | 0 | 2,875,874 | 6% |
| MM-280 | WOP/HK48G CE&I(REPA CK&BED) | 0 | 0 | 0 | 0 | 0 | 0 | 0% |
| MM-280 | Construction Engg & Inspection West | 54,232,480 | 0 | 54,232,480 | 16,650,000 | 0 | 5,073,786 | 9% |

m:\cm_pmoc\p\o\h\y\con\act\one_line - No. 19

* Current Committed = Original Contract + CCO/Amendment
** AFE = Authorized For Expenditure (Latest NTP Amounts or equal to current commitment Plus Executed Change Orders/Amendments)

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Costs Reported as of Month Ending September 2014
Project Monthly Cost Report by Contract - One Line Summary

| CPP No | Title | A | | B | C-A+B | | D | E | F |
|--------|---------------------------------------|----------|-------------|------------|-------------|-------------|-------------|------------------|------|
| | | Original | Changes | | COMMITTED | Current* | | | |
| | | | | | | | AFE** | Incurred To Date | % |
| MM-383 | Pearl Highlands Garage and Ramps CEI | CPFF | 0 | 0 | 0 | 0 | 0 | 0 | 0% |
| MM-500 | Repackaged into MM959 CEI East | CPFF | 0 | 0 | 0 | 0 | 0 | 0 | 0% |
| MM-523 | Repackaged into MM958 CEI East | CPFF | 0 | 0 | 0 | 0 | 0 | 0 | 0% |
| MM-530 | Repackaged into MM959 CEI East | CPFF | 0 | 0 | 0 | 0 | 0 | 0 | 0% |
| MM-595 | Construction, Engg. & Inspection East | CPFF | 63,083,417 | 0 | 63,083,417 | 0 | 15,237,000 | 3,304,027 | 5% |
| MM-600 | UHWO Pkg-Hoopili Stn Finishes CEI | CPFF | 0 | 0 | 0 | 0 | 0 | 0 | 0% |
| MM-900 | Program Mgt Support Const (PM SC-1) | CPFF | 36,727,162 | 0 | 36,727,162 | 0 | 20,700,000 | 0 | 0% |
| MM-901 | Program Mgt Support Const (PM SC-2) | CPFF | 33,376,897 | 0 | 33,376,897 | 0 | 26,680,790 | 23,063,770 | 69% |
| MM-905 | MM-905 Gen Engg. Const. B/S/PE | CPFF | 0 | 78,564,942 | 78,564,942 | 78,564,942 | 78,564,942 | 74,157,822 | 94% |
| MM-910 | MM-910 Gen Engg. Const. FD-Construct | CPFF | 150,000,000 | 0 | 150,000,000 | 150,000,000 | 150,000,000 | 149,133,371 | 99% |
| MM-913 | MM-913 Gen Engg. Recomplete | CPFF | 46,143,277 | 0 | 46,143,277 | 13,078,208 | 0 | 8,417,592 | 18% |
| MM-915 | HDOT Traffic Mgmt. Consult. | T&M | 1,600,000 | 1,400,000 | 9,000,000 | 4,000,000 | 0 | 1,383,040 | 53% |
| MM-920 | HDOT Coordination Const W/OFH | T&M | 3,000,000 | 7,500,000 | 10,500,000 | 9,000,000 | 0 | 5,659,977 | 54% |
| MM-921 | HDOT Coordination Const KHIS | T&M | 10,000,000 | -1,400,000 | 8,600,000 | 4,000,000 | 0 | 2,032,341 | 24% |
| MM-922 | HDOT Coord. Const. Airport | T&M | 12,000,000 | -5,600,000 | 6,400,000 | 3,000,000 | 0 | 1,648,668 | 26% |
| MM-923 | HDOT Coordination Const. City Center | T&M | 0 | 0 | 0 | 0 | 0 | 0 | 0% |
| MM-925 | HDOT Labor - Highway Group | T&M | 550,000 | 0 | 550,000 | 813,322 | 0 | 1,033,764 | 188% |
| MM-926 | HDOT Labor - Airport Group | T&M | 0 | 0 | 0 | 0 | 0 | 0 | 0% |
| MM-930 | HDOT State S/OA Manager & Consultant | T&M | 1,272,400 | 593,142 | 1,855,542 | 843,167 | 0 | 470,307 | 25% |
| MM-935 | Real Estate Consultant | T&M | 3,000,000 | 0 | 3,000,000 | 1,490,000 | 0 | 1,262,496 | 42% |
| MM-937 | Real Estate Consultant - Maps/Surv. | CPFF | 2,988,000 | 0 | 2,988,000 | 1,500,000 | 0 | 0 | 0% |
| MM-940 | Kakio's Consultant | T&M | 1,000,000 | 0 | 1,000,000 | 500,000 | 0 | 397,813 | 40% |
| MM-945 | On-Call Contractor | T&M | 1,000,000 | 0 | 1,000,000 | 800,000 | 0 | 0 | 0% |
| MM-946 | On-Call Hazmat Removal Contractor | T&M | 3,000,000 | 0 | 3,000,000 | 1,000,000 | 0 | 1,356,434 | 45% |
| MM-950 | OCIP Consultant | FFF | 1,250,000 | 0 | 1,250,000 | 833,750 | 0 | 712,344 | 57% |
| MM-951 | Owner-Controlled Insurance Program | FFF | 41,000,000 | 0 | 41,000,000 | 0 | 0 | 10,712,343 | 26% |
| MM-960 | Archaeological & Cultural Monitoring | T&M | 459,517 | 0 | 459,517 | 417,426 | 0 | 61,779 | 13% |
| MM-962 | CORE Systems Support | CPFF | 43,988,989 | 0 | 43,988,989 | 3,749,764 | 0 | 3,749,764 | 9% |
| MM-964 | Safety and Security | FFF | 4,639,573 | 0 | 4,639,573 | 1,200,000 | 0 | 578,839 | 12% |
| MM-975 | LEED Commissioning Services for MSF | T&M | 278,630 | 3,910 | 288,540 | 288,540 | 0 | 58,660 | 20% |
| OTHER | Project Wide | CPCO | 0 | 0 | 0 | 0 | 0 | 0 | 0% |
| PA-101 | Programmatic Agreement-Humanities | PA | 0 | 0 | 0 | 0 | 0 | 0 | 0% |
| PA-102 | Programmatic Agreement-HPC | PA | 400,000 | 0 | 400,000 | 200,000 | 0 | 44,032 | 11% |

* Current Committed - Original Contract + CCO/Amendment

** AFE = Authorized For Expenditure (Latest NTP Amounts or equal to current commitment Plus Executed Change Orders/Amendments)



Costs Reported as of Month Ending September 2014
Project Monthly Cost Report by Contract - One Line Summary

Page: 3 of 3

| CPP No | Title | A Original | B COMMITTED Changes | C=A+B Current* | D AFE AFE** | E INCURRED Incurred To Date | F PERCENT % |
|-----------------------|--|----------------------|---------------------------|----------------------|----------------------|-----------------------------------|-------------------|
| PA-103 | Programmatic Agreement, HP C Park Impr | 0 | 0 | 0 | 0 | 0 | 0% |
| ROW | Real Estate / Right-of-Way | 60,888,688 | 0 | 60,888,688 | 0 | 65,939,223 | 108% |
| UTIL | Utilities by Utility Companies | 87,372,935 | 1,010,000 | 88,382,935 | 67,823,941 | 3,264,419 | 10% |
| Total Project: | | 2,573,109,233 | 316,755,367 | 2,889,864,599 | 2,121,301,543 | 1,169,991,982 | |

* Current Committed = Original Contract + CCO/Amendment

** AFE = Authorized For Expenditure (Latest NTP Amounts or equal to current commitment Plus Executed Change Orders/Amendments)

Project Costs by SCC – Summary

Cost reports are run from the HART Contract Management System (CMS)



Costs Reported as of Month Ending September 2014
Project Monthly Cost Report by SCC Summary

Page: 1 of 1

| SCC | Title | BUDGET | | C=A+B | D | E | F | G | H=C-G | I |
|--|--|----------------------|--------------|----------------------|----------------------|------------------------|--------------------|----------------------|----------|----------------------|
| | | Baseline | Transfers | | | | | | | |
| | | Current | Current* | AFE** | Changes ID'd*** | Est. At Completion**** | Variance | Incurred To Date | | |
| 1. Subtotal 10 - 80 SCC Costs | | | | | | | | | | |
| 10 | Guideway & Track Elements | 1,114,215,147 | 38,589,024 | 1,152,784,171 | 542,981,754 | 29,248,193 | 0 | 1,152,784,171 | 0 | 88,692,363 |
| 20 | Stations, Stops, Terminals, Intermodal | 421,804,740 | (25,138,472) | 396,666,268 | 50,982,714 | 0 | 0 | 396,666,268 | 0 | 2,875,874 |
| 30 | Support Facilities, Yard, Shop, Admin | 32,535,015 | 21,771,122 | 114,306,137 | 114,306,137 | 17,962,473 | 0 | 114,306,137 | 0 | 42,844,195 |
| 40 | Sitework & Special Conditions | 983,178,121 | 20,981,254 | 1,004,139,375 | 678,311,700 | 125,508,276 | 6,586,352 | 1,004,139,375 | 0 | 326,864,251 |
| 50 | Systems | 221,284,301 | 35,661,231 | 256,945,532 | 241,785,319 | 36,403,039 | 145,000 | 256,945,532 | 0 | 4,823,567 |
| 60 | ROAD Land, Existing Improvements | 197,997,947 | 528,621 | 197,926,568 | 64,218,508 | 329,820 | 5,000,000 | 197,926,568 | 0 | 67,479,520 |
| 70 | Vehicles | 186,829,020 | 4,713,897 | 191,543,017 | 191,543,017 | 1,514,720 | 0 | 191,543,017 | 0 | 9,991,634 |
| 80 | Provisional Services | 1,087,830,119 | (3,584,299) | 1,084,245,820 | 997,765,721 | 105,996,192 | (12,292,060) | 1,084,245,820 | 0 | 587,374,089 |
| AC | Provisional Ps, Requests | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 38,296,144 |
| Subtotal: | | 4,305,074,410 | 93,462,478 | 4,398,536,888 | 2,881,874,871 | 316,902,773 | (1,520,708) | 4,398,536,888 | 0 | 1,169,841,837 |
| 2. NTP | | | | | | | | | | |
| NTP | | 0 | 0 | 0 | 0 | 1,801,422,696 | 0 | 0 | 0 | 0 |
| Subtotal: | | 0 | 0 | 0 | 0 | 1,799,922,696 | 0 | 0 | 0 | 0 |
| 3. Contingency | | | | | | | | | | |
| CNTR | | 541,688,343 | (58,611,363) | 483,077,980 | 7,989,728 | 2,976,074 | 168,531,299 | 483,077,980 | 0 | 150,345 |
| PRJ | | 101,871,170 | (34,871,115) | 67,000,055 | 0 | 0 | 0 | 67,000,055 | 0 | 0 |
| Subtotal: | | 643,559,513 | (93,482,478) | 550,078,055 | 7,989,728 | 2,976,074 | 168,531,299 | 550,078,055 | 0 | 150,345 |
| 4. Finance Charges - Eligible | | | | | | | | | | |
| OTH | | 173,058,243 | 0 | 173,058,243 | 0 | 0 | 0 | 173,058,243 | 0 | 0 |
| Subtotal: | | 173,058,243 | 0 | 173,058,243 | 0 | 0 | 0 | 173,058,243 | 0 | 0 |
| FIA TOTAL PROJECT COSTS | | 5,124,693,166 | 0 | 5,124,693,166 | 2,989,864,599 | 2,121,301,543 | 168,010,590 | 5,124,693,166 | 0 | 1,169,991,982 |
| 4. Finance Charges - Ineligible Costs | | | | | | | | | | |
| FINC | | 42,000,000 | 0 | 42,000,000 | 0 | 0 | 0 | 42,000,000 | 0 | 0 |
| Subtotal: | | 42,000,000 | 0 | 42,000,000 | 0 | 0 | 0 | 42,000,000 | 0 | 0 |
| INELIGIBLE COSTS | | 42,000,000 | 0 | 42,000,000 | 0 | 0 | 0 | 42,000,000 | 0 | 0 |
| Total Project: | | 5,163,693,166 | 0 | 5,163,693,166 | 2,989,864,599 | 2,121,301,543 | 168,010,590 | 5,163,693,166 | 0 | 1,169,991,982 |

Report: M_C100_pmcoc_monthly_Scc_summary - No. 22

* Current Committed = Original Contract + COO/Amendment
 ** AFE = Authorized For Expenditure (Latest NTP Amounts or equal to current commitment Plus Executed Change Orders/Amendments)

*** Changes Identified= Pending + Probable + Potential Changes

**** Est. At Completion = Original Contract + COO/Amendments + Changes Identified

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Project Costs by SCC – Level 2

Cost reports are run from the HART Contract Management System (CMS)

Costs Reported as of Month Ending September 2014
Project Monthly Cost Report by SCC Details



| SCC | Title | BUDGET | | C=A+B | D | E | F | G | H=C-G | I |
|-----------|--|---------------|--------------|---------------|-------------|-------------|-----------|---------------|-------|-------------|
| | | Baseline | Transfers | | | | | | | |
| 1. | Subtotal 10 - 80 SCC Costs | | | | | | | | | |
| 10.00 | Guideway & Track Elements | 1,114,215,947 | 39,569,024 | 1,152,784,971 | 542,961,754 | 29,248,193 | 0 | 1,152,784,971 | 0 | 38,692,369 |
| 10.04 | Guideway: Aerial Structure | 1,022,380,871 | 35,592,863 | 1,057,973,734 | 457,658,917 | 19,186,466 | 0 | 1,057,973,734 | 0 | 55,230,803 |
| 10.08 | Guideway: Retained Cut or Fill | 7,492,944 | (1,026,688) | 6,466,256 | 6,466,256 | 0 | 0 | 6,466,256 | 0 | 0 |
| 10.09 | Track: Direct Fixation | 79,347,205 | 3,097,822 | 82,445,027 | 74,637,831 | 9,630,951 | 0 | 82,445,027 | 0 | 33,461,560 |
| 10.11 | Track: Ballasted | 3,293,724 | (639,849) | 2,653,875 | 2,697,875 | 0 | 0 | 2,697,875 | 0 | 0 |
| 10.12 | Track: Special (Switches, turnouts) | 1,700,803 | 1,530,876 | 3,231,679 | 1,530,876 | 30,876 | 0 | 3,231,479 | 0 | 0 |
| 20.00 | Station & Bldg. Terminal, Platform | 421,804,740 | 105,108,403 | 526,913,143 | 50,982,714 | 0 | 0 | 526,913,143 | 0 | 2,875,874 |
| 20.01 | A-grade station, stop, shelter... | 6,111,332 | 0 | 6,111,332 | 0 | 0 | 0 | 6,111,332 | 0 | 0 |
| 20.02 | Aerial Station, stop, sheltermall | 284,568,457 | (21,400,000) | 263,168,457 | 0 | 0 | 0 | 273,163,487 | 0 | 0 |
| 20.06 | Automobile parking multi-story | 66,408,765 | 0 | 66,408,765 | 0 | 0 | 0 | 66,408,765 | 0 | 0 |
| 20.07 | Elevators, Escalators | 54,721,186 | (3,736,472) | 50,984,714 | 50,982,714 | 0 | 0 | 50,982,714 | 0 | 2,875,874 |
| 30.00 | Support Facilities (roads, shops, admin) | 92,535,015 | 21,771,122 | 114,306,137 | 114,306,137 | 17,362,473 | 0 | 114,306,137 | 0 | 42,844,195 |
| 30.02 | Light Maintenance Facility | 7,591,888 | (5,045) | 7,586,843 | 7,586,843 | 0 | 0 | 7,586,843 | 0 | 773,104 |
| 30.03 | Heavy Maintenance Facility | 39,039,138 | 4,395,814 | 43,434,952 | 42,694,932 | 4,837,322 | 0 | 42,694,932 | 0 | 12,824,926 |
| 30.04 | Storage or Maintenance of Way Bldg | 7,797,460 | 864,571 | 8,662,031 | 8,762,031 | 1,026,121 | 0 | 8,762,031 | 0 | 1,211,073 |
| 30.05 | Yard and Yard Track | 39,046,523 | 16,214,832 | 55,261,355 | 55,262,361 | 12,098,430 | 0 | 55,262,361 | 0 | 27,495,103 |
| 40.00 | Sitework & Special Conditions | 983,178,121 | 20,361,250 | 1,003,539,371 | 678,311,700 | 125,308,276 | 6,566,352 | 1,004,199,375 | 0 | 326,864,251 |
| 40.01 | Demolition, Clearing, Earthwork | 29,380,158 | (2,308,147) | 27,072,011 | 8,022,358 | 125,214 | 0 | 27,072,011 | 0 | 241,537 |
| 40.02 | Site Utilities, Utility Relocation | 289,449,756 | 8,115,682 | 297,565,438 | 189,455,517 | 6,842,637 | 6,957,666 | 307,565,418 | 0 | 24,852,403 |
| 40.03 | Haz. mat'l, contained soil removal | 9,199,237 | (3,421,934) | 5,777,303 | 3,016,065 | 18,085 | (391,206) | 3,777,903 | 0 | 16,085 |
| 40.04 | Environmental Mitigation | 26,978,122 | 4,376,801 | 31,354,923 | 16,543,497 | 2,689 | 0 | 31,356,923 | 0 | 6,268,873 |
| 40.05 | Site structures, retaining walls, | 7,398,960 | 1,062,414 | 8,461,374 | 8,302,848 | 0 | 0 | 9,061,374 | 0 | 575,388 |
| 40.06 | Pedestrian/bike access/landscaping | 41,073,897 | 741,177 | 41,815,074 | 4,391,868 | (4,366) | 0 | 41,815,074 | 0 | 50,000 |
| 40.07 | Auto, bus, van accessways | 181,979,367 | (11,513,507) | 170,465,860 | 35,553,416 | 784,300 | 0 | 170,465,860 | 0 | 2,599,204 |
| 40.08 | Temporary Facilities/Indirect Cost | 386,517,824 | 25,308,488 | 411,826,312 | 411,826,312 | 117,741,317 | 0 | 411,826,312 | 0 | 290,304,376 |
| 50.00 | Station | 221,234,301 | 35,861,231 | 256,945,532 | 241,765,319 | 36,409,099 | 145,000 | 256,945,532 | 0 | 4,823,667 |
| 50.01 | Train control and signals | 81,362,556 | 23,236,140 | 104,598,696 | 105,218,696 | 22,818,050 | 146,000 | 105,218,696 | 0 | 0 |
| 50.02 | Traffic signals and crossing prot. | 10,458,226 | (206,880) | 10,251,346 | 0 | 0 | 0 | 10,251,346 | 0 | 0 |
| 50.03 | Traction power supply: substation | 29,500,826 | 1,229,880 | 30,730,706 | 30,730,806 | (237,481) | 0 | 30,730,806 | 0 | 342,747 |
| 50.04 | Traction power distribution: care | 32,878,150 | 5,059,838 | 37,937,988 | 33,029,111 | 7,941,115 | 0 | 37,937,988 | 0 | 1,196,143 |
| 50.05 | Communications | 53,691,339 | 6,443,477 | 60,134,816 | 60,134,816 | 5,893,419 | 0 | 60,134,816 | 0 | 1,874,712 |
| 50.06 | Fare collection system and equipm | 9,459,277 | 59,822 | 9,519,100 | 9,218,099 | 0 | 0 | 9,218,099 | 0 | 0 |

* Current Committed = Original Contract + CCO/Amendment

** AFE = Authorized For Expenditure (Latest NTP Amounts or equal to current commitment Plus Executed Change Orders/Amendments)

*** Changes Identified= Pending + Probable + Potential Changes

**** Est. At Completion = Original Contract + CCO/Amendments + Changes Identified



Costs Reported as of Month Ending September 2014
 Project Monthly Cost Report by SCC Details

| SCC | Title | A | | B | | C=A+B | | D | | E | | F | | G | | H=C-G | | I |
|--------------------------------------|------------------------------------|---------------|--------------|---------------|---------------|-------------|---------------|---------------|-------|---------------|-----------------|------------------------|----------|------------------|---|-------|---|---|
| | | Baseline | Transfers | BUDGET | Transfers | Current | COMMITTED | Current* | AFE** | AFE** | Changes ID'd*** | Est. At Completion**** | Variance | Incurred To Date | | | | |
| 1. Subtotal 10 - 80 SCC Costs | | | | | | | | | | | | | | | | | | |
| 80.01 | Central Control | 221,284,301 | 35,861,231 | 256,345,532 | 241,785,319 | 36,403,099 | 145,000 | 256,345,532 | 0 | 4,823,567 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 80.02 | Central Control | 3,613,827 | (180,036) | 3,453,791 | 3,453,791 | 0 | 0 | 3,453,791 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 80.03 | Leasing, Existing Improvements | 197,397,947 | 528,821 | 197,926,768 | 64,218,508 | 329,820 | 5,000,000 | 197,926,768 | 0 | 67,479,520 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 80.04 | Purchase or lease of real estate | 179,360,664 | 250,821 | 179,611,485 | 57,262,760 | 32,020 | 5,000,000 | 179,611,485 | 0 | 62,872,041 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 80.05 | Relocation of existing households | 18,037,283 | 277,800 | 18,315,083 | 6,955,748 | 277,800 | 0 | 18,315,083 | 0 | 3,344,982 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 80.06 | Vehicle | 186,829,030 | 4,713,937 | 191,543,017 | 191,543,017 | 1,514,720 | 0 | 191,543,017 | 0 | 8,981,634 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 80.07 | Light Rail | 186,721,386 | 5,915,687 | 192,637,073 | 172,637,073 | 1,514,720 | 0 | 172,637,073 | 0 | 6,697,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 80.08 | Non-revenue vehicles | 14,346,923 | (1,320,375) | 13,026,548 | 13,026,548 | 0 | 0 | 13,026,548 | 0 | 3,284,634 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 80.09 | Spare parts | 5,760,711 | 118,685 | 5,879,396 | 5,879,396 | 0 | 0 | 5,879,396 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 80.10 | Provisional Services | 1,087,830,119 | (2,384,295) | 1,084,245,820 | 987,765,721 | 106,936,192 | (102,200,000) | 1,084,245,820 | 0 | 587,974,089 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 80.01 | Preliminary Engineering | 34,055,262 | 24,644,185 | 118,99,447 | 109,567,127 | 20,905,622 | 0 | 118,989,447 | 0 | 100,812,256 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 80.02 | Final Design | 228,321,632 | (19,811,571) | 208,510,061 | 188,611,860 | 13,637,433 | 5,887,660 | 208,510,061 | 0 | 119,181,123 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 80.03 | Project Management Design & Cons | 383,849,788 | (44,348,682) | 319,501,106 | 348,782,949 | 646,492,714 | (17,323,901) | 319,501,106 | 0 | 255,519,401 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 80.04 | Constr. Admin. & Management | 139,656,728 | (37,894,993) | 16,171,336 | 156,506,875 | 2,122,249 | 0 | 161,771,336 | 0 | 54,434,340 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 80.05 | Professional Liability & other Ins | 46,349,724 | 28,791,938 | 7,931,682 | 43,174,657 | 7,005,000 | 0 | 75,331,662 | 0 | 12,358,403 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 80.06 | Legal, Permits, Review Fees etc. | 67,641,005 | (271,088) | 67,369,917 | 35,544,175 | 2,516,420 | 0 | 67,369,917 | 0 | 14,418,177 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 80.07 | Surveys, Testing, Investigation, I | 21,759,396 | 45,540,674 | 67,300,070 | 66,772,822 | 446,446 | 0 | 67,300,070 | 0 | 17,450,731 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 80.08 | Start up | 65,996,684 | (294,338) | 65,702,285 | 48,805,263 | 898,194 | (775,300) | 65,702,265 | 0 | 13,357,813 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| ACR | Provisional Pay Request | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 38,296,144 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| ACR | Provisional Request For Payment | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 38,296,144 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Subtotal: | | 4,305,074,410 | 93,482,478 | 4,398,556,888 | 2,891,874,871 | 316,802,773 | 1520,7081 | 4,398,556,888 | 0 | 1,169,841,637 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

| 2. NTP | | | | | | | | | | | | | | | | | | | |
|------------------|-------------------|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| NTP | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| NTP | Notice To Proceed | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Subtotal: | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

| 3. Contingency | | | | | | | | | | | | | | | | | | | |
|-----------------------|--------------------------------|-------------|--------------|-------------|-----------|-----------|-------------|-------------|---|---------|---|---|---|---|---|---|---|---|---|
| CHTR | | 541,638,343 | 158,511,663 | 483,077,980 | 7,989,728 | 2,976,074 | 188,531,298 | 483,077,980 | 0 | 150,345 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 80.02 | Allocated Contract Contingency | 540,101,329 | (62,087,003) | 478,014,326 | 2,976,074 | 2,976,074 | 161,029,519 | 478,014,326 | 0 | 150,345 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 80.03 | Allowances | 1,588,014 | 3,475,640 | 5,063,654 | 5,013,654 | 0 | 7,501,779 | 5,063,654 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 80.07 | Known Change Contingency | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

* Current Committed = Original Contract + CCO/Amendment
 ** AFE = Authorized For Expenditure (Latest NTP Amounts or equal to current commitment Plus Executed Change Orders/Amendments)
 *** Changes Identified= Pending + Probable + Potential Changes
 **** Est. At Completion = Original Contract + CCO/Amendments + Changes Identified

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Costs Reported as of Month Ending September 2014
Project Monthly Cost Report by SCC Details

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| SCC | Title | A | | B | | C=A+B | | D | | E | | F | | G | | H=C-G | | I | |
|--|-----------------------------------|---------------|-----------|--------------|---------------|---------------|---------------|-------------|---------------|--------|--------|------------------|-------------------------|-------------|------------------|-------|---------|---------------|--|
| | | Baseline | Transfers | BUDGET | Transfers | Current | Current * | COMMITTED | Current * | AFE ** | AFE ** | Changes ID'd *** | Est. At Completion **** | Variance | Incurred To Date | | | | |
| 3. Contingency | | | | | | | | | | | | | | | | | | | |
| PREL | | 101,871,170 | | (68,871,115) | 67,000,055 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 67,000,055 | 0 | 0 | 0 | 0 | |
| 90.01 | Unallocated Project Contingency | 101,871,170 | | (34,871,115) | 6,700,035 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 67,000,055 | 0 | 0 | 0 | 0 | |
| Subtotal: | | 643,360,313 | | (99,482,478) | 550,078,083 | 7,389,728 | 168,631,299 | | | | | | | 550,078,035 | 0 | 0 | 150,345 | | |
| 4. Finance Charges - Eligible | | | | | | | | | | | | | | | | | | | |
| BTH | | 173,058,243 | | 0 | 173,058,243 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 173,058,243 | 0 | 0 | 0 | 0 | |
| 100.1 | Finance Charges: Project-Eligible | 173,058,243 | | 0 | -17,308,243 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 173,058,243 | 0 | 0 | 0 | 0 | |
| Subtotal: | | 173,058,243 | | 0 | 173,058,243 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 173,058,243 | 0 | 0 | 0 | 0 | |
| FTA TOTAL PROJECT COSTS 5,121,693,166 | | | | | | | | | | | | | | | | | | | |
| 4. Finance Charges - Ineligible Costs | | | | | | | | | | | | | | | | | | | |
| FNC | | 42,000,000 | | 0 | 42,000,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 42,000,000 | 0 | 0 | 0 | 0 | |
| 100.2 | FTA Non-Eligible Costs | 42,000,000 | | 0 | 42,000,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 42,000,000 | 0 | 0 | 0 | 0 | |
| Subtotal: | | 42,000,000 | | 0 | 42,000,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 42,000,000 | 0 | 0 | 0 | 0 | |
| INELIGIBLE COSTS | | | | | | | | | | | | | | | | | | | |
| 42,000,000 | | | | | | | | | | | | | | | | | | | |
| Total Project: | | | | | | | | | | | | | | | | | | | |
| | | 5,163,693,166 | | (0) | 5,163,693,166 | 2,889,864,599 | 2,121,301,543 | 168,010,590 | 5,163,693,166 | 0 | 0 | 0 | 0 | 42,000,000 | 0 | 0 | 0 | 1,169,991,982 | |

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* Current Committed = Original Contract + CCO/Amendment

** AFE = Authorized For Expenditure (Latest NTP Amounts or equal to current commitment Plus Executed Change Orders/Amendments)

*** Changes Identified= Pending + Probable + Potential Changes

**** Est. At Completion = Original Contract + CCO/Amendments + Changes Identified

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Appendix E. Contract Status

Procurement: Design-Build (DB), Design-Build-Operate-Maintain (DBOM) and Manufacture-Install-Maintain (MIM) Contracts

| Procurement Tracking Report | | | | | | |
|--|--|---|---------------------------------|------------|------------|---------------------|
| Contract No. | Contract Name | Contractor | Dates | Issue RFP | Issue NTP | Contract Completion |
| Design-Build Contracts | | | | | | |
| DB-120 | West O'ahu/Farrington Highway Guideway (WOFH) | Kiewit Infrastructure West Company (KIWC) | Current Forecast Actual Date | Apr 03 '09 | Dec 01 '09 | Jul 01 '16 |
| DB-200 | Maintenance and Storage Facility (MSF) | Kiewit / Kobayashi Joint Venture (KKJV) | Current Forecast Actual Date | Jul 24 '09 | Jul 25 '11 | Apr 15 '16 |
| DB-275 | Pearl Highlands Parking Structure / Bus Transit Center | | Current Forecast Actual Date | Mar 03 '14 | Oct 14 '15 | Dec 30 '18 |
| DB-320 | Kamehameha Guideway (KHG) | Kiewit Infrastructure West Company (KIWC) | Current Forecast Actual Date | Mar 19 '10 | Jul 12 '11 | Sep 16 '16 |
| Design-Build-Operate-Maintain Contract | | | | | | |
| DBOM-920 | Core Systems Contract | Ansaldo Honolulu JV | Current Forecast Actual Date | Aug 17 '09 | Jan 13 '12 | Mar 31 '19 |
| Manufacture - Install - Test - Maintain | | | | | | |
| MI-930 | Elevators and Escalators | Schindler Elevator Corporation | Current Forecast Actual Date | Dec 18 '12 | Aug 02 '13 | Jul 05 '18 |

Procurement: Final Design (FD) Contracts

| Procurement Tracking Report | | | | | | |
|-------------------------------|--|--------------------------------|---------------------------------|------------|------------|---------------------|
| Contract No. | Contract Name | Contractor Name | Dates | Issue RFP | Issue NTP | Contract Completion |
| Final Design Contracts | | | | | | |
| FD-140 | West O'ahu Station Group Final Design and Support | URS Corporation | Current Forecast Actual Date | Jun 14 '10 | Jun 15 '12 | Jun 30 '16 |
| FD-240 | Farrington Highway Station Group Final Design and Support | URS Corporation | Current Forecast Actual Date | Jun 18 '13 | Sep 30 '13 | Nov 14 '16 |
| FD-340 | Kamehameha Highway Station Group Final Design (includes H2/R2 Ramp) and Support | Anil Verma Associates, Inc. | Current Forecast Actual Date | Jun 28 '11 | Nov 26 '12 | Oct 31 '16 |
| FD-430 | Airport Section Guideway and Utilities Final Design and Support | AECOM Technical Services, Inc. | Current Forecast Actual Date | Jan 26 '11 | Jan 05 '12 | Jun 30 '17 |
| FD-530 | City Center Section Guideway and Utilities Final Design and Support | AECOM Technical Services, Inc. | Current Forecast Actual Date | Dec 16 '11 | Jul 31 '12 | Apr 30 '18 |
| FD-440 | Airport Station Group Final Design and Support | AECOM Technical Services, Inc. | Current Forecast Actual Date | Mar 30 '12 | Nov 14 '12 | Jul 15 '17 |
| FD-550 | Dillingham and Kaka'ako Station Groups "East Side Stations" Final Design and Support | Perkins+Will | Current Forecast Actual Date | Nov 16 '12 | Jul 31 '13 | Jul 30 '18 |
| FD-600 | UH West O'ahu Park-and-Ride and Ho'opili Station Finishes Final Design and Support | | Current Forecast Actual Date | Jul 20 '15 | Nov 09 '15 | Nov 13 '16 |

Procurement: Design-Bid-Build (DBB) Contracts

| Procurement Tracking Report | | | | | | |
|---|---|-----------------|---------------------------------|--------------------|------------|---------------------|
| Contract No. | Contract Name | Contractor Name | Dates | Advertise for Bids | Issue NTP | Contract Completion |
| Design-Bid-Build (DBB) Contracts | | | | | | |
| DBB-505 | Airport Section Utilities Construction | Nan, Inc. | Current Forecast Actual Date | Dec 17 '13 | Jun 30 '14 | Dec 22 '15 |
| DBB-271 | Farrington Hwy Station Group Construction | | Current Forecast Actual Date | Nov 20 '14 | Feb 18 '15 | Apr 29 '18 |
| DBB-171 | West O'ahu Station Group Construction | | Current Forecast Actual Date | Jan 29 '15 | Apr 21 '15 | Aug 31 '17 |
| DBB-371 | Kamehameha Hwy Station Group Construction | | Current Forecast Actual Date | Mar 26 '15 | Jul 07 '15 | Mar 30 '18 |
| DBB-470 | Airport Station Group Construction | | Current Forecast Actual Date | Nov 03 '14 | May 15 '15 | Jul 15 '17 |
| Re-Pkg DBB-580 | Dillingham/Kaka'ako Station Groups "East Side Stations" Construction | | Current Forecast Actual Date | Aug 15 '15 | Dec 15 '15 | Feb 24 '18 |
| DBB-520 | Airport and City Center Sections Guideway Construction / City Center Section Utilities Construction | | Current Forecast Actual Date | Jul 02 '14 | Mar 15 '15 | Jul 27 '18 |
| DBB-525 | Airport Section Guideway Seven (7) Pier Construction Contract | HDCC / CJA JV | Current Forecast Actual Date | Jul 09 '14 | Sep 18 '14 | Feb 28 '15 |
| DBB-600 | UH West O'ahu Park-and-Ride and Ho'opili Station Finishes Construction | | Current Forecast Actual Date | Nov 14 '16 | Apr 03 '17 | Mar 04 '19 |

Procurement: Construction Engineering and Inspection Services (CE&I) Contracts

| Procurement Tracking Report | | | | | | |
|--|--|----------------------------|-------------------------|---------------|------------|---------------------|
| Contract No. | Contract Name | Contractor Name | Dates | Advertise RFQ | Issue NTP | Contract Completion |
| Construction Engineering & Inspection (CE&I) Services Contracts | | | | | | |
| MM-290 | Construction Engineering & Inspection West Side Sections | PGH Wong Engineering, Inc. | Current Forecast Actual | Jul 26 '13 | Jan 09 '14 | Mar 01 '19 |
| MM-595 | Construction Engineering & Inspection East Side Sections | URS Corporation | Current Forecast Actual | Jul 26 '13 | Jan 09 '14 | Mar 01 '19 |

Procurement: Project Management and Specialty Consultant Services Contracts

| Procurement Tracking Report | | | | | | |
|---|--|------------------------------------|-------------------------|------------|------------|---------------------|
| Contract No. | Contract Name | Contractor Name | Dates | Issue RFQ | Issue NTP | Contract Completion |
| Project Management and Specialty Consultant Services Contracts | | | | | | |
| MM-901 | Program Management Support Consultant - 2 (PMSC-2) | InfraConsult LLC | Current Forecast Actual | Aug 03 '11 | Mar 08 '12 | Mar 07 '15 |
| MM-910 | General Engineering Consultant II (GEC-2) (Final Design and Construction) | Parsons Brinckerhoff | Current Forecast Actual | Sep 03 '09 | Aug 02 '11 | Dec 31 '14 |
| MM-913 | General Engineering Consultant III (GEC-3) | CH2M HILL | Current Forecast Actual | Jul 26 '13 | Dec 05 '13 | Mar 01 '19 |
| MM-935 | Real Estate Consultant | Paragon Partners, Ltd. | Current Forecast Actual | Apr 01 '11 | Mar 14 '12 | Mar 13 '17 |
| MM-937 | Real Estate Mapping & Surveying | R.M. Towill Corporation | Current Forecast Actual | Nov 15 '13 | May 23 '14 | Dec 30 '17 |
| MM-940 | Kāko'o Consultant | Pacific Legacy, Inc. | Current Forecast Actual | May 20 '11 | Mar 30 '12 | Feb 14 '17 |
| MM-945 | On-Call Construction Contractor | Royal Contracting Co. Ltd. | Current Forecast Actual | Jun 02 '14 | Aug 14 '14 | Mar 03 '19 |
| MM-950 | Owner-Controlled Insurance Program (OCIP) Consultant | Marsh USA, Inc. | Current Forecast Actual | Jan 31 '12 | Jun 05 '12 | May 09 '17 |
| MM-951 | Owner-Controlled Insurance Program (OCIP) Brokerage Services | Aon Risk Services, Inc., of Hawaii | Current Forecast Actual | Jun 04 '13 | Apr 08 '14 | Mar 30 '19 |
| MM-960 | Archaeological & Cultural Monitoring | Cultural Surveys Hawai'i | Current Forecast Actual | Sep 10 '13 | Jan 15 '14 | May 30 '18 |
| MM-962 | CORE Systems Support [Recompete] | Lea+Elliott, Inc. | Current Forecast Actual | Sep 13 '13 | Feb 11 '14 | Mar 01 '19 |
| MM-964 | Safety / Security Support | Lawson & Associates, Inc. | Current Forecast Actual | Oct 23 '13 | Feb 11 '14 | Dec 14 '17 |
| MM-975 | LEED Commissioning Services for the Maintenance and Storage Facility (MSF) | Enovity, Inc. | Current Forecast Actual | | Oct 07 '10 | Jan 14 '16 |
| PA-102 | Historic Architecture Design Services | Fung Associates, Inc. | Current Forecast Actual | Mar 15 '13 | Aug 01 '13 | May 01 '16 |

Procurement: HDOT Consultant Services and Other Contracts

| Procurement Tracking Report | | | | | | |
|--|--|--------------------------------|-------------------------|------------|------------|---------------------|
| Contract No. | Contract Name | Contractor Name | Dates | Issue RFQ | Issue NTP | Contract Completion |
| Hawai'i Department of Transportation (HDOT) Consultant Services Contracts | | | | | | |
| MM-915 | HDOT Traffic Management Coordination Consultant | ICX Transportation Group, Inc. | Current Forecast Actual | Aug 15 '11 | Jun 12 '12 | Jul 01 '17 |
| MM-920 | HDOT Design Coordination Consultant - West O'ahu/Farrington Highway Guideway Section | AECOM Technical Services, Inc. | Current Forecast Actual | | Jun 08 '11 | Jun 15 '18 |
| MM-921 | HDOT Design Coordination Consultant - Kamehameha Highway Guideway Section | AECOM Technical Services, Inc. | Current Forecast Actual | | Jun 29 '12 | Jul 15 '15 |
| MM-922 | HDOT Design Coordination Consultant - Airport and City Center Guideway Sections | SSFM International, Inc. | Current Forecast Actual | | Jun 12 '12 | Jun 15 '18 |
| Other Contracts | | | | | | |
| MM-946 | On-Call Hazardous Materials (HazMat) Removal Contractor | CH2M HILL | Current Forecast Actual | | Sep 07 '12 | Feb 15 '17 |

Appendix F. DBE Participation

HART has established a Disadvantaged Business Enterprise (DBE) program in accordance with the regulations of the U.S. Department of Transportation (USDOT), Title 49, Code of Federal Regulations, Part 26 (49 CFR Part 26). To be certified as a DBE, a firm must be small business owned and controlled by socially and economically disadvantaged individuals.

FTA funds totaling approximately \$1.764 billion in year of expenditure dollars (\$1.550 billion New Starts funds plus \$0.214 billion Section 5307/ARRA funds) will be expended for Project related goods and services. A project goal of 13% or approximately \$229 million dollars has been established for awards to DBEs through Federal Fiscal Year 2018.

It is the policy of HART to ensure that DBEs as defined in 49 CFR Part 26 have an equal opportunity to receive and participate in USDOT-assisted contracts.

| DBE Participation (9/24/07 to 10/31/14) | | | | | | |
|--|------------|------|-----|-------------------------------|-----------------------|-------------------------|
| DBE Firm | NAICS Code | Race | Sex | Contract Number | Participation to Date | Total DBE Participation |
| David's Fencing | 238990 | APA | M | CT-HRT-10H0137 DB-120 | \$6,800 | |
| | | | | CT-DTS-1100195 DB-320 | \$129,816 | |
| | | | | CT-HRT-1000449 DB-200 | \$50,307 | \$186,923 |
| Glad's Landscaping | 561730 | APA | M | CT-HRT-10H0137 DB-120 | \$303,790 | \$303,790 |
| Don's Makiki | 484110 | APA | M | CT-HRT-10H0137 DB-120 | \$537,031 | |
| | | | | CT-HRT-10H0449 DB-200 | \$41,232 | |
| | | | | CT-DTS-1100195 DB-320 | \$60,714 | \$638,977 |
| Pacific Preferred Contractors Corp. | 237310 | APA | M | CT-HRT-10H0137 DB-120 | \$13,610 | \$13,610 |
| PAC Electric | 238210 | APA | F | CT-HRT-10H0137 DB-120 | \$2,730,278 | \$2,730,278 |
| PMJ Builders | 238310 | APA | M | CT-HRT-10H0137 DB-120 | \$43,866 | |
| | | | | CT-DTS-1100195 DB-320 | \$107,100 | \$150,966 |
| Standard Sheetmetal & Mechanical | 236220 | APA | M | CT-HRT-10H0449 DB-200 | \$6,105 | \$6,105 |
| LP&D Hawaii | 541320 | APA | M | SC-DTS-1100013 FD-240 | \$219,911 | \$219,911 |
| Ace Land Surveying | 541370 | NA | M | SC-DTS-1100013 FD-240 | \$38,700 | \$38,700 |
| Integrated Security Tech. | 561621 | O | F | CT-HRT-1200106 DBOM-920 | \$105,180 | \$105,180 |
| LKG-CMC | 541618 | O | F | SC-HRT-11H0131 MM-905 | \$2,600,462 | |
| | | | | SC-DTS-0700001 **** MM-910 | \$2,783,277 | |
| | | | | SC-HRT-1400051 MM-595 | \$88,893 | |
| | | | | SC-HRT-1400049 MM-962 | \$95,547 | \$5,568,179 |
| Lawson & Associates | 541690 | O | F | SC-HRT-11H0131 MM-905 | \$740,962 | |
| | | | | SC-DTS-0700001 **** MM-910 | \$150,141 | |
| | | | | SC-HRT-1400061 MM-964 | \$266,110 | \$1,157,213 |
| Gary K. Omori | 541618 | APA | M | SC-HRT-11H0131 MM-905 | \$388,609 | |
| | | | | SC-DTS-0700001 **** MM-910 | \$392,920 | \$781,529 |
| Pat Lee & Assoc. | 541618 | APA | M | SC-HRT-11H0131 MM-905 | \$402,791 | |
| | | | | SC-DTS-0700001 **** MM-910 | \$374,110 | \$776,901 |
| 212 Harakawa | 541430 | APA | F | SC-HRT-11H0131 MM-905 | \$358,141 | |

| DBE Participation (9/24/07 to 10/31/14) | | | | | | |
|--|------------|------|-----|-------------------------------|-----------------------|-------------------------|
| DBE Firm | NAICS Code | Race | Sex | Contract Number | Participation to Date | Total DBE Participation |
| | | | | SC-DTS-0700001 **** MM-910 | \$354,758 | \$712,899 |
| JAD & Associates | 541330 | APA | M | SC-DTS-0700001 **** MM-910 | \$508,355 | \$508,355 |
| Pacific Architects | 541310 | APA | M | SC-DTS-0700001 **** MM-910 | \$39,273 | \$39,273 |
| Nagame Okawa* | 541310 | APA | M | SC-DTS-0700001 MM-910 | \$67,014 | \$67,014 |
| Consulting Structural Hawaii | 541330 | APA | M | SC-DTS-0700001 **** MM-910 | \$298,557 | \$298,557 |
| Bright Light Marketing Group | 541613 | APA | F | SC-HRT-1200038 FD-430 | \$162,813 | |
| | | | | SC-HRT-1200149 FD-530 | \$191,227 | |
| | | | | SC-HRT-1300022 FD-440 | \$134,912 | \$488,952 |
| Ki Concepts | 541320 | APA | M | SC-HRT-1200077 MM-922/923 | \$22,410 | \$22,410 |
| Miyabara Associates | 541320 | APA | M | SC-HRT-1300022 FD-440 | \$99,850 | \$99,850 |
| Anil Verma Associates, Inc.** | 541350 | HA | M | SC-HRT-1200111 FD-340 | \$3,239,360 | \$3,239,360 |
| AMR Estimating Services *** | 541330 | HA | M | SC-HRT-11H0131 MM-905 | \$135,281 | |
| | | | | SC-HRT-1400027 MM-913 | \$188,269 | \$323,550 |
| The Nako Companies | 541620 | NA | M | CT-HRT-1200106 DBOM-920 | \$3,843 | \$3,843 |
| Hawaiya Technologies | 238210 | APA | F | CT-HRT-10H0449 DB-200 | \$27,514 | \$27,514 |
| Element Environmental | 541620 | APA | M | SC-HRT-1400050 MM-290 | \$317,716 | \$317,716 |
| PSC Consultants | 541330 | APA | M | SC-HRT-1400050 MM-290 | \$4,477 | \$4,477 |
| Bow Construction Management | 541330 | APA | M | SC-HRT-1400050 MM-290 | \$81,582 | \$81,582 |
| FIC, LLC | 541611 | APA | M | SC-HRT-1400051 MM-595 | \$393,346 | \$393,346 |
| The Solis Group | 541620 | O | F | SC-HRT-1400027 MM-913 | \$282,673 | \$282,673 |
| Island Hauling | 484110 | APA | M | CT-HRT-1000449 DB-200 | \$17,765 | \$17,765 |
| ADS System Safety Consulting ***** | 541620 | BA | M | SC-HRT-1400061 MM-964 | \$165,269 | \$165,269 |
| Total | | | | | | \$19,772,667 |

* Nagame Okawa's countable participation is limited to the period from 1/2/09 to 2/16/10. The company graduated from the DBE program on 2/16/10.
 ** Anil Verma Associates, Inc. is a prime contractor and was certified as a DBE effective 6/26/13.
 *** AMR Estimating Services, Inc. was certified as a DBE effective 10/25/13.
 **** DBE participation from 9/24/07 to 9/17/13.
 ***** ADS System Safety Consulting was certified as a DBE effective 8/7/14.

Race Categories

| | |
|------------|--|
| APA | Persons whose origins are from Japan, China, Taiwan, Korea, Burma (Myanmar), Vietnam, Laos, Cambodia (Kampuchea), Thailand, Malaysia, Indonesia, the Philippines, Brunei, Samoa, Guam, the U.S. Trust Territories of the Pacific Islands, (Republic of Palau), the Commonwealth of the Northern Marianas Islands, Macao, Fiji, Tonga, Kiribati, Juvalu, Nauru, Federated States of Micronesia or Hong Kong |
| BA | Persons having origins in any of the black racial groups of Africa |
| HA | Persons of Mexican, Puerto Rican, Cuban, Dominican, Central or South American, or other Spanish or Portuguese culture or origin regardless of race |
| NA | Persons who are American Indians, Eskimos, Aleuts, or Native Hawaiians |
| SAA | Persons whose origins are from India, Pakistan, Bangladesh, Bhutan, the Maldives Islands, Nepal or Sri Lanka |
| O | Any other group whose members are designated as socially and economically disadvantaged by the SBA |

Appendix G. Risk

| Risk by Contract Package | | | | |
|----------------------------------|-------------------------|---------------------|--------------|------------------|
| Contract Packages | Sept 2014 # of Risks | October 2014 Update | | |
| | | Total # of Risks | New Risks | Deleted Risks |
| Project Wide | 4 | 4 | 0 | 0 |
| WOFH Guideway | 27 | 27 | 0 | 0 |
| Maintenance and Storage Facility | 6 | 6 | 0 | 0 |
| Kamehameha Highway Guideway | 28 | 28 | 0 | 0 |
| Core Systems Contract | 9 | 9 | 0 | 0 |
| Elevator/Escalator | 3 | 3 | 0 | 0 |
| Airport Utilities | 2 | 2 | 0 | 0 |
| Pearl Highlands | 6 | 6 | 0 | 0 |
| Airport Guideway | 33 | 34 | 1 | 0 |
| City Center Guideway | 47 | 48 | 1 | 0 |
| West Side Stations | 24 | 21 | 0 | 3 |
| Airport Section Stations | 27 | 27 | 0 | 0 |
| City Center Section Stations | 11 | 14 | 3 | 0 |
| Total | 227 | 229 | 5 | 3 |

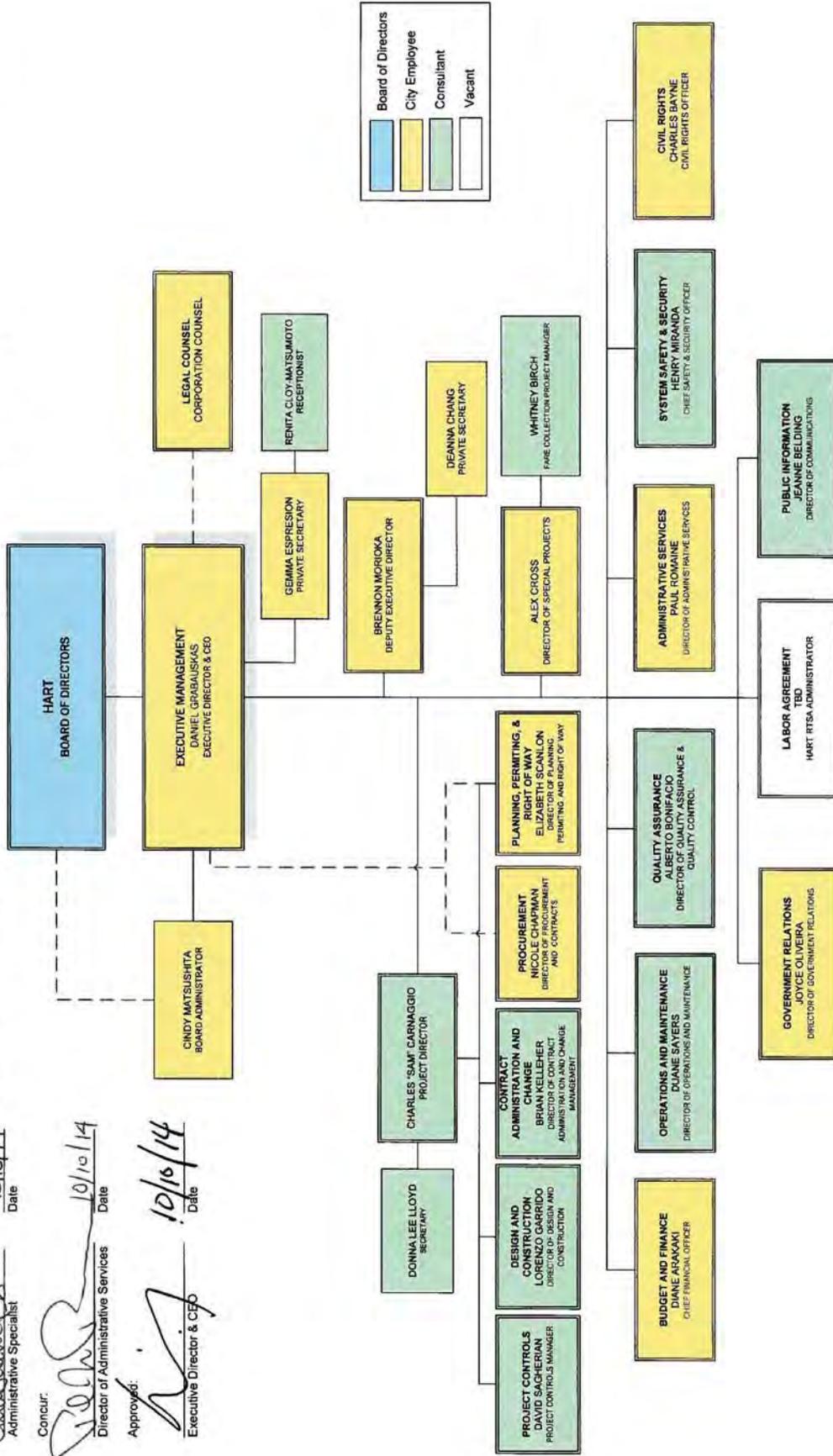
| Comparison of Risk Ratings | | | | | | | | |
|-----------------------------------|-----------------------|-----------|------------|-----------|---------------------|-----------|------------|-----------|
| Contract Package/Section | September 2014 Update | | | | October 2014 Update | | | |
| | # of Risks | | | | # of Risks | | | |
| | Total | High | Medium | Low | Total | High | Medium | Low |
| Project Wide | 4 | 1 | 3 | 0 | 4 | 1 | 3 | 0 |
| WOFH Guideway | 27 | 5 | 17 | 5 | 27 | 5 | 17 | 5 |
| Maintenance and Storage Facility | 6 | 1 | 4 | 1 | 6 | 1 | 4 | 1 |
| Kamehameha Highway Guideway | 28 | 2 | 20 | 6 | 28 | 2 | 20 | 6 |
| Core Systems Contract | 9 | 1 | 3 | 5 | 9 | 1 | 3 | 5 |
| Elevator/Escalator | 3 | 1 | 2 | 0 | 3 | 1 | 2 | 0 |
| Airport Utilities | 2 | 1 | 1 | 0 | 2 | 1 | 1 | 0 |
| Pearl Highlands | 6 | 0 | 6 | 0 | 6 | 0 | 6 | 0 |
| West Side Stations | 24 | 6 | 15 | 3 | 21 | 6 | 12 | 3 |
| Airport Guideway | 33 | 8 | 21 | 4 | 34 | 8 | 22 | 4 |
| City Center Guideway | 47 | 17 | 25 | 5 | 48 | 17 | 26 | 5 |
| Airport Stations | 27 | 4 | 22 | 1 | 27 | 4 | 22 | 1 |
| City Center Stations | 11 | 1 | 10 | 0 | 14 | 1 | 13 | 0 |
| Total | 227 | 48 | 149 | 30 | 229 | 48 | 151 | 30 |

Appendix H. Project Organization Chart

October 10, 2014

HONOLULU AUTHORITY FOR RAPID TRANSPORTATION (HART)

Prepared by: *[Signature]* Date: 10/10/14
 Administrative Specialist
 Concur: *[Signature]* Date: 10/10/14
 Director of Administrative Services
 Approve: *[Signature]* Date: 10/10/14
 Executive Director & CEO

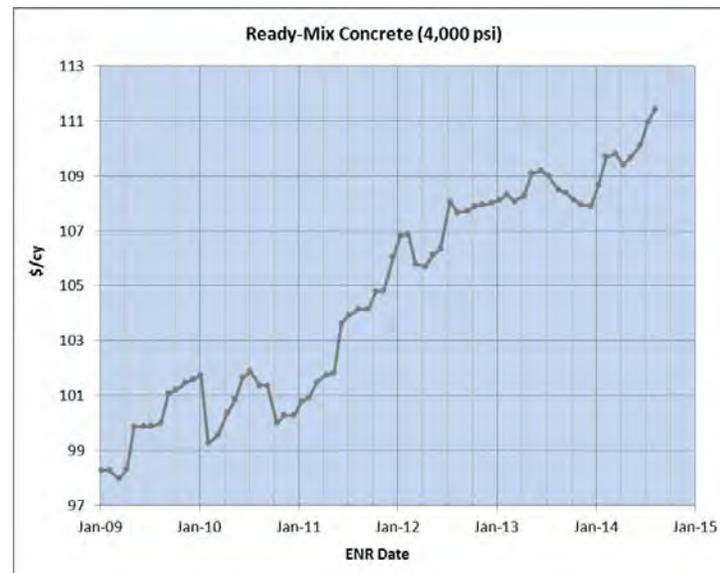
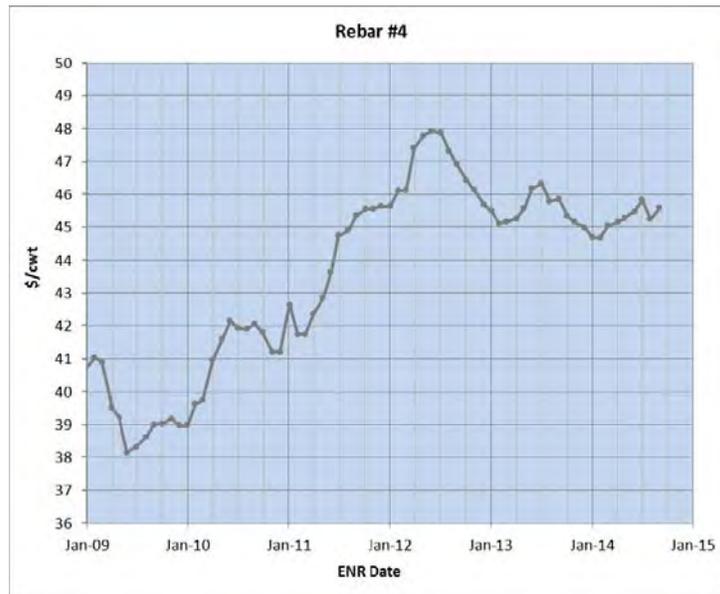
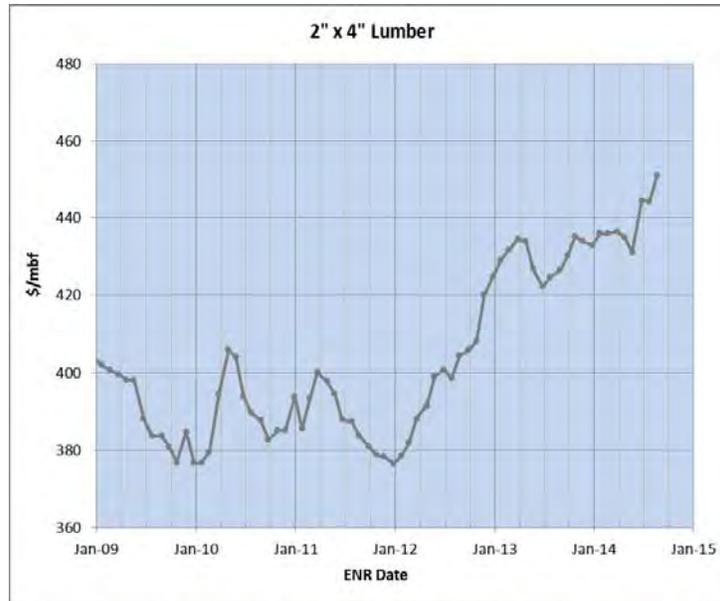


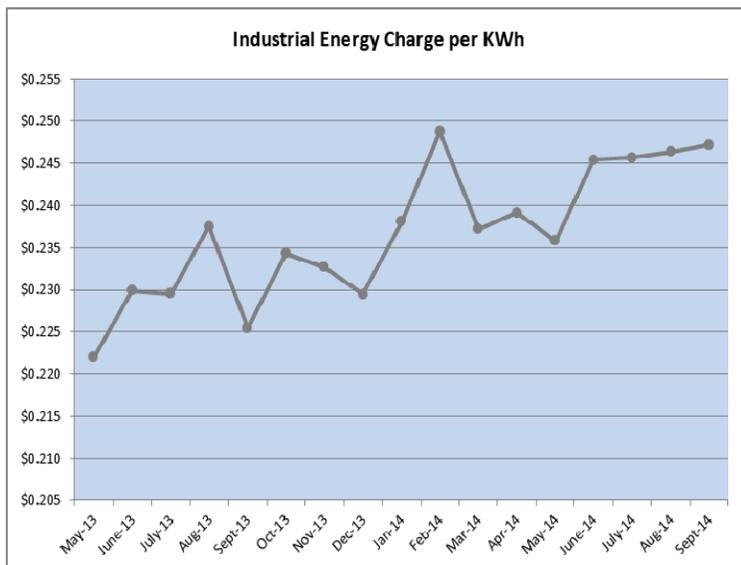
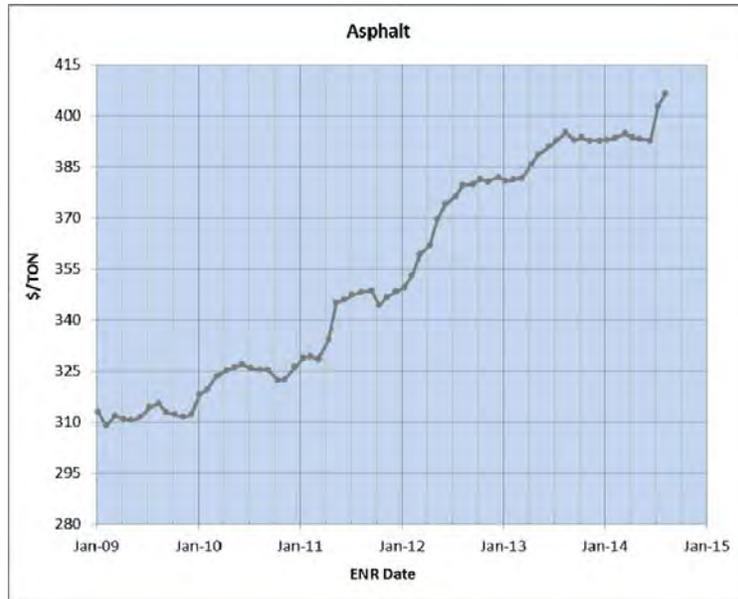
Legend for organizational chart:

- Board of Directors (Blue box)
- City Employee (Yellow box)
- Consultant (Green box)
- Vacant (White box)

Appendix I. Indices on Key Commodities

The following charts represent the cost trends on some of the key materials used in the program.





Source: HECO: Effective Rate Summary for DS Rate

Appendix J. Project Photos



Guideway construction in West O'ahu.



Equipment storage site.



Balanced Cantilever construction near the H-1/H-2 Freeway merge.



Construction near the H-1/H-2 Freeways.



Construction along Kamehameha Highway.



Future Aloha Stadium Station.



Operations and Servicing Building (OSB).



Wheel Truing Building and OSB.



Maintenance of Way Building.



Casting Yard.

Appendix K. List of Acronyms

| | |
|--------|--|
| ACG | Airport City Center Guideway |
| AFE | Authorized for Expenditure |
| AHJV | Ansaldo Honolulu Joint Venture |
| AIS | Archaeological Inventory Survey |
| APTA | American Public Transportation Association |
| ARRA | American Recovery and Reinvestment Act |
| ASG | Airport Station Group |
| ATC | Automated Train Control |
| ATO | Automated Train Operation |
| BA | Buy America |
| BAC | Buy America Compliance |
| BACM | Buy America Compliance Matrix |
| BFS | Budget and Fiscal Services |
| BMP | Best Management Practice |
| BUE | Bottom-Up Estimate |
| CAR | Corrective Actions |
| CE&I | Construction Engineering and Inspection |
| CEL | Certifiable Elements List |
| CIL | Certifiable Items List |
| CMS | Contract Management System |
| CONRAC | Consolidated Rental Car Facility |
| COR | Corporation Counsel |
| CPM | Critical Path Method |
| CPP | Contract Packaging Plan |
| CSC | Core Systems Contract |
| CSL | Cross Hole Sonic Logging |
| CSOC | Core Systems Oversight Consultant |
| CZM | Coastal Zone Management |
| DAGS | Department of Accounting & General Services |
| DB | Design-Build |
| DBB | Design-Bid-Build |
| DBE | Disadvantaged Business Enterprise |
| DBEDT | Department of Business, Economic Development and Tourism |
| DBOM | Design-Build-Operate-Maintain |
| DCN | Design Change Notice |
| DDC | Department of Design and Construction |
| DFIM | Design Furnish Install Maintain |
| DHHL | Department of Hawaiian Homelands |
| DHR | Department of Human Resources |
| DIT | Department of Information Technology |
| DKSG | Dillingham and Kaka'ako Station Group |
| DLNR | Department of Land and Natural Resources |
| DPM | Deputy Project Managers |
| DPP | Department of Planning and Permitting |
| DPS | Department of Public Safety |
| DTS | Department of Transportation Services |
| ECP | Environmental Compliance Plan |
| E/E | Elevator/Escalator |
| EMI | Electromagnetic Interference |
| EMP | Environmental Management Plan |
| ESA | Engineering Services Agreement |

| | |
|-------|---|
| FAA | Federal Aviation Administration |
| FAI | First Article Inspections |
| FAT | Factory Acceptance Tests |
| FD | Final Design |
| FEIS | Final Environmental Impact Statement |
| FFC | Fixed Facility Contractors |
| FFGA | Full Funding Grant Agreement |
| FHSG | Farrington Highway Station Group |
| FTA | Federal Transit Administration |
| FTE | Full-Time Equivalent |
| FWS | Fish and Wildlife Service |
| GAT | Great Aleutian Tsunami |
| GDR | Geotechnical Data Report |
| GEC | General Engineering Consultant |
| GET | General Excise Tax |
| GIS | Geographic Information System |
| GSA | General Services Administration |
| HABS | Historic American Buildings Survey |
| HAER | Historic American Engineering Record |
| HALS | Historic American Landscape Survey |
| HART | Honolulu Authority for Rapid Transportation |
| HCC | Honolulu Community College |
| HCDA | Hawai'i Community Development Authority |
| HCSO | Hawai'i Capital Special District |
| HDOH | Hawai'i Department of Health |
| HDOT | Hawai'i Department of Transportation |
| HDPE | High-density polyethylene |
| HFD | Honolulu Fire Department |
| HHF | Historic Hawai'i Foundation |
| HHPRB | Hawai'i Historic Places Review Board |
| HP | Historic Preservation |
| HPC | Historic Preservation Committee |
| HPCA | Historic Preservation Certification Application |
| HPD | Honolulu Police Department |
| HPF | Historic Preservation Fund |
| HRHP | Hawai'i Register of Historic Places |
| H RTP | Honolulu Rail Transit Project |
| HTI | Hawaiian Telcom |
| ICD | Interface Control Documents |
| ICM | Interface Control Manual |
| ITP | Inspection and Test Plan |
| ITS | Intelligent Transportation Systems |
| JTMS | Joint Traffic Management System |
| JU&O | Joint Use & Occupancy |
| JUOA | Joint Use and Occupancy Agreement |
| KCDD | Kaka'ako Community Development District |
| KHG | Kamehameha Highway Guideway |
| KHSG | Kamehameha Highway Station Group |
| KIWC | Kiewit Infrastructure West Company |
| KKJV | Kiewit/Kobayashi Joint Venture |
| LCC | Leeward Community College |
| LEED | Leadership in Energy and Environmental Design |
| MIM | Manufacture-Install-Maintain |

| | |
|-------|---|
| MMP | Mitigation Monitoring Program |
| MOT | Maintenance of Traffic |
| MOU | Memorandum of Understanding |
| MOW | Maintenance of Way |
| MPS | Master Project Schedule |
| MPSS | Master Project Schedule Summary |
| MS4 | Municipal Separate Storm Sewer System |
| MSE | Mechanically Stabilized Earth |
| MSF | Maintenance and Storage Facility |
| MTM | Modern Track Machineries |
| NCR | Non-Conformance Report |
| NHL | National Historic Landmark |
| NOI | Notice of Intent |
| NPDES | National Pollution Discharge Elimination System |
| NPS | National Park Service |
| NR | National Register |
| NRHP | National Register of Historic Places |
| NTP | Notice to Proceed |
| OCC | Operational Control Center |
| OCIP | Owner-Controlled Insurance Program |
| OIBC | O'ahu Island Burial Council |
| OSB | Operations and Servicing Building |
| OSHA | Occupational Safety and Health Administration |
| OTS | O'ahu Transit Services |
| OTWC | Oceanic Time Warner Cable |
| PA | Programmatic Agreement |
| PARs | Preventative Actions |
| PB | Parsons Brinckerhoff, Inc. |
| PE | Preliminary Engineering |
| PICM | Project Interface Control Manual |
| PIM | Project Interface Manager |
| PLA | Project Labor Agreement |
| PM | Project Managers |
| PMC | Project Management Consultant |
| PMOC | Project Management Oversight Contractor |
| PMSC | Program Management Support Consultant |
| PPE | Personal Protective Equipment |
| PSG | Platform Screen Gate |
| PV | Passenger Vehicle |
| QA | Quality Assurance |
| QAM | Quality Assurance Manager |
| QAP | Quality Assurance Plan |
| QC | Quality Control |
| QMP | Quality Management Plan |
| QMS | Quality Management System |
| QTF | Quality Task Force |
| RCMP | Risk and Contingency Management Plan |
| RE | Resident Engineer |
| READ | Real Estate Acquisition Database |
| RFC | Request for Change |
| RFI | Requests for Information |
| RFID | Requests for Interface Data |
| RFMP | Rail Fleet Management Plan |

| | |
|-------|--|
| RFP | Request for Proposals |
| RFQ | Request for Qualifications |
| ROC | Rail Operations Center |
| ROD | Record of Decision |
| ROE | Right of Entry |
| ROW | Right-of-Way |
| RR | Risk Register |
| RSD | Revenue Service Date |
| S-AIS | Supplemental Archaeological Inventory Survey |
| SCADA | Supervisory Control and Data Acquisition |
| SCAP | Stream Channel Alteration Permit |
| SCC | Standard Cost Category |
| SHPD | State Historic Preservation Division |
| SIC | Sandwich Isle Communications |
| SOG | Slab on Grade |
| SOI | Secretary of the Interior |
| SOW | Scope of Work |
| SQP | Supplemental Quality Plan |
| SSC | Safety Security Certification |
| SSCWG | Safety and Security Certification Working Group |
| SSI | Sensitive Security Information |
| SSSP | Site Safety Security Plan |
| SWPPP | Storm Water Pollution Prevention Plan |
| T&M | Time and Material |
| TCCR | Train Control and Communications Room |
| TIGER | Transportation Investment Generating Economic Recovery |
| TOD | Transit-Oriented Development |
| TPSS | Traction Power Sub-Station |
| TSA | Transportation Security Administration |
| TSI | Transportation Safety Institute |
| TVA | Threat and Vulnerability Analysis |
| UCA | Utility Construction Agreement |
| UFCRA | Utility Facilities Relocation and Cost Reimbursement Agreement |
| UH | University of Hawai'i |
| UHWO | University of Hawai'i West O'ahu |
| UPS | Uninterrupted Power Supply |
| USDOT | U.S. Department of Transportation |
| VE | Value Engineering |
| WA | Work Area |
| WOFH | West O'ahu/Farrington Highway |
| WOSG | West O'ahu Station Group |
| WSS | West Side Stations |
| WSSG | West Side Station Group |
| WTB | Wheel Truing Building |
| YOE | Year of Expenditure |

ATTACHMENT F



Board of Directors Semiannual Progress Report
Daniel A. Grabauskas, Executive Director & CEO
Honolulu Authority for Rapid Transportation (HART)
October 30, 2014

ORGANIZATIONAL DEVELOPMENT

- HART has made significant strides in our organizational development. We have hired several new key staff members, including:
 - Change Order Manager
 - Director of Procurement
 - Project Director
 - Transit Grants Manager
 - Deputy Director of Planning
 - Deputy Director of Construction
 - Assistant Deputy Director of Construction
 - Transit Contracts Manager
 - Director of Special Projects
 - Fare System Project Manager

- The development of our Human Resources staffing plan is underway and we are currently on target to present this plan to the Board at the end of 2014.

PROJECT DELIVERY: CONSTRUCTION AND OPERATIONS

- HART conducted a risk refresh in partnership with the Federal Transit Administration (FTA) and the results were presented to the Board in July. Areas of risk were identified, along with mitigation strategies. We continue to proactively track and mitigate project risks and outline them in the Monthly Progress Report. The Risk and Contingency Management Plan is also being updated.

- We continue to emphasize safety (.4 incidents per 100,000 hours of work)¹ by partnering with our contractors and subcontractors, including participating in a public safety awareness campaign with Kiewit.

- Since resuming construction, we have made significant progress. As of October 23, 2014, constructed:
 - More than 130 columns
 - More than 165 foundations
 - More than 1,485 segments cast
 - More than 37 spans put in place²

¹ September 11, 2014 Board of Directors meeting minutes, Executive Director/CEO's report

² October 23rd construction update presentation to Board of Directors

- After receiving bids for the Westside Station Group that exceeded estimates, we canceled the solicitation and conducted an analysis to determine how we could reduce costs, while maintaining the project's 2019 opening date. Extensive contractor interviews have taken place and repackaging efforts are underway for the first three stations in this group. It is expected that the bid package will go out in late November or early December.
- We are also repackaging construction contract packages and re-evaluating our schedule for the four major construction contracts scheduled for procurement by the end of 2014:
 - (1) Guideway and utility relocations for second 10 miles (and 8 stations)
 - (2) West Station Group (9 stations)
 - (3) Airport Station Group (4 stations)
 - (4) Pearl Highlands Parking Garage and H-2 Off-Ramp
- Accordingly, we have suspended procurement for the Pearl Highlands Parking Garage, which is currently under review for further action.
- HART continues to develop bus-rail integration plans in coordination with the Department of Transportation Services (DTS) and Oahu Transit Services (OTS), including working on the request for information (RFI) and request for proposals (RFP) for the procurement of a joint bus-rail smart card fare system. In addition, we worked with the Board of Directors' Fare Permitted Interaction Group (PIG) on fare policy to conclude the initial policy direction for this effort.
- DBE participation has increased from \$15.8 million, or 6.41% on total disbursed FTA funds received to date, to \$19.2 million, or 7.37%.³
- HART has continued to communicate frequently and effectively with DBOM contractor, Ansaldo Honolulu Joint Venture (AHJV). The contractor is currently on schedule with design and initial manufacturing of our rail vehicles. The first rail car is scheduled for delivery as planned in 2016.
- We continue to facilitate efforts being made by the State and City and County governments in partnership with developers and landowners to advance transit-oriented development (TOD) that maximizes ridership and generates the highest return on investment, to further the project and the City's development plans. In particular, we continue to develop and execute MOUs and MOAs with public and/or private land owners within close proximity of each planned transit station to access the station from their proposed development.

PROJECT FINANCES

- We successfully procured owner-controlled insurance program (OCIP) for the project through completion of the program.

³ April and September 2014 Monthly Progress Reports

- GET surcharge revenues are being closely tracked and monitored. Since 2007, \$1.346 billion has been collected, with cash balance of \$391.6 million⁴. As of the most recent reporting by the State Department of Taxation, disbursements are approximately \$40M behind projections.
- The project's contingency balance is at \$559.4 million and remains within the buffer zone⁵.
- Change orders continue to be monitored closely; this was identified as a risk in FTA's Risk Refresh report.
- Successfully resolved all known contingency changes, including negotiation of claims arising from notice-to-proceed delays and lawsuits with Kiewit and Kiewit-Kobayashi for the WOFH, KHG, and MSF construction contracts.
- We continued to develop an updated financial plan, with expected completion by the end of the calendar year. The plan will include updated information on areas of cost reductions as well as debt financing.
- We continued to effectively manage the FFGA process and continued to push for full federal funding as per the FFGA through communications and meetings with congressional leadership and staff.
- We have worked collaboratively with the Board Vice Chair, the Mayor, Budget and Fiscal Services (BFS), and the City Council to develop a debt financing plan that is both fiscally prudent and meets the project's needs.
- In addition, we worked with government officials, commercial and residential real estate developers, other businesses, and the public to develop initiatives for new revenue sources and minimize use of real property taxes for operation of the mass transit system in the future.

STAKEHOLDER INTERACTIONS & COMMUNITY LEADERSHIP.

- We continued to build and maintain relationships with City, State and Federal elected officials and agencies through written communications and in-person meetings.
- We have been working collaboratively with the University of Hawaii system to conclude negotiations on rights of entry for construction at various campus and university-controlled locations. We also recently hosted a symposium, with university officials who presented to the UH Board of Regents Committee on Planning and Facilities on their university's experiences with rail.
- We continued to engage the local business community via briefings, presentations and meetings.

⁴ As of August 29, 2014 per September Monthly Progress Report

⁵ As of August 29, 2014 per September Monthly Progress Report

- We continue to keep the community informed through construction outreach meetings, station design community meetings, Neighborhood Board meetings, regular media traffic briefings, weekly e-blasts, news releases and social media updates. HART also sponsors a monthly “HART Facts” ad published in two local newspapers to provide a transparent look at the project’s finances.
- We continued our transparency efforts by keeping the public informed and engaged through several media and community events, including: a tour of the casting yard; an anti-graffiti community mural-painting project; a media tour of the installation of our first guideway segments; a public unveiling of our Airport station designs; and a tour of our Rail Operations Center. These events keep the public updated on our progress and enhance accountability.
- Regular communication is ongoing with City, State, and Federal agencies and elected officials. HART continues to host a weekly maintenance of traffic meeting to coordinate construction activities among city, county, state, and other significant entities in order to mitigate potential impacts to traffic and promote public safety.
- As the executive director and CEO, I continue to further develop an understanding, appreciation, sensitivity and commitment to the social, cultural, economic, political and environmental needs of HART and the unique city it serves.
- We are fostering sustainability efforts throughout the Authority, including working on a power purchasing agreement for photovoltaics at the Rail Operations Center (previously known as the Maintenance and Storage Facility). Also, HART has signed the American Public Transportation Association’s (APTA’s) sustainability commitment to position itself at the forefront of sustainability efforts among transit systems in the United States.
- We maintain ongoing communication with the State of Hawaii's Department of Transportation (HDOT) and the City and County of Honolulu's Department of Transportation Services (DTS) regarding the alignment of the fixed guideway system as it relates to crossings and intensive construction phases.

BOARD INTERACTION

- We continued to foster a productive and positive working relationship with our 10-member Board of Directors through frequent communication and providing relevant, timely information to help inform the Board’s policy-making decisions.
- We provided opportunities for Board involvement, including collaborative efforts with stakeholders and outreach events.
- We continue to provide monthly reports at Board meetings.