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## **COURT OF APPEALS UPHOLDS RAIL CONTRACT AWARD**

The state Intermediate Court of Appeals today upheld the City's decision to disqualify one of the bidders for the rail transit core systems contract, which was awarded to the Ansaldo Honolulu Joint Venture.

The Court denied an appeal by Bombardier Transportation USA Inc. to overturn a ruling by the state Circuit Court and reaffirmed the procurement of the Core Systems Contract was done correctly.

The core systems contract includes rail cars, operating systems, and operation and maintenance of the trains after installation. The City awarded Ansaldo Honolulu the contract last year.

"This latest decision reaffirms the fact that the procurement process was done properly and in accordance with state law," said Dan Grabauskas, HART's CEO and executive director. "The contract award was successfully upheld by three independent and separate reviews. It was upheld by the state Department of Commerce and Consumer Affairs, by the state Circuit Court and now by the state Intermediate Court of Appeals. All of these extensive reviews underscored the validity of our procurement process."

"Our core systems contractor is progressing nicely, with our train vehicles and operations systems currently in design. Oahu can expect a state-of-the art automated system that is safe and reliable. Equally important, we intend to keep this contract on time and on budget and this decision will help us do that," Grabauskas added.

Today's ruling follows a Circuit Court decision last year that upheld the City's procurement process and reaffirmed the Hawaii State Department of Commerce and Consumer Affairs' (DCCA) findings that the City conducted meaningful discussions with Bombardier and that the City properly rejected Bombardier's proposal because it contained conditions.

**(MORE)**

The DCCA last year also denied an appeal by another losing bidder for the contract, Sumitomo Corporation of America. Sumitomo did not appeal that decision to the Circuit Court.

**Media Contact: Scott Ishikawa cell: (808) 227-2350, office (808) 768-6172.**