

THURSDAY 5/21/2015
HART BOARD OF DIRECTORS
MEETING

>> BOARD OF DIRECTORS
MEETING OF HART WILL COME
TO ORDER.

FIRST ITEM ON THE AGENDA,
SECOND ITEM IS PUBLIC
TESTIMONY.

WE HAVE MISS BARBRA
ARMENTROUT.

>> CAN I TESTIFY AFTER THE
SIXTH?

>>CHAIR LUI-KWAN: YES.
THANK YOU VERY MUCH FOR
YOUR RECOMMENDATION.
WE'LL TALK ABOUT YOUR
RECOMMENDATION A LITTLE BIT
LATER ON.

THE NEXT THING WE'D LIKE TO
DO IS TO ACKNOWLEDGE SOME
VERY PROMINENT PEOPLE WHO
ARE SAD THEY WILL BE
LEAVING HART.

THE FIRST ONE IS LORENZO
GARIDO, DIRECTOR OF DESIGN
AND CONSTRUCTION.

THE SECOND IS CARRIE
OKINAGA AND THE THIRD IS
SENATOR ROBERT BUNDA.

ANNOUNCEMENTS HAVE ALREADY
BEEN MADE.

INDICATING THE DEPARTURE OF
THESE VERY PROMINENT PEOPLE
WHO HAVE GIVEN A LOT TO
THIS PROJECT. AND SO

LORENZO WE KNOW THIS IS
YOUR LAST MEETING AND AS WE
SAID AT THE PRIOR MEETING,
OF THE BOARD, THAT WE CAN'T
EXPRESS ENOUGH THE
APPRECIATION OF WHAT YOU'VE
GIVEN TO THIS PROJECT AND
YOU ARE GOING TO BE VERY,

VERY MUCH MISSED AND AS I INDICATED, AT THE LAST MEETING, YOUR PRESENCE AT COMMUNITY MEETINGS, YOUR PRESENCE BEFORE THIS BOARD, YOUR PRESENCE IN OTHER MEDIA MEETINGS HAVE REALLY ADDED QUIET COMPETENCE TO OUR PROJECT AND WE GENERALLY APPRECIATE YOUR SERVICE TO THE CITY AND TO THIS PROJECT.
SO AT THIS TIME.

>>CHAIR LUI-KWAN: WE INVITE EXECUTIVE DIRECTOR TO SAY A FEW WORDS.

>> I WANT TOO ALSO THANK YOU FOR YOUR HARD WORK AND WORKING TOGETHER AS PROJECT OVERSIGHT COMMITTEE, THAT I REALLY APPRECIATE THE KNOWLEDGE YOU HAVE GIVEN ME AND SHARED YOUR TRANSPARENCY ON THE PROJECT ITSELF.

SO THANK YOU.

>> MY PLEASURE.

>> I WANT TO ECHO DAMIEN'S COMMENTS.

FROM FOUR YEARS AGO, WHEN WE FIRST STARTED HAVING CHANGE ORDER MEETINGS AND THINGS LIKE THAT, TODAY, YOU KNOW, WATCHING YOU WORK, UNDERSTANDING HOW METICULOUS YOUR TEAM IS AT NOT ONLY MAKING SURE THAT OUR PROJECTS PROCEEDS AS CONTRACTED, AS PLANNED, AS DESIGNED, AND IS SAFE, BUT YOU KNOW, YOU GUYS WORK YOUR BUTTS OFF MAKING SURE THAT'S TAXPAYER'S MONEY, THAT EVERY DOLLAR IS ACCOUNTED FOR, THE WAY IT'S

SPENT IS APPROPRIATE, AND
DOING THE TOUGH BATTLES
WITH THE CONTRACTORS AND
THOSE FOLKS, GREAT JOB.
SO THANK YOU.

>>CHAIR LUI - KWAN: DAN?

>>EXECUTIVE DIRECTOR
GRABAUSKAS: FIRST, I WANT
TO PERSONALLY THANK LORENZO
FOR OUTSTANDING WORK AND
FRIENDSHIP OVER THE TIME
THAT I'VE BEEN HERE.
I THINK IT WOULD BE
APPROPRIATE TO SPEAK ON
BEHALF OF THE STAFF FOR A
SECOND TO SAY THAT LORENZO,
CAME ON BOARD AS THE PERSON
WHO WAS IN CHARGE OF THE A
LOT OF DESIGN/BUILD
PROJECTS.

STEPPED UP SHORTLY AFTER I
GOT HERE TO BE DIRECT OF
DESIGN AND CONSTRUCTION FOR
THE PROJECT.

NEVER WAS THERE A DAY THAT
I REGRETTED THAT DECISION.
I CAN TELL YOU THAT LORENZO
HAS, AS YOU MENTIONED
CHAIRMAN, NEVER COMPLAINED
ABOUT THE MANY HOURS THAT
HE WORKED SHOWING UP AT
MORNING MEETINGS, EVENING
MEETINGS, WITH THE
COMMUNITY, AS WELL AS DAY
IN AND DAY OUT CARRYING
AROUND WHAT GREW TO BE THE
LARGEST BINDER I'VE EVER
SEEN IN MY LIFE.

(LAUGHTER)

>>EXECUTIVE DIRECTOR
GRABAUSKAS: BECAUSE HE WAS
SO ORGANIZED.
HE WOULD KEEP TRACK OF
EVERYTHING.
AND KEEP TRACK OF THE MANY,

MANY THINGS THAT WERE
HAPPENING AROUND THE
PROJECT.

AND AT THE SAME TIME, I
THINK HE ALSO DEMONSTRATED
THAT HIS LEADERSHIP WITHIN
THE STAFF ITSELF AS
SOMEBODY THAT PEOPLE CAME
TO TRUST AND RELY UPON, AS
WELL AS LIKED VERY MUCH FOR
HIS CALM DEMEANOR AND HIS
STEADY HAND ON BEHALF OF
ALL THE STAFF, THAT WE' LL
MISS YOU LORENZO AND WE
LOOK FORWARD TO WISHING YOU
WELL AFTER NEXT WEEK.
NEXT ENDEAVORS.

AND WHILE WE RECOGNIZE THAT
FAMILY PRIORITIES ARE
TAKING YOU BACK TO THE
MAINLAND, PLEASE REMEMBER
YOU WILL ALWAYS HAVE A
FAMILY HERE IN HONOLULU.
SO THANK YOU.

[APPLAUSE]

>>CHAIR LUI - KWAN: VICE
CHAIR?

>> I WANT TO CLOSE, ECHO
WHAT HE SAID, LORENZO.

>>VICE CHAIR HORNER: YOU' RE
AN ISLAND BOY FROM GUAM
YOU FITTED IN PERFECTLY
HERE OBVIOUSLY.

NEGOTIATIONS WERE VERY
DIFFICULT NEGOTIATIONS ON
CHANGE ORDERS AND
RELATIONSHIPS THAT COULD
RESORT TO A LOT OF
LITIGATION, I THINK YOUR
STYLE AND COMPETENCE HAS
SERVED HONOLULU WELL.
BOTTOM LINE IS SAN DIEGO' S
GAIN AND HONOLULU' S LOSS.
I WOULD POINT OUT FOR THE
VIEWING PUBLIC THAT THERE

IS REPLACEMENTS, RIGHT,
DAN?

YOU MIGHT SPEAK TO
LORENZO'S PROJECT MOVES
FORWARD AND WE'VE GOT GOOD
TALENT AND YOU WORKED HARD
TO REPLACE HIM

>>EXECUTIVE DIRECTOR

GRABAUSKAS: WE'VE GOT GREAT
STAFF AND AGAIN, I THINK
LORENZO WORKING WITH MYSELF
AND BRANDON MORIOKA HAS
BUILT A REALLY STRONG TEAM
DON'T WORRY.

WE WON'T MISS A STEP.

BUT WE WILL MISS LORENZO.

>>VICE CHAIR HORNER: THANK
YOU.

>>CHAIR LUI-KWAN: AS I
INDICATED, WE'RE ALSO SADLY
GOING TO BE MET WITH THE
DEPARTURE OF TWO OF OUR
REALLY OUTSTANDING BOARD
MEMBERS, CARRIE OKINAGA AND
SENATOR ROBERT BUNDA.

GLADLY THIS, IS NOT YOUR
LAST MEETING.

THEY WILL BE AT THE NEXT
MEETING, BUT BECAUSE
MISS OKIGANA WAS NOMINATED
TO BE THE GENERAL COUNSEL
FOR THE UNIVERSITY OF
HAWAII AND WE'RE CONFIDENT
THAT THAT IS GOING TO BE
WELL RECEIVED BY THE BOARD
OF REGENTS.

WE WANTED TO CONGRATULATE
YOU AND FOR THAT, WE HAVE A
LEI FOR YOU, CARRIE.

>>DIRECTOR OKINAGA: THANK
YOU VERY MUCH.

[APPLAUSE]

>>CHAIR LUI-KWAN: AS I
INDICATED, THESE

ANNOUNCEMENTS WERE MADE PREVIOUSLY AND SO IT'S KNOWN, SO IT'S NOT AN ANNOUNCEMENT, BUT IT'S JUST FROM MY PERSPECTIVE, A HIGHLIGHT OF WHAT OUTSTANDING MEMBERS WE HAVE ON THIS BOARD, AND HOW MUCH THEY GIVE AND HOW MUCH THEY SERVE IN THE BEST INTERESTS OF THIS PROJECT, AND THE CITY.

SO SENATOR BUNDA AND MISS OKIGANA, MAHALO NUI LOA YOUR SERVICE AND WE WILL HONOR YOU AGAIN AT THE NEXT MEETING.

THE REASON I INDICATED, MISS ARMENTROUT BEFORE THE BOARD MEETING, I HOPE YOU HAVE LEIS FOR MISS OKIGANA AND LORENZO.

I SAID, DON'T WORRY.

THE NEXT ITEM ON THE AGENDA IS THE APPROVAL OF THE MINUTES OF THE APRIL 23RD, 2015 MEETING OF THE BOARD OF DIRECTORS.

ARE THERE ANY SUGGESTED MODIFICATIONS?

OR OBJECTIONS?

HEARING NONE, WITH NO

OBJECTIONS, OR

MODIFICATIONS, TO THE

MINUTES, THE MINUTES ARE

APPROVED.

NEXT MATTER ON THE AGENDA

IS REALLY THE 2015 BUSINESS PLAN DRAFT REVIEW.

WHAT I WOULD LIKE TO DO IS

TO TAKE AN ITEM OUT OF

ORDER.

AND THE NUMBER 5 ON THE

AGENDA IS A DISCUSSION ON

THE CITY COUNCIL RESOLUTION

15-79 C. D. 1.

AND BECAUSE COUNCILMEMBER
MANAHAN IS HERE, WE WOULD
LIKE TO RESPECT HIS BEING
EARLY, AND TAKE THAT MATTER
OUT OF ORDER.

DAN, DID YOU WANT TO REPORT
ON 15-39?

>>

>>EXECUTIVE DIRECTOR
GRABAUSKAS: CERTAINLY.
THANK YOU.

ONE OF THE, AS YOU KNOW,
OVER THE LAST NUMBER OF
MONTHS, WE'VE HAD QUITE
INTENSE CONVERSATIONS WITH
THE MEMBERS OF THE
LEGISLATURE AND CONTINUING
CONVERSATIONS AS WE HAVE
OVER THE YEARS WITH THE
CITY COUNCIL.

ONE OF THE THINGS THAT
WE'VE HEARD FROM ALL OF THE
ELECTED OFFICIALS WITH WHOM
WE'VE BEEN WORKING THE LAST
SEVERAL MONTHS IS TO REALLY
HAVE EVEN GREATER FOCUS
THAN WE'VE HAD IN THE PAST
ON TRANSPARENCY AND ONE ON
OPEN COMMUNICATION.

I WAS PLEASED TO BE ABLE TO
TESTIFY ON BEHALF THE HART
BOARD IN FAVOR OF CITY
COUNCIL RESOLUTION 15-79
C. D. 1 WHICH WAS INTRODUCED
BY COUNCILMEMBER MANAHAN,
AND PROBABLY TALK A LITTLE
BIT ABOUT RESOLUTION
ITSELF, BUT I WANTED TO
THANK HIM FIRST OF ALL, FOR
HIS LEADERSHIP ON THE
COUNCIL, PARTICULARLY AS
CHAIR OF THE TRANSPORTATION
COMMITTEE.

I CAN TELL THIS BOARD THAT

HE IN THE ONLY ASKS TOUGH
QUESTIONS, BUT REALLY ASKS
QUESTIONS TRYING TO GET TO
THE BEST OF WHAT WE'RE
TRYING TO DO HERE.
I APPRECIATE THAT SINCERITY
AND DILIGENCE.
FINALLY, SPECIFICALLY TO
THIS RESOLUTION, HE'S HE'S
REALLY MADE IT VERY CLEAR
THAT OUR BEST COURSE OF
ACTION IS TO CONTINUE TO
HAVE GREAT CONVERSATION AND
OPENNESS WITH THE COUNCIL,
AND SO AS I SAY, WE WERE
VERY PLEASED TO BE ABLE TO
TESTIFY ON BEHALF OF THE
RESOLUTION AND I'LL NOTE
FOR THE BOARD THAT'S
RESOLUTION WAS ADOPTED BY
THE CITY COUNCIL
UNANIMOUSLY, AND SO AGAIN,
WE JUST LOOK FORWARD TO
CONTINUING TO WORK CLOSELY
IN COLLABORATION WITH
COUNCIL CHAIR MARTIN AND
THE MEMBERS OF THE COUNCIL
AND IN PARTICULAR, THE
CHAIR OF THE TRANSPORTATION
COMMITTEE OF THE CITY
COUNCIL.

>>CHAIR LUI - KWAN:
COUNCILMEMBER MANAHAN,
PLEASE COME FORWARD.
BUT BEFORE YOU TESTIFY, I
WOULD JUST LIKE TO ALSO
INDICATE THAT I TESTIFIED
AS THE, NOT THE BOARD, I
WON'T SPEAK FOR THE BOARD
BECAUSE THE BOARD HAD
COMMENTS ON THE RESOLUTION,
BUT I HAD AS CHAIRMAN, I
COULD SEE THE WISDOM IN
RESOLUTION 15-79 C. D. 1,
AND AGAIN, WE THANK YOU.

AT THIS BOARD HAS REALLY EMBRACED A CULTURE OF TRANSPARENCY AND WE HAVE ADVANCED THAT CONCEPT BY MEETING AS FREQUENTLY AS WE CAN AND AS APPROPRIATELY AS WE CAN WITH OFFICIALS AT THE CITY COUNCIL, STATE LEGISLATURE, WITH THE MAYOR, AND SO YOUR 15-79 REALLY FORMALIZED WHAT I THOUGHT WAS VERY APPROPRIATELY A DIRECTION THAT IS GOING TO BE GOOD FOR THE PROJECT, SO THANK YOU FOR COMING TODAY AND WOULD YOU LIKE TO SHARE WITH US YOUR THOUGHTS?

>>
>>SPEAKER MANAHAN: THANK YOU FOR INVITING ME TO SPEAK ABOUT THIS RESOLUTION AND PUTTING IT ON THE AGENDA.

JUST TO EXPLAIN THE RESOLUTION A LITTLE BIT FOR THE VIEWERS, FOR THE NEW VIEWERS THAT WE HAVE ON OLELO, FIRST OF ALL, LET ME BACK UP.

JOEY MANAHAN, CITY COUNCIL CHAIRMAN OF THE TRANSPORTATION COMMITTEE. I REPRESENT THE KALIHI AND SALT LAKE AREA.

THE RESOLUTION BASICALLY ASKS HART, THE HART LEADERSHIP, THE EXECUTIVE DIRECTOR AS WELL AS THE FINANCE CHAIR, CHAIRMAN OF THE BOARD, TO HAVE MEETINGS WITH THE LEADERSHIP OF OUR LOCAL FUNDING SOURCES, DECISION-MAKERS OF THE LOCAL FUNDING SOURCES,

NAMELY, G. E. T. AND NOW THE CITY AND COUNTY, WITH THE BONDS THAT WE ARE GOING TO ISSUE FOR OUR DEBT SERVICE TO BE ABLE TO CONTINUE THE PROJECT.

SO WHAT THE RESOLUTION ASKS IS BASICALLY THAT WE HAVE PERIODIC MEETINGS WITH THE GOVERNOR, HIS BUDGET AND FISCAL SERVICES DIRECTOR AS WELL AS SENATE PRESIDENT AND PERHAPS THE WAYS AND MEANS CHAIR, ALONG WITH THE HOUSE SPEAKER AND HIS FINANCE CHAIR, OR HIS OR HER FINANCE CHAIR, WHATEVER THE CASE MAY BE, AND THEN ALSO THE MAYOR, OF COURSE, AND THE CHAIRMAN OF THE COUNCIL AS WELL AS THE BUDGET CHAIR ALONG WITH THE MAYOR, OUR DIRECTOR OF BUDGET AND FISCAL SERVICES. AND THE INTENT OF THE RESOLUTION, WHEN I DECIDED TO DRAFT IT, WAS BASICALLY TO CREATE A VEHICLE SO THAT WE COULD CREATE SOME KIND OF A PARTNERSHIP BETWEEN US AND OUR PARTNERS IN THE STATE, AND WHEN I SAY US, I MEAN CITY & COUNTY AS WELL AS PARTNERS IN THE STATE LEGISLATURE, BECAUSE I SEE THEM AS OUR PARTNERS IN TERMS OF THE LOCAL FUNDING SOURCES, SIMILAR TO OUR PARTNERSHIP WITH THE FTA AND THE FEDERAL GOVERNMENT, WITH REGARDS TO THE FEDERAL FUNDING.

SO I JUST THOUGHT IT WOULD BE A GOOD IDEA IF WE COULD HAVE SOME SORT OF

DISCUSSIONS, IDEALLY IF WE
COULD HAVE THEM TOGETHER,
THAT WOULD BE GREAT.
IF THEY WERE ALL IN ONE
ROOM
BUT JUST NOW, AS WE' RE
GOING THROUGH THE PROCESS
OF REVISING OUR NEW
FINANCIAL PLAN FOR THE FTA
WITH REGARDS TO THE NEW
LEGISLATION THAT WAS JUST
PASSED BY THE LEGISLATURE
AND NOW, THAT WE ARE GOING
THROUGH THE PROCESS OF THE
APPROVAL OF THE SURCHARGE
ON THE COUNCIL, I JUST
THOUGHT IT WOULD BE A GOOD
IDEA TO BE ABLE TO FOSTER
THAT COMMUNICATION, TO JUST
ENSURE THAT WE ARE ALL ON
THE SAME PAGE WITH REGARDS
TO EACH OTHER' S BUDGETS
BECAUSE THEY ARE
SIGNIFICANT.
EACH OF OUR BUDGETS ARE
SIGNIFICANT AND THEY DO
IMPACT EACH OTHER, AND I
JUST AS A MEMBER, WHO MAY
NOT BE IN LEADERSHIP, GIVES
ME THAT ADDED ASSURANCE
ALSO THAT IN THE
LEGISLATIVE PROCESS, THAT
WE HAVE THAT OKAY FROM
LEADERSHIP THAT THERE WILL
BE NO -- IT' S ALSO TO
PREVENT ANY FUTURE
SHORTFALLS IN OUR LOCAL
SOURCERS OF FUNDING WHICH
IS VERY IMPORTANT TO BE
ABLE TO COMPLETE AT LEAST
THE FIRST 20-MILES, 21
STATIONS, AND HOPEFULLY,
WHAT IT WILL DO IF WE CAN
OPEN LINES OF
COMMUNICATION, WE CAN TALK

ABOUT FURTHER EXTENSIONS INTO MANOA, I'D LOVE TO SEE US EXTENSION FROM THE STADIUM TO THE AIRPORT, ALL OF THOSE THINGS COULD BE POSSIBLE.

AND THESE ARE THE TYPES OF DISCUSSIONS THAT CAN HAPPEN AT THIS LEVEL.

EST LAST THING I'LL SAY ABOUT IT IS THAT BY ENGAGING THE LEADERSHIP, I THINK IT WOULD MAKE IT VERY MUCH EASIER FOR HART OR FOR ANY OF US TO GO THROUGH ANY KIND OF LEGISLATIVE PROCESS IF WE NEED TO IN THE FUTURE.

AND THAT'S BASICALLY WHAT THE RESOLUTION IS ABOUT AND AGAIN, WANT TO THANK YOU VERY MUCH FOR INVITING ME HERE TODAY TO SPEAK ABOUT IT AND I REALLY WANT TO COMMEND YOU ALL THE WORK THAT YOU DID AT THE LEGISLATURE AND THE WORK THAT YOU'RE DOING NOW, THE CONSTRUCTION IS REALLY MOVING ALONG VERY WELL AND THE PROJECT IS IMPRESSIVE AND IT'S REALLY ONE THAT I FEEL WE OWE IT TO OUR STAKEHOLDERS, THE RESIDENTS OF THIS THE CITY & COUNTY, THE FOLKS WHO ARE PAYING OUR PROPERTY TAXES, OUR G. E. T. , TO GIVE THEM A GOOD PRODUCT AND I FEEL YOU FOLKS ARE DOING THAT AND THAT WE SHOULD CONTINUE TO FOSTER THIS RELATIONSHIP OF COLLABORATION AND I WANT TO THANK YOU FOR THIS OPPORTUNITY.

>>
>>CHAIR LUI-KWAN: THANK YOU
VERY MUCH COUNCILMEMBER
MANAHAN.
WE REALLY APPRECIATE THE
PARTNERSHIP THAT THE CITY
COUNCIL AND THE LEADERSHIP
AND YOU AS CHAIR OF THE
TRANSPORTATION COMMITTEE
HAS OFFERED TO US, AND
TAKEN TO THE PUBLIC TO SHOW
THEM WE'RE PARTNERS WITH
THE CITY, WITH THE STATE.
BECAUSE IT'S ALL IN THE
BEST INTERESTS OF THE
OWNERS OF THIS PROJECT, WHO
ARE THE TAXPAYERS.
ANY COMMENTS OR QUESTIONS
OF OUR COUNCILMEMBER
MANAHAN?
PLEASE.

>> THANK YOU VERY MUCH
COUNCILMEMBER FOR THE
RESOLUTION AND FOR COMING
HERE TO TESTIFY.

>>DIRECTOR OKINAGA: I WANT
TO ADD, PERHAPS A PERSONAL
OPINION THAT I THINK THIS
WILL BE WONDERFUL FOR
DIALOGUE GOING FORWARD WHEN
WE GET INTO OPERATIONS
PHASE, P NOT JUST
CONSTRUCTION, BUT HOW THE
OPERATIONS ARE PAID.

>> I SHOULD HAVE MENTIONED
OPERATIONS.
THAT'S KIND OF UP IN THE
AIR RIGHT NOW.
WE WOULD LIKE TO SEE SOME
CERTAINTY ON AND YOU KNOW,
IN MY OPINION, WHEN WE, THE
ORIGINAL HOUSE BILL 1309 IS
VERY CLEAR THAT THE G. E. T.
WAS ALSO FOR OPERATIONS AND

MAINTENANCE.

SO THAT IS HOPEFULLY
SOMETHING WE CAN DISCUSS
AND THEN WORK ON MOVING
FORWARD.

>>DIRECTOR OKINAGA: THANK
YOU.

>>CHAIR LUI - KWAN: ANY
FURTHER QUESTIONS OR
COMMENTS?

>> I WOULD LIKE TO ECHO THE
SENTIMENTS OF BOARD MEMBERS
WHO SPOKE.

REALLY APPRECIATE YOUR
LEADERSHIP IN THIS.
I WANT TO HIGHLIGHT ONE OF
THE THINGS THAT WAS
RESOLVED HERE, WHICH WAS
PRIOR TO MAKING AMENDMENTS
TO THE OVERALL FINANCIAL
PLAN, SUBMITTED TO THE
FEDERAL GOVERNMENT AS A
PART OF THE FFGA, THAT WE
MEET WITH THE STAKEHOLDERS.
THAT WAS A KEY PORTION OF
YOUR RESOLUTION.

I THINK THAT IS NOT ONLY
APPROPRIATE, BUT AS YOU
KNOW, WE'RE GOING THROUGH A
LOT OF THAT RE-EVALUATION
NOW.

AND SO ABSOLUTELY, I THINK
YOU HAVE THE COMMITMENT.
I'M JUST ONE MEMBER, BUT I
THINK I SPEAK FOR THE BOARD
THAT YOU HAVE THE
COMMITMENT OF THIS BOARD
THAT WE'LL BE COMING TO
YOU, TO COUNCIL, TO MAYOR,
TO THE GOVERNOR, TO THE
LEDGE, TO EVERYONE WITH OUR
PLANS, WITH OUR THOUGHTS AS
RECOMMENDED BY OUR
EXECUTIVE DIRECTOR.
AND WITH OUR INPUT ON WHAT

WE THINK THIS LOOKS LIKE
GOING FORWARD SO WE CAN
HAVE WHAT WILL PROBABLY BE
LIVELY DISCUSSIONS ABOUT
THE BEST PRIORITIES.

>> I APPRECIATE THAT I
REALLY LOOK FORWARD TO
WORKING ON, WORKING WITH
YOU WITH REGARDS TO THE
FUTURE LEGISLATION, THERE' S
A FEW AUDITS COMING UP, BUT
YOU HAVE MY SUPPORT ON ALL
OF THOSE THINGS, AND I' M
SURE WE CAN WORK THROUGH
THEM AND WE REALLY WANT TO
SEE THE PROJECT MOVE
FORWARD.

>>DIRECTOR HUI: THANK YOU.

>> VICE CHAIR, I WANT TO
ECHO, THANK YOU
COUNCILMEMBER.

I APPRECIATE YOUR
LEADERSHIP AND OVERSIGHT.
FIDUCIARY BETWEEN YOU AND
YOU' VE DONE A GOOD JOB IN
DOING THAT. ONE OF THE
CHALLENGES OF THE PROJECT
BEING AN OLD BANKER IS THAT
SOMETIMES TOO MUCH
INFORMATION HIDES THE
INFORMATION.

I THINK 20,000 PAGES ON OUR
WEBSITE SO IT' S NOT A LACK
OF INFORMATION.

SO WHAT THIS RESOLUTION IS
REQUIRING US TO DO IS TO
TRANSLATE THE INFORMATION,
USUAL FORMAT WHERE PEOPLE
CAN UNDERSTAND IT AND FOR
US TO COME AND MAKE A VERY
CANDID AND TRANSPARENT
APPEARANCE TO EXPLAIN WHERE
WE ARE.

SO I WELCOME THIS
OPPORTUNITY AND

REQUIREMENT.

THINK IT'S BEEN HAPPENING
ANECDOTALLY BUT NOT IN A
FORMAT THAT YOU DESCRIBED
HERE.

SO I CERTAINLY SUPPORT THIS
RESOLUTION.

THANK YOU.

>> THANK YOU VERY MUCH.
THAT MEANS A LOT.

>>CHAIR LUI-KWAN: NO
FURTHER DISCUSSION OR
QUESTIONS.

THANK YOU VERY MUCH,
COUNCILMEMBER MANAHAN, FOR
BEING HERE TODAY.

AND FOR YOUR LEADERSHIP
WITH RESPECT TO THIS
RESOLUTION 15-79.

>> THANK YOU FOR HAVING ME.
IT'S MY PLEASURE TO BE
HERE.

VERY DIFFERENT BEING ON
THIS SIDE OF THE TABLE.

(LAUGHTER)

>> I'M LEAVING NOW.

>> YOU CAN APPRECIATE WHEN
YOU COME OVER HERE.

>>CHAIR LUI-KWAN: WE'LL NOW
MOVE ON TO --

>> CHAIR DO YOU WANT TO
MOVE THAT RESOLUTION IF YOU
WANT TO DO IT NOW?

IS THAT OUT OF ORDER?

>>CHAIR LUI-KWAN: IT'S JUST
A DISCUSSION.

THEY'VE APPROVED IT.

>>VICE CHAIR HORNER: ISN'T
IT SOMETHING THAT WE'RE
GOING TO ADOPT ALSO?

>>CHAIR LUI-KWAN: WE COULD.
THE ITEM ON THE AGENDA IS
FOR DISCUSSION.

>>VICE CHAIR HORNER: OKAY.

I THINK SINCE THERE ARE ISSUES ARE, TALK TO CORP COUNSEL ABOUT, I WOULD RECOMMEND THAT WE DO FORMALLY ADOPT IT.

>>DIRECTOR OKINAGA: I THINK IN THE PAST, WHEN IT'S NONACTION RESOS, VERBALLY MOVE THINGS, SO THERE HAVE BEEN VERBAL RESOLUTIONS IF I RECALL.

IT'S JUST WHETHER CHAIR WANTS, VICE CHAIR WANTS THE FORMALITY.

>>CHAIR LUI-KWAN: COUNSEL, WHAT'S YOUR COUNSEL?

>> IT'S NOT ON THE AGENDA.

>>VICE CHAIR HORNER: I'M NOT SUGGESTING TODAY. I WOULD SAY I WOULD RESPECTFULLY LIKE TO PUT IT ON THE AGENDA FOR THE NEXT MEETING FOR US TO FORMALLY DISCUSS AND ADOPT.

>>CHAIR LUI-KWAN: THANK YOU VERY MUCH FOR THAT VICE CHAIR HORNER.

WE WILL PUT IT ON THE AGENDA FOR NEXT MEETING. JUST FOR PEOPLE IN THE AUDIENCE, THE AGENDAS ARE VERY FORMALIZED AND SO IN COMPLIANCE WITH THE SUNSHINE LAW, WE HAVE TO COMPLY WITH THE REGULATIONS AND THE RULES AND SO WHEN YOU HAVE AN ITEM LISTED ON THE AGENDA FOR DISCUSSION, THAT MEANS THAT YOU'RE NOT TAKING ACTION.

AND THEN THE REASON, UNDERLYING POLICY FOR THAT IS SO THAT THE PUBLIC KNOWS THAT YOU'RE TAKING ACTION ON A MATTER AS OPPOSED TO

JUST TALKING IT WHICH IS
DISCUSSION.

THAT'S WHAT WE'VE BEEN
TALKING ABOUT.

SO THE NEXT ITEM ON THE
AGENDA IS FISCAL YEAR 2005
BUSINESS PLAN DRAFT REVIEW.

DAN, DID YOU WANT TO
INTRODUCE?

>>EXECUTIVE DIRECTOR

GRABAUSKAS: FIRST OF ALL.
FOR THE BOARD AND PUBLIC,
AS YOU ARE AWARE, EVERY
YEAR, WE'RE REQUIRED TO
UPDATE OUR BUSINESS PLAN
AND THE BUSINESS PLAN SETS
FORTH A RECAPITULATION OF
THE ACTIVITIES OF THE PRIOR
YEAR AS WELL AS GOAL
SETTING FOR THE COMING
YEAR.

IN ADDITION TO THE GOAL
SETTING FOR THE COMING
YEAR, IT ALSO OUTLINES THE
NUMBER OF DIFFERENT
PRIORITIES.

(PHONE RINGING)

>>EXECUTIVE DIRECTOR

GRABAUSKAS: OUTLINES A
NUMBER OF THE PRIORITIES
FOR THE BOARD AND FOR THE
ORGANIZATION.

THE BUSINESS PLAN THAT YOU
HAVE, THE DRAFT YOU HAVE IN
FRONT OF YOU TODAY, HAS
BEEN MADE AVAILABLE TO THE
PUBLIC SINCE LAST WEEKS,
AND WHAT WE'RE PROPOSING IS
THAT THE DRAFT PLAN BE
REVIEWED IN A SECOND WITH
MR. RON TOBER, HELPING US
TO DRAFT THAT BUSINESS
PLAN, AND THEN THE GOAL
WOULD BE TO HAVE ANY

COMMENTS THAT YOU, THE BOARD HAVE, OR THE PUBLIC MAY HAVE WHICH WE CAN INCORPORATE INTO THE PLAN AND THEN PRESENT TO YOU AT THE JUNE BOARD MEETING AND AS HAS BEEN THE PRACTICE OF THE HART BOARD, THE BUSINESS PLAN WOULD BE APPROVED PRIOR TO THE OPERATING CAPITAL BUDGET AS IT SETS THE TONE FOR WHAT WE'RE GOING TO DO FOR THE NEXT YEAR, AND REALLY THE OPERATING CAPITAL BUDGETS ARE FORMULATED TO AUGMENT OR REALLY TO IMPLEMENT THE GOALS THAT IS SET FORTH IN THE BUSINESS PLAN.

SO AGAIN, THE DRAFT IS BEFORE YOU, AND AVAILABLE TO THE PUBLIC, FOR COMMENT OVER THE NEXT MONTH.

I'LL TURN IT OVER BY A TELECONFERENCE TO MR. RON TOBER, WHO HELPED TO ACTUALLY DRAFTED THE BUSINESS PLAN AGAIN THIS YEAR.

AND FOR THOSE OF YOU WHO ARE UNFAMILIAR WITH MR. TOBER, RON WORKED PRIOR TO HART'S EXISTENCE TO HELP BRING HART INTO EXISTENCE. HE WAS ONE OF THE KEY FOLKS INSTRUMENTAL, AS MANY OF YOU MAY KNOW WHO HAVE BEEN AROUND A WHILE, IN THE ACTUAL FORMULATION OF THE CHARTER, LANGUAGE WHICH CREATED HART AND INITIAL DAYS, ON BOARDING SOME OF THE MEMBERS OF THIS BOARD ON TO THE HART BOARD.

I'M VERY PLEASED THAT RON

HAS CONTINUED THOUGH HE'S
MOVED ON TO OTHER MATTERS
AND OTHER ENDEAVORS,
FULL-TIME, THAT HE'S
CONTINUED TO MAKE TIME EACH
YEAR TO UPDATE THE BUSINESS
PLAN.

HIS WEALTH OF EXPERIENCE
ACROSS THE UNITED STATES,
BUT IN PARTICULAR, HIS
EXPERIENCE OVER NOW MANY
YEARS HERE IN HONOLULU, IS
ALSO BEEN A REALLY HELPFUL.
SO FOR THOSE OF YOU WHO
AREN'T AWARE, RON HAS
WORKED FOR OVER 46 YEARS IN
PUBLIC TRANSPORTATION,
SERVING IN A NUMBER OF
DIFFERENT SENIOR MANAGEMENT
POSITIONS.

ANYBODY WHO HOLDS THE
POSITION OF CEO OF A
TRANSIT SYSTEM KNOWS IT'S A
CHALLENGE.

UNBELIEVABLE IN THE
INDUSTRY, ONE OF THE
REASONS THAT RON HAS BECOME
SOMETHING OF A LEGEND IS
HE'S BEEN CEO OF FOUR
DIFFERENT TRANSIT SYSTEMS
AND COO FOUR OTHER TRANSIT
SYSTEMS IN HIS CAREER.

WE'RE PLEASED AND HONORED
TO HAVE RON HERE.

BY A TELECONFERENCE TO WALK
US THROUGH THE DRAFT
BUSINESS PLAN AND TO TAKE
ANY QUESTIONS OR COMMENTS
THAT THE BOARD MIGHT HAVE.
SO WITH THAT, RON, I'LL
TURN IT OVER TO YOU.

(RON FROM THE PHONE)

>> THANK YOU, DAN.

ALOHA AND GOOD MORNING

LADIES AND GENTLEMEN.
I AM PLEASSED TO BE WITH
YOU.
GOT DELAY DELAY BETWEEN THE
SCREEN.
THANK YOU VERY MUCH FOR THE
OPPORTUNITY TO DO THIS.
I'M PLEASSED TO BE ABLE TO
ASSIST DAN AND HART STAFF
ON PRESENTING TO YOU THE
PROPOSED 2016 BUSINESS PLAN
FOR THE AGENCY.
THIS IS THE FIFTH EDITION
OF IMPORTANT DOCUMENT AND
I'M HONORED TO HAVE BEEN
INVOLVED IN THE PREPARATION
OF ALL OF THEM
THE INFORMATION THAT IS
CONTAINED IN THE BUSINESS
PLAN DOCUMENT THAT YOU HAVE
BEFORE YOU IS THE BEST
AVAILABLE AT THIS TIME.
STAFF WILL BE UPDATING THE
DRAFT TO REFLECT EVENTS IN
THE WEEK AS AHEAD IN THE
FINAL FINANCIAL INFORMATION
AT THE END OF THE FISCAL
YEAR, AS WELL AS THE FINAL
ADOPTED BUDGET THAT THE
BOARD AND CITY COUNCIL HAS
FOR THE YEAR STARTING THIS
JULY 1.
SO MOVING ON TO THE NEXT
SLIDE.
LOOKING AT THE CONTENTS OF
THE DOCUMENT.
WE COULD MOVE ON TO THE
NEXT SLIDE ON THE
PRESENTATION.
HELLO?
OKAY.
THERE WE GO.
BUSINESS PLAN CONTENTS.
THIS SLIDE HERE SUMMARIZES
FOR THE BENEFIT OF THE

PUBLIC WATCHING, AND THE AUDIENCE, CONTENTS OF THE HART BUSINESS PLAN.

50 PAGE DOCUMENT.

ONCE AGAIN, THIS YEAR, IN THE DOCUMENT, COVERS THE GOALS, STRATEGIES, PERFORMANCE MEASURES, CURRENT YEAR RESULTS, PLANNED WORK ACTIVITIES FOR THE COMING YEAR, AND A WHOLE RAFT OF FINANCIAL AND OTHER FACTS ABOUT THE RAIL PROJECT.

BUSINESS PLAN SERVED NOT ONLY BLUEPRINT FOR WHAT HART IS AND IS DOING, BUT ALSO HELPED TO PROVIDE HISTORICAL RECORD OF WHAT HART HAS DONE TO BRING MODERN RAIL, PUBLIC TRANSPORTATION TO THE ISLAND.

I WOULD LIKE TO REVIEW WHERE THINGS ARE AT AS WE GO IN AND IN THE CURRENT FISCAL YEAR.

WE COULD GO TO THE NEXT SLIDE, PLEASE.

FIRST AGENCY STATUS SLIDE. I ' M LOOKING AT THE OLELO SCREEN.

WE' VE GOT A LITTLE BIT OF A DELAY GUESS ACROSS 6, 000- MILES BETWEEN NORTH CAROLINA AND HAWAII.

ALL RIGHT.

WELL, THIS HAS BEEN A PARTICULARLY CHALLENGING YEAR, 2015 FOR THE AGENCY. THERE ARE SOME THINGS THAT ARE VERY POSITIVE ABOUT WHERE THE PROJECT IS AT AS YOU' RE ENDING UP FISCAL YEAR.

I THINK THEY REALLY NEED TO BE RECOGNIZED.

THIS SHOWS THOSE THINGS. IMPORTANT TO RECOGNIZE 60% OF THE CONSTRUCTION EQUIPMENT CONTRACTS HAVE BEEN AWARDED AND ACTUALLY UNDERWAY.

YOUR CONTRACTORS ARE OUT THERE TRYING TO CATCH UP WITH THE PAST DELAYS CAUSED PRIMARILY BY LITIGATION IN THE PAST SEVERAL YEARS.

FORTUNATELY, IN THE CURRENT YEAR, YOU'VE HAD NO NEW LITIGATION THAT WAS PUT INTO PLACE.

YOU CONTINUE TO HAVE STRONG FEDERAL SUPPORT AND FUNDING COMING IN FOR THE PROJECT, AND TALK A LITTLE BIT MORE ABOUT THAT LATER.

THERE IS A REAL HIGH INTEREST IN

TRANSIT-ORIENTED DEVELOPMENT ALONG THE ALIGNMENT IN THE VICINITY OF MANY OF THE STATIONS. OF COURSE, MOST RECENTLY, THE LEGISLATURE'S PASSAGE OF THE G. E. T. EXTENSION WILL PROVIDE SOME FINANCIAL STABILITY TO FINISH THE PROJECT.

STILL REQUIRES THE GOVERNOR'S SIGNATURE, OF COURSE, AND IT WILL REQUIRE NECESSARY APPROVALS BY THE CITY & COUNTY OF HONOLULU. MY UNDERSTANDING IS THAT IS HOPEFULLY IN THE WORKS OR WILL BE IN THE WORKS ONCE THE GOVERNOR SIGNS THE BILL.

WITH THAT, THERE ARE STILL

BIG CHALLENGES AND CONTINUING RISKS AHEAD. SO IF WE COULD GO TO THE NEXT SLIDE TO TALK ABOUT THE STATUS OF THE PROJECT. ON THE NEXT SLIDE, WE LOOK AT WHERE THINGS ARE AT WITH THE PROJECT AT THIS POINT IN TIME AS YOU'RE ENDING UP 2015.

RIGHT NOW, WE'RE AT THE END OF THE YEAR, PROJECT WILL BE BASICALLY ONE-THIRD COMPLETE.

32% TO BE EXACT.

145 COLUMNS UP.

2-AND-A-HALF MILES OF GUIDEWAY UP.

SOME OF WHICH WILL HAVE RAIL INSTALLED ON IT.

THE RAIL OPERATIONS CENTER IS BASICALLY OR WILL BE BASICALLY 65% AND IS ON SCHEDULE.

RAIL CARS MANUFACTURING, BY THE CONTRACTOR, IS ALSO ON SCHEDULE.

ONE OF THE THINGS THAT I THINK IS VERY POSITIVE ABOUT WHAT DAN AND THE STAFF AND YOUR CONTRACTORS HAVE DONE IS YOU'VE GOT AN OUTSTANDING RECORD ON THE JOB INJURY.

THAT RECORD OF .6 PER 100,000 WORK HOURS IS WAY LOW IN COMPARISON TO WHAT OTHER PROJECTS IN THE UNITED STATES AT LEAST WOULD HAVE.

WHERE THEIR RECORD WOULD BE SOMEWHERE BETWEEN 3.5 AND 4 INJURIES PER 100,000 HOURS WORKED.

SO MY CONGRATULATIONS TO

YOU, TO DAN AND THE STAFF
ON THAT.
TO DATE, YOU'VE ACQUIRED
90% OF THE LAND NEEDED FOR
THE PROJECT.
HAS IN FACT BEEN ACQUIRED.
UTILITY RELOCATION
UNDERWAY.
FIRST 10-MILES OF GUIDEWAY.
SO FAR, NEARLY 1400 JOBS
HAVE BEEN CREATED.
MOVE ON TO THE NEXT SLIDE.
CONTINUING TO TALK ABOUT
PROJECT STATUS.
IN THE YEAR.
NEXT SLIDE.
SO LOOKING AT THIS
PARTICULAR SLIDE, THE
PROBLEMS THAT YOU HAD THIS
YEAR ARE SUMMARIZED ON THIS
SLIDE.
BIDS AS HAS BEEN NOTICED
HERE, IS FOR THE FIRST NINE
STATIONS, CAME IN
SIGNIFICANTLY OVER BUDGET.
EXTREMELY HIGH LEVEL OF
CONSTRUCTION ON THE ISLAND
HAS IMPACTED THOSE BIDS.
COMPETITION FOR LABOR,
EQUIPMENT, AND MATERIALS
HAS DRIVEN UP CONTRACTOR,
CONTRACTOR PRICING FOR
THOSE THINGS.
AS A RESULT, IT BECAME
APPARENT THAT THE
CONSTRUCTION COSTS FOR THE
PROJECT WERE GOING TO COME
IN HIGHER THAN WHAT HAD
BEEN ESTIMATED BY THE
ENGINEERS.
IN ADDITION TO THIS
INCREASED COST PROBLEM,
DURING THE YEAR, IT BECAME
APPARENT THAT HART WAS
GOING TO HAVE SHORTFALLS IN

REVENUE.

G. E. T. RECEIPTS CONTINUE TO COME IN BELOW PROJECTIONS. AND THERE WERE LEGITIMATE CONCERNS RAISED BY THE CITY ABOUT THE PROJECT POSSIBLY USING FEDERAL FORMULA GRANTS THAT HAVE HISTORICALLY BEEN USED FOR BUS IMPROVEMENTS.

THESE COSTS AND REVENUE PROBLEMS COMBINE TO CAUSE THE AGENCY TO UNDERTAKE A COMPLETE REVIEW OF WHERE THE PROJECT WAS AT AND ITS FINANCING PLANS.

EXTENSIVE REVIEW OF THE PROJECT COST ESTIMATES WAS DONE AN CONTRACTING PLANS WERE ALSO CLOSELY LOOK ADD AT.

EFFORT INVOLVED CONSULTATIONS WITH CONSTRUCTION CONTRACTORS TO GAIN INSIGHTS ON HOW HART SHOULD PROCEED GIVEN THE HIGH LEVEL OF CONSTRUCTION ON OAHU.

EFFORT RESULTED IN A COMPLETE RETHINKING OF HOW TO APPROACH THE REMAINING CONSTRUCTION CONTRACTS SPECIFICALLY THE NINE, FIRST NINE WEST SIDE STATIONS AND ALSO THE REMAINING HALF OF THE GUIDEWAY IN THE STATIONS IN THE AIRPORT SEGMENT AS WELL AS IN THE CENTER CITY SECTION ITSELF.

THE COMPREHENSIVE REVIVE THE PROJECT IN THE PROJECTED SHORTFALL IN FUNDING AVAILABLE TO THE PROJECT RESULTED IN A

RESETTING OF THE THE
PROJECT BUDGET AND SLIGHT
CHANGE IN THE PROJECT
SCHEDULE TO EASE PRESSURE
ON CONSTRUCTION WORK AND
SAVE MONEY BY REDUCING SOME
OF THE RISKS THAT THE
CONTRACTORS WERE FACING.
THE COST ESTIMATE AS I
THINK WIDELY KNOWN, WAS
INCREASED BY APPROXIMATELY
600 MILLION BASED UPON THE
RECENT BIDDING EXPERIENCE
AND SCHEDULE CHANGE, AND
COST INCREASE COMBINED WITH
THE PROJECTED 310 MILLION
SHORTFALL IN REVENUE
PRODUCED \$910 MILLION HOLE
IN HART'S FINANCIAL PLAN
FOR THE PROJECT.
NOW, MOVING ON TO NEXT
SLIDE, PLEASE.
IF WE COULD.
FOCUSING ON THE FINANCIAL
MANAGEMENT -- WHOOPS, WE
WENT BACK ONE.
COULD WE GO FORWARD?
THERE WE WERE.
FINANCIAL MANAGEMENT.
OKAY.
TO DEAL WITH THE PROBLEM
THAT DEVELOPED DURING THE
YEAR OR COSTS AND REVENUE,
AGENCY WORKED WITH THE
ADMINISTRATION TO SEEK
EXTENSION OF G. E. T. SUR-TAX
BETWEEN THE SCHEDULE 2010
EXPIRATION PERIOD TO
PROVIDE ADDITIONAL FUNDING
IN ORDER TO COMPLETE THE
EXISTING RAIL TRANSIT
PROJECT.
NOTED EARLIER, LEGISLATURE
HAS APPROVED THAT FIVE YEAR
EXTENSION.

CURRENTLY AWAITING THE GOVERNOR'S SIGNATURE AND ADDITIONS TO THE COUNCIL WILL NEED TO APPROVE THE G. E. T. EXTENSION AS WELL AS SHORT TERM DEBT FINANCING AS COUNCILMEMBER MANAHAN REFERENCED, TO HELP MANAGE THE CASH FLOW IN THE AGENCY OF THE PROJECT AS CONSTRUCTION WORK PROCEEDS IN THE MONTH THES AHEAD. DESPITE HAVING THIS MAJOR FINANCIAL PROBLEM, DEVELOPED DURING THE YEAR, THERE ARE SOME POSITIVES. VERY POSITIVES ASSOCIATED WITH HART'S FINANCIAL MANAGEMENT PICTURE. THEY'RE SHOWN HERE ALSO ON THIS SLIDE. RIGHT TO DATE, LITTLE BET OVER A BILLION DOLLARS IN FEDERAL FUNDING HAS COMMITTED. THERE'S MORE IN THE PIPELINE. HART IS ACTUALLY RECEIVED \$426 MILLION OF THAT. DESPITE THE G. E. T. TAX, OR SURCHARGE RECEIPTS BEING BEHIND, YOU ACTUALLY RECEIVED ABOUT 1.56 BILLION COLLECTIONS TO DATE. WHICH IS VERY GOOD. YOU RECEIVED ANOTHER CLEAN NO FINDINGS FINANCIAL AUDIT DURING THE YEAR. YOU ALSO WENT THROUGH YOUR FIRST FEDERAL TRI-ANNUAL REVIEW AND CAME OUT IN GOOD SHAPE, FEW ISSUES HART NEEDS TO FOLLOW UP ON. OTHER ACTIVITIES IMPORTANT TO NOTE FOR THIS YEAR IS

THERE'S DOD PLANNING UNDERWAY AT ALL OF THE RAIL STATIONS BY BOTH THE CITY'S DEPARTMENT OF PLANNING AND PERMITTING AND BY THE STATE OF HAWAII.

FINALLY, PLANNING FOR FUTURE OPERATIONS IS ALSO UNDER WAY WITH THE DTS, WITH THE DEPARTMENT OF TRANSPORTATION SERVICES. DURING THE YEAR, THE BOARD MADE SOME KEY POLICY DECISIONS.

DECIDED TO GO WITH JOINT BUS AND RAIL STATIONS USING LATEST CARD TECHNOLOGY.

INCLUDING BARRIERS IN THE STATIONS INCLUDE AS WELL AS CARD READERS ON ALL OF THE BUSES OPERATED BY THE OTS.

WORK CONTINUED ON THE BUS SYSTEM RESTRUCTURING AND PLANNING WORK DURING THE YEAR AND FINALLY, THE DISCUSSIONS BETWEEN HART AND DTS AND ITS TRANSIT MANAGEMENT CONTRACTOR OTS CONTINUED COORDINATING AND PERHAPS CONSOLIDATING SOME OF THE ADMINISTRATIVE AND SUPPORT FUNCTIONS FOR BOTH THE BUS AND RAIL SYSTEM, TO SAVE MONEY AND IMPROVE CUSTOMER SERVICE.

SO MOVING ON.

THEN TO OUR NEXT SLIDE.

FOCUSING ON THE 2016 WORK PROGRAM

LOOKING AT PROJECT IMPLEMENTATION.

THESE ARE THE THINGS THAT THE BUSINESS PLAN FOR THE AGENCY INCLUDES.

AS THINGS THAT WILL HAPPEN

DURING THE COMING YEAR.
WORK WILL OF COURSE
CONTINUE TO ADVANCE ON THE
FIRST 10-MILES OF GUIDEWAY,
AND WITH THE AWARD OF
CONTRACTS, WHICH WE'LL TALK
ABOUT HERE IN A MINUTE, ON
THE NINE WEST SIDE
STATIONS, BY THE END OF THE
YEAR, THOSE STATIONS WILL
ALL BE UNDER CONSTRUCTION.
BY THE END OF THE FISCAL
YEAR 2016, HART EXPECTS TO
HAVE 9.1-MILES OF GUIDEWAY
UP AND IN PLACE, WHICH
REPRESENTS ROUGHLY 45% OF
THE ENTIRE RAIL PROJECT
ALIGNMENT.

UTILITY RELOCATION SHOULD
BE COMPLETED IN THE FIRST
10 MILES.

RAIL OPERATION CENTER WILL
BE COMPLETED EARLY IN
CALENDAR YEAR 2016 AND YOU
SHOULD BE TAKING DELIVERY
OF YOUR FIRST RAIL CARS FOR
TESTING AND PUBLIC VIEWING
DURING THE EARLY MONTHS OF
2016.

ONE OF THE KEY OBJECTIVES
OF THE STAFF HAS IN THE
BUSINESS PLAN IS TO BE IN A
POSITION TO PROVIDE
CONTRACTORS WITH 100%
ACCESS TO ALL THE
PROPERTIES THAT ARE NEEDED
FOR CONSTRUCTION.

IN THE REMAINING SECTIONS
OF THE ALIGNMENT THROUGH
PAST THE AIRPORT AND
THROUGH THE CENTER CITY
AREA.

PLANNING STAFF WILL BE
CONTINUING TO MONITOR FOR
THE PRESENCE OF IWI KUPUNA

AND MONITORING FOR ALL THE PERMITS HART HAS BEEN GRANTED TO DATE. WORK TO OBTAIN NECESSARY PERMITS FOR REMAINING 2 SECTIONS OF THE ALIGNMENT. AS MENTIONED, THERE WILL BE PLANS ARE TO AWARD \$1.8 MILLION WORTH OF CONSTRUCTION CONTRACTS IN THE COMING YEAR. SO LET'S MOVE ON TO THE NEXT SLIDE. WHICH LISTS WHAT THOSE CONTRACTS ARE. AWARDS PLAN TO BE MADE. FARRINGTON HIGHWAY STATION GROUP AND THE WEST OAHU STATION GROUP, DAN REFERENCED EARLIER, WILL BE PLANNED TO BE AWARDED IN THE FIRST QUARTER OF FISCAL YEAR 2015. THE KAMEHAMEHA HIGHWAY STATION GROUP SHOULD BE AWARDED IN THE SECOND QUARTER OF FISCAL YEAR 2016. AIRPORT GUIDEWAY AND STATIONS DESIGN/BUILD CONTRACT WHICH IS PART OF THE REPACKAGING EFFORT FOR THE REMAINING PORTION OF ALIGNMENT PLANS TO BE AWARDED DURING THE THIRD QUARTER OF 2016. CENTER CITY GUIDEWAY AND STATION AND DESIGN/BUILD CON THE REMAINING SHOULD BE AWARDED IN THIRD QUARTER. CENTER CITY FOURTH QUARTER. FARE COLLECTION SYSTEM HEARD MENTIONED HERE TODAY, VENDOR SUPPORT FOR THAT, IS ON TRACK HOPEFULLY TO BE

AWARDED DURING THE FIRST
QUARTER OF FISCAL YEAR
2016.
NEXT SLIDE, PLEASE.
LOOKING AT PROJECT
MANAGEMENT FOR THE PROJECT.
NEXT SLIDE.
OKAY.
HERE WE GO.
PROJECT MANAGE.
STAFFING LEVEL CONTAINED IN
THE BUSINESS PLAN, OF
COURSE IN THE BUDGET THAT
THE BOARD IS SEEN,
PRESENTED TO CITY COUNCIL,
PROVIDES FOR 139 POSITIONS.
THAT IS THE SAME LEVEL OF
STAFFING AS HAS EXISTED THE
PAST THREE YEARS.
IT' S BEEN SOME
REDISTRIBUTION,
REALLOCATIONS OF POSITIONS,
TO BEEF UP CERTAIN AREAS.
BASICALLY LEVEL STAFFING
PLAN FOR THE AGENCY.
WHAT OBVIOUSLY NEED TO BE
HAPPEN IS TO OBTAIN NEEDED
APPROVALS TO IMPLEMENT THE
G. E. T. SURCHARGE EXTENSION
WHEN THE GOVERNOR SIGNS THE
BILL AND ALSO TO GET THE
SHORT TERM DEBT ISSUANCES
DONE FOR CASH FLOW NEEDS.
AS A RESULT OF THOSE
ACTIONS, SOME TIME DURING
THE FIRST QUARTER, THE
HART' S FINANCIAL PLAN WILL
NEED TO BE UPDATED TO
REFLECT THE NEW FINANCIAL
REALITIES THE AGENCY IS
FACING.
CONTINUED EMPHASIS ON
SAFETY AND SECURITY AS
PRIORITIES.
GREAT SUCCESS IN THAT

REGARD.

I'M SURE THAT WILL CONTINUE
IN THE YEARS AHEAD.

STAFF IS PLANNING TO UPDATE
THE PROCUREMENT POLICIES
AND PROCEDURES AND ALSO THE
CHANGE ORDER MANAGEMENT
PROCEDURES.

THERE WILL BE SOME TRAINING
FOR STAFF AND VARIOUS KEY
AREAS INCLUDING SOME OF THE
AREAS IMPORTANT FOR CHANGE
ORDER MANAGEMENT SUCH AS
PRICE AND COST ANALYSIS.
SO WORK TO BE DONE.

THERE WILL BE CONTINUING
EFFORTS TO INCREASE SMALL
BUSINESS AND PARTICIPATION
ON THE PROJECT AND KEY
POLICY DECISIONS THAT THE
BOARD WILL BE ASKED TO MAKE
DURING THE YEAR.

TIMELY MAKING OFF THOSE
DECISIONS I THINK IS GOING
TO BE IMPORTANT.

SO IF WE COULD MOVE ON TO
THE NEXT SLIDE.

SUMMARIZES THOSE DECISIONS
AND THERE IT IS.

FIRST OF ALL, FINANCIAL
PLAN UPDATE WILL BE REQUIRE
BOARD APPROVAL DURING THE
FIRST QUARTER.

YOU'LL NEED PROBABLY DURING
THE THIRD QUARTER OF THE
YEAR, TO MAKE A DECISION ON
HOW TO PROCEED WITH THE
PEARL HIGH LANDS PARKING
GARAGE, WHETHER YOU WANT TO
PROCEED AS ORIGINALLY
PLANNED OR EXPLORE THE
POSSIBILITY OF SOME KIND OF
PUBLIC PRIVATE PARTNERSHIP
FOR THAT STATION FACILITY
THAT PARKING FACILITY AS

PART OF A TRANSIT-ORIENTED DEVELOPMENT.

THERE IS SOME REMAINING KEY POLICY DECISIONS TO BE MADE FOR THE FARE SYSTEM.

THOSE WILL PROBABLY BE NEED TO BE MADE SOMETIME AROUND THE MIDDLE OF YEAR THE YEAR IN ORDER TO GUIDE THE FARE COLLECTION SYSTEM FINAL DESIGN AND CONFIGURATION THAT THE SELECTED VENDOR WILL PROVIDE YOU.

DECISIONS REGARDING THE FUTURE OPERATIONS OF THE INTEGRATED RAIL AND BUS SYSTEM INCLUDING, AGAIN, THINGS LIKE CUSTOMER SERVICE AND ADMINISTRATIVE FUNCTIONS, RAIL CONTRACTOR OVERSIGHT REQUIREMENTS WITHIN HART, AND DECISION ON THE POLICING OF THE RAIL LINE ITSELF, HOW THE SECURITY WILL BE PROVIDED.

WITH ALL OF THOSE THINGS, SOME KEY DECISIONS BEING MADE IN THOSE AREAS, HART AND THE CITY AND COUNTY OF HONOLULU SHOULD BE IN A BETTER POSITION TO MAKE SOME PROGRESS ON HOW THE OPERATING AND MAINTENANCE COSTS OF THE FUTURE JOINT BUS RAIL SYSTEM WILL BE PAID FOR IN THE FUTURE.

FINALLY, IT WILL BE SOMETHING FOR YOU TO CONSIDER DURING THE YEAR. WILL BE A DECISION ON WHETHER TO PROCEED WITH ANY PLANNING FOR FUTURE EXTENSIONS.

IN THE CURRENT FISCAL YEAR, TO PUT THAT OFF TO SOME

TIME IN THE FUTURE.
THERE ARE A NUMBER OF
PEOPLE THAT ARE IN SEEING
THAT HAPPEN.
THERE'S ALSO A LOT OF
ISSUES THAT NEED TO BE
CONSIDERED IN TERMS OF
GETTING THE EXISTING
PROJECT DONE.
FINALLY, AS YOU GO INTO
2016, THERE ARE KEY
REMAINING CHALLENGES AND
RISKS FOR THE PROJECT.
CONTINUED HIGH LEVEL OF
CONSTRUCTION ON ISLAND IS
GOING TO IMPACT LABOR,
MATERIAL AND EQUIPMENT
COSTS.
FOR THE WORK THAT YOU HAVE
ON TRACK.
MAY PRESENTS SOME
ADDITIONAL PROBLEMS IN
TERMS OF COST ESTIMATES.
THERE IS SCHEDULE IMPACTS
THAT COULD BE MADE FROM
DELAYS, FOR EXAMPLE, TIMELY
AVAILABILITY OF
CONSTRUCTION SITES FOR
CONTRACTORS, TIMELY
APPROVAL OF THE NEEDED
PERMITS, AND UTILITY
RELOCATIONS THAT HAVE TO
BE MADE, AND THEN IF THERE
ARE ANY DELAYS IN AWARDED
CONTRACTS THAT MAY IMPACT
THE SCHEDULE AND COULD HAVE
AN IMPACT ON COSTS.
FINALLY, GETTING THOSE STEPS
MADE TO EXTEND THE G. E. T.
AND ISSUE THE SHORT TERM
DEBT IS IMPORTANT.
AND ALSO, OF COURSE, SEEING
HOW THE ACTUAL RECEIPTS OF
G. E. T. TAX SURCHARGE COME
IN DURING THE YEAR VERSUS

THE PROJECTIONS.
FINALLY, FINAL SLIDE THAT
LISTS THINGS THAT ARE IN
THE BUSINESS PLAN IS
LISTING OF THE ITEMS IN THE
APPENDICES.
FIVE SHOWN HERE ON THIS
SLIDE.

HART BALANCED SCOREBOARD IS
A LISTINGS OF THE
PERFORMANCE METRICS THAT
THE AGENCY HAS ESTABLISHED
AND VARIOUS AREAS THAT ARE
IMPORTANT TO COMPLETING
SUCCESSFUL COMPLETING OF
THE MISSION FOR THE AGENCY.
BOARD RECEIVES REPORTS ON
THAT ON A QUARTERLY BASIS.
THERE' S APPENDIX THAT SHOWS
ALL THE ORGANIZATIONAL
STRUCTURE.

THERE IS APPENDIX THAT
PROVIDES SOME BACKGROUND
INFORMATION AND A BRIEF
DESCRIPTION OF THE PROJECT
ITSELF.

AND THEN THERE IS A CHART
IN APPENDIX D THAT PROVIDES
SOME INFORMATION ON THE
STATUS OF ALL THE AREA,
STATION AREA T. O. D. PLANS.
THE FINAL APPENDIX HAS A
SERIES OF FINANCIAL CHARTS
AND TABLES INCLUDING
CURRENT AND HISTORIC
INFORMATION ON HART' S
REVENUES AND EXPENSES.

THANK YOU VERY MUCH FOR THE
OPPORTUNITY TO BE INVOLVED
WITH THE AGENCY.

HART IS ENGAGED IN A VERY
COMPLEX UNDERTAKING,
CHALLENGING ENVIRONMENT.
WITH ALL THE CONSTRUCTION
GOING ON ON THE ISLAND

THESE DAYS.
I THINK MOST FOLKS DON' T
REALIZE OR APPRECIATE HOW
DIFFICULT PROJECTS WITH
CONSTRUCTION, EQUIPMENT AND
TECHNOLOGY.

HONOLULU RAIL PROJECT IS
FIRST OF ITS KIND IN THE
U. S. USING TECHNOLOGY THAT
HAS BEEN SUCCESSFULLY
IMPLEMENTED AND OPERATED
ELSEWHERE IN THE WORLD.
THE BOARD AND DAN HAVE DONE
AN EXCELLENT JOB IN PUTTING
TOGETHER A GREAT TEAM TO
CARRY OUT THE PROJECT AND
DEAL WITH THE CHALLENGES
THAT YOU' RE GOING TO BE
FACING IN 2016 AND BEYOND.
ONCE AGAIN, MAHALO FOR
GIVING ME THIS OPPORTUNITY
AND I' D BE GLAD TO HELP
ANSWER ANY QUESTIONS FOR
PARTICIPATE IN A
DISCUSSION.

MR. CHAIRMAN, AS YOU AND
THE BOARD AND DAN FEEL
NECESSARY AT THIS TIME.
THANK YOU.

>>CHAIR LUI - KWAN: THANK YOU
VERY MUCH.

FOR YOUR VERY FINE
PRESENTATION.

I WOULD LIKE TO COMMENT ON
A FEW THINGS AND THEN
INVITE THE BOARD MEMBERS
FOR QUESTIONS AND
DISCUSSION.

ON PAGE 6, I WANT TO LOOK
RETROSPECTIVELY AND THEN
PROSPECTIVELY.

YOU REFERENCED FINANCES ON
PAGE 6.

WHAT YOU INDICATED IS THAT
THE BASIS FOR THE 910

SHORTAGE, 910 MILLION
SHORTAGE OF FUNDING ARE
BROKEN UP INTO THREE
BUCKETS.

ONE IS 594 MILLION OR
ROUGHLY 600 MILLION
ATTRIBUTABLE TO THE
INCREASE, ESCALATION IN
CONSTRUCTION COSTS.

THE SECOND IS THE
\$100 MILLION IN POTENTIAL
SHORTAGE OF RECEIPTS FROM
THE GENERAL EXCISE, G. E. T.
THROUGH THE TERM OF ITS
PROJECTED COLLECTION.

AND THE THIRD BUCKET IS THE
DECISION TO TAKE OUT
210 MILLION THAT WAS PUT IN
ORIGINALLY INTO THE
BUSINESS PLAN WHICH WAS FOR
5307 FUNDS OR BUS FUNDS.
SO THAT'S THE BASIS FOR THE
TOTAL OF 910 IN NEED FOR
ADDITIONAL FUNDING.

I GUESS MY QUESTION IS, IN
MAKING THIS STATEMENT ON
PAGE 6 WITH RESPECT TO
FINANCES, WHAT ANALYSIS DID
YOU GO THROUGH TO COME TO
THAT CONCLUSION?

THAT'S THE CONCLUSION THAT
STAFF HAD MADE.

I WANTED TO BE ASSURED THAT
YOUR REVIEW IS ANALYSIS AND
VALIDATION OF THAT
CONCLUSION.

>> MY LOOKING --

MR. CHAIRMAN, AM I LOOKING
AT THE INFORMATION PROVIDED
INDICATES THAT IT IS A
VALIDATION OF WHAT THE
STAFF HAS COME UP WITH.
AND MY REVIEW OF THE
DOCUMENTS PROVIDED
INDICATES THAT.

SO THAT IS INCLUDED IN THE BUSINESS PLAN OR REFERENCED IN THE BUSINESS PLAN THAT IS BEFORE YOU.

YES.

>>CHAIR LUI - KWAN: THE SECOND PART OF MY QUESTION HAS TO DO WITH LOOKING PROSPECTIVELY, WHICH IS THE RISKS THAT YOU'VE IDENTIFIED ON PAGE 29 OF THE BUSINESS PLAN.

OF THE SIX ITEMS THAT YOU REFERENCED AS POTENTIAL RISKS OF THE PROJECT, A NUMBER OF THEM FALL INTO THE SAME ISSUE THAT WE'VE HAD WHEN WE LOOK RETROSPECTIVELY AND THAT HAS TO DO WITH THE ESCALATION AND CONSTRUCTION COSTS.

THE FIRST TWO ITEMS THAT YOU REFERENCE ON PAGE 29 HAVE TO DO WITH THE ESCALATION OF CONSTRUCTION COSTS.

AND SO THAT'S THE BIGGEST ITEM THAT CONTRIBUTED TO THE NEED FOR \$910 MILLION CURRENTLY.

AND THE, LAST ITEM ON YOUR RISK HAS TO DO WITH THE G. E. T. SURCHARGE REVENUE RECEIPTS COMING IN BELOW THE ASSUMED LEVEL OF PROJECTION OR GROWTH.

SO THOSE TWO THINGS ARE, THOSE TWO RISKS ARE THE SAME ITEMS THAT WE'VE BEEN EXPERIENCING.

CAN YOU COMMENT ON WHAT YOU SEE NATIONALLY WITH RESPECT TO INCREASE IN CONSTRUCTION COSTS?

>> WELL, I THINK THE
CONSTRUCTION COST
ESCALATION THAT WE'RE
EXPERIENCING IN HAWAII, IN
PARTICULARLY ON OAHU, IS
WELL IN EXCESS OF WHAT
WE'RE SEEING BACK HERE ON
THE MAINLAND.
I MEAN, CONSTRUCTION COSTS
ARE UP HERE ON THE
MAINLAND, BUT I THINK THE
LEVEL OF CONSTRUCTION AND
THE LOGISTICS OF GETTING
SOME OF THE MATERIALS AND
THE EQUIPMENT NEEDED FOR
CONSTRUCTION OUT TO THE
ISLAND PRESENT PROBLEMS FOR
CONTRACTORS.
SO I THINK WHAT YOU'RE
EXPERIENCING OUT THERE IS
WELL IN EXCESS OF WHAT IT'S
GOING ON ON THE MAINLAND,
AND OTHER PARTS OF THE
UNITED STATES.
MY GUESS IS OTHER PUBLIC
WORKS PROJECTS IN HAWAII AS
WELL AS PRIVATE SECTOR
PROJECTS WITH ALL THE
DEVELOPMENT GOING ON IN THE
ISLAND ARE ALSO
EXPERIENCING THOSE INCREASE
IN CONSTRUCTION COSTS.
AS FAR AS THE G. E. T.
SURCHARGE REVENUES COME IN,
IT'S ALWAYS, IT'S REALLY AN
ART, NOT A SCIENCE TO BE
ABLE TO PROJECT THOSE
THINGS.
YOU CAN DO IT BASED
HISTORIC TRENDS BUT HISTORY
IS NOT OFTEN A GUIDE AS
REVENUES WILL BE GOING IN
THE FUTURE.
WITH THE ISLAND'S ECONOMY
SO MUCH BASED ON TOURISM

AND VISITORS TO THE ISLAND
AND WHAT MIGHT BE HAPPENING
IN THAT FRONT AS A RESULT
OF WORLD EVENTS, MAKES
THINGS A LITTLE MORE
DIFFICULT ON THE ISLAND TO
ACCURATELY PROJECT AS FAR
AS THE FUTURE IS CONCERNED.
SO I THINK THE FOLKS
INVOLVED DO THE BEST JOB
THAT THEY CAN, BUT I THINK
YOUR CHALLENGE THERE ARE
GREATER THAN THEY ARE IN
OTHER PLACES AT LEAST IN
THE UNITED STATES.

>>CHAIR LUI - KWAN: IN YOUR
REFERENCE, IN THE BUSINESS
PLAN, YOU ALSO INDICATE
THAT AT THE CURRENT TIME,
THE LAND ACQUISITION COSTS
ARE
ON THE BUDGET.

WHAT DO YOU SEE HAPPENING
IN THAT ARENA?
DO YOU THINK WE' LL CATCH UP
TO THE BUDGET OR WILL WE
STILL BE BELOW OUR BUDGET
FOR COSTS?

>> MR. CHAIRMAN, I THINK
I' D HAVE TO DEFER TO THE
STAFF ON THIS ONE IN
ANSWERING THAT QUESTION,
SIR.

>>CHAIR LUI - KWAN: A
APPRECIATE THAT.
BEFORE I INVITE QUESTION
THE BY THE OTHER BOARD
MEMBERS, LET ME SAY THAT WE
REALLY APPRECIATE YOUR
DOING THIS ANALYSIS AND
YOUR REVIEW OF THE 2016
BUSINESS PLAN DRAFT
ELECTRONICALLY AND
TECHNOLOGICALLY TO SAVE US
EXPENSES.

WE REALLY APPRECIATE THAT.
SO WITH THAT, I WOULD
INVITE QUESTIONS OR
COMMENTS OF MR. TOBER FROM
THE BOARD.

VICE CHAIR HORNER.

>>VICE CHAIR HORNER: YOU
KNOW ME, I'VE ALWAYS GOT
TWO CENTS.

RON, THIS IS DON, HOW ARE
YOU, SIR?

I ECHO OUR CHIEF EXECUTIVE
OFFICER, HONOLULU'S BLESSED
TO HAVE YOU AS A KIND OF
KEEP AN EYE ON US WITH YOUR
46 YEARS OF EXPERIENCE.

JUST TWO COMMENTS ON,
BECAUSE THIS IS A DRAFT.
I THINK THAT'S WHAT WE'RE
HERE TO DO IS COMMENT ON IT
BEFORE WE FINALIZE IT.

OBVIOUSLY, I APPRECIATE THE
FACT THAT WE'RE DOING THIS
IN A VERY TRANSPARENT
MANNER.

FINE TUNING, IF YOU WILL,
THROUGH PUBLIC PROCESS.
JUST TWO OBSERVATIONS.

ONE IS SEMANTICS.
IMPORTANT FOR THE PUBLIC TO
UNDERSTAND.

ON THE REAL ESTATE, WE'RE
GOING TO HAVE A
PRESENTATION SOON, I THINK
THE WORD WHEN IT SAYS, HAS
BEEN ACQUIRED, IS PROBABLY
NOT AN ACCURATE WAY OF
DESCRIBING IT.

90% HAVE CONTROL, CORRECT?
YOU CAN'T SEE HERE, BUT
SHE'S THE REAL ESTATE
ACQUISITION PERSON.

FOR EXAMPLE, MY POINT THERE
IS STILL RISK TO BE HAD.
ONE THING TO CONTROL A PRO

PROPERTY.
ANOTHER THING TO OWN A
PROPERTY.
FOURTH SECTION, DOWNTOWN
HONOLULU, 15%.
LESS THAN 15% ACQUISITION.
I DON'T HAVE THE NUMBER IN
MY FINGERTIPS.
WE'LL GET IT LATER.
WE NEED TO CORRECT THAT.
I THINK TO SAY CONTROLLED
RATHER THAN ACQUIRED.
AND I DO THINK WE NEED TO
SUPPLEMENT THE PLAN TO MAKE
SURE WE TELL THE PUBLIC
EXACTLY WHAT WE ACQUIRED AS
OF THE DATE OF BUSINESS
PLAN.

SECONDLY, RESPECTFULLY, I
APPRECIATE THE CHAIR'S
COMMENT ON THE G. E. T.,
AGAIN, AS A BANKER, THE
COMMENT THROUGHOUT THERE IS
WE'RE BEHIND IN
PROJECTIONS.

FRANKLY, RESPECTFULLY, I
DON'T THINK WE'RE THAT
BEHIND.
I MEAN, WE SET THESE
BUDGETS, WE THINK, SET THE
BUDGETS 7 YEARS AGO.
FOR US TO BE, HOW MANY
MILLION DOLLS OFF ARE WE AS
WE SPEAK?

>>EXECUTIVE DIRECTOR
GRABUSKAS: JUST ABOUT
\$30 MILLION BEHIND
PROJECTIONS CUMULATIVE
SINCE 2007.

>>VICE CHAIR HORNER:
EXACTLY.
SO BASICALLY, PERCENTAGE OF
THAT, \$30 MILLION AT
\$1.5 BILLION, 95 PLUS
PERCENT ON BUDGET.

>>EXECUTIVE DIRECTOR
GRABAUSKAS: THAT' S RIGHT.
>>VICE CHAIR HORNER: THE
REAL RISK -- TO DATE, WE' RE
QUOTE, UNQUOTE, OKAY TO BE
\$30 MILLION OFF 7 YEARS
LATER ON A BUDGET WAS
PRETTY DARN GOOD BUDGETING
ON THE FOLKS THAT PUT THOSE
BUDGETS TOGETHER GIVEN ALL
OF THE, TO RON' S POINT, ON
WHAT THE CYCLICAL NATURE OF
OUR INDUSTRIES ARE IN
HAWAII.
THE REAL RISK TO ME IS 5%
GROWTH RATE THAT WE HAVE
IMBEDED IN THE FORMULA
GOING FORWARD.
I HAVE ALWAYS BEEN
CONCERNED ABOUT THAT GROWTH
RATE.
I THINK THAT' S THE RISK.
THAT' S WHERE THE
\$100 MILLION IS CUMULATIVE
\$30 MILLION PLUS THE
APPRECIATION THAT WE DON' T
THINK THAT THAT GROWTH RATE
IS ACCURATE GROWTH RATE.
THAT' S WHY WE DIALED IT
DOWN ON THE REVENUE SIDE.
I THINK WE NEED VERY
HEALTHY DISCUSSION ABOUT
WHAT THE GROWTH IS, REFRESH
AS WE MOVE FORWARD, WHAT
SHOULD THE GROWTH RATE BE.
EMBEDDED HERE NOW IN FIVE
PLUS%, I THINK IS NOT
CONSERVATIVE AND WE NEED TO
TAKE A LOOK AT AT THAT.
THOSE ARE MY TWO COMMENTS.
LUI-KWAN AS I UNDERSTAND
IT, MAYBE DAN, YOU WANT TO
CONFIRM THIS.
AS THE PROJECTIONS WERE
MADE AT THE REQUEST OF THE

STATE LEGISLATURE AS
DISCUSSIONS WERE HAD WITH
THE RESPECTIVE LEADERS IN
THE LEGISLATURE ASKING FOR
ANALYSIS AND PROJECTIONS,
THE PROJECTIONS THAT YOU
MADE ON THE G. E. T. WERE
BASED ON A GROWTH RATE OF
4.5?

>>EXECUTIVE DIRECTOR

GRABAUSKAS: THE GROWTH RATE
FROM TODAY, THROUGH 2022,
IS AT 5.04% THAT --

>> THAT'S IN THE FFGA
TODAY.

>>EXECUTIVE DIRECTOR

GRABAUSKAS: THAT IS
CORRECT.

FOR PURPOSES OF JUST LITTLE
BIT OF CONTEXT.

WHEN THE BUDGET WAS SET FOR
THE FINANCIAL PLAN PUT
TOGETHER IN 2012, WHAT WAS
DETERMINED AT THAT TIME WAS
TO LOOK BACK APPROXIMATELY
30 YEARS TO SEE WHAT THE
AVERAGE YEAR ON YEAR GROWTH
RATE WAS FOR THE G. E. T.
THAT AVERAGE WAS 5.04%.

SO THAT WAS WHAT WAS USED
TO PROJECT FROM THE POINT
OF 2012 THROUGH TO 2022.

EXCEPT THAT WHAT HAPPENED
IS THAT IN THE, AT THE SAME
TIME, THAT WE HAD THE
PROJECTIONS FOR THE GROWTH
RATE, WE ALSO HAD TO SET A
FLOOR.

AND THE FLOOR WAS SET
ARTIFICIALLY HIGH BY ABOUT
\$9.9 MILLION BECAUSE OF AN
ERROR THAT DOTAX REPORTED
TO US, ABOUT A YEAR AFTER
WE DID THE FINANCIAL PLAN.
SO WHEN YOU PROJECT THAT

HIGHER FLOOR AT THE 5%
THROUGH 2022, THEN THAT'S
WHAT WE SEE SHORTFALL.
WHAT WE DID WHEN WE
PROJECTED THE ADDITIONAL
FIVE YEARS WAS TO TAKE A
SLIGHTLY MORE CONSERVATIVE
LOOK AND SO I BELIEVE WE
DID 4.3% INCREASE FOR THOSE
YEARS FOR 2023 TO 2027.
THAT'S TAKING INTO ACCOUNT
AT LEAST TO SOME DEGREE,
WHAT DIRECTOR HORNER IS
TALKING ABOUT, WHICH IS
TRYING TO BE A LITTLE BIT
MORE CONSERVATIVE IN THE
OUT YEARS, TRYING TO
PROJECT 12 TO 17 YEARS FROM
NOW.

>>VICE CHAIR HORNER:
RESPECTFULLY, I FULLY AGREE
WITH THAT COMPACT GROWTH
RATE OF 5% OF THOSE 20
YEARS, 20 PLUS YEARS.
BUT THE PROBLEM IS WE
ADJUSTED THAT TO ALMOST 17
TO 18% INCREASE BECAUSE WE
TOOK IT TO ACTUAL.
WE HAD A VERY SIGNIFICANT
INCREASE IN G. E. T. UPTAKE
WHEN THE ECONOMY RECOVERED.
WE TOOK THAT NUMBER, RAISED
IT TO ACTUAL, AND THEN WE
COMPOUNDED THAT NUMBER AT
5%.

SO REALLY, I THINK THAT'S
WHERE WE GOT, TO ME, NOT A
CONSERVATIVE NATURE.
IF WE KEPT IT AT 5% FROM
THE BEGINNING, WE'D BE
OKAY.

PROBLEM IS WE STEPPED UP
THE BASIS WHERE WE DID THE
FFGA, AT A SIGNIFICANT
DOUBLE DIGIT GROWTH AND

COMPOUNDED THAT NUMBER.

>>EXECUTIVE DIRECTOR

GRABAUSKAS: AS IT TURNED
OUT, WITH THE ADJUSTMENT
THAT WAS REQUIRED,
FOLLOWING YEAR FROM DOTAX,
IT WAS EVEN SORT OF WORSE
THAN WHAT WHAT WE THOUGHT.

>>VICE CHAIR HORNER: AGAIN,

WHAT I SAY, THIS GIVES A
GREAT OPPORTUNITY TO
COUNCILMEMBER MANAHAN' S
POINT EARLIER, IS THAT WE
NEED TO STEP BACK, REFRESH
THE NUMBERS, NOT LOOK BACK,
LOOK FORWARD, WHAT IS GOING
TO BE HAPPENING, ASSUMING
THIS TAX DOES HAPPEN.
OBVIOUSLY, LONG WAY FROM
HAPPENING WITH GOVERNOR' S
DECISION AS WELL AS IT' S
COUNCIL' S.

BUT WHEN THAT HAPPENS,
PUBLIC DESERVES TOTAL
REFRESH.

LOOK AT THE NUMBERS.

AND THEN WE' RE GOING TO OWN
THOSE NUMBERS.

NOT SOMETHING LOOK BACK 7
YEARS AGO, IT WILL BE
NUMBERS THAT REFLECTED TO
CURRENT ECONOMIC CONDITIONS
OR GROWTH RATE ASSUMPTIONS,
ET CETERA.

TO ME, WE NEED A VERY GOOD
TRANSPARENT DISCUSSION ON
ALL OF THOSE THINGS.

FIND OUT WHERE WE ARE.

THANK YOU, CHAIR.

>>CHAIR LUI - KWAN: THANK
YOU. ANY FURTHER
QUESTIONS?

>>DIRECTOR OKINAGA: THANK
YOU, RON, ALSO FROM ME FOR

THIS EXCELLENT, EXCELLENT
WORK PRODUCT, WHICH ANYBODY
WANTS TO ASK ABOUT
TRANSPARENCY IN ONE
DOCUMENT, IT GIVES THE FULL
HISTORY OF THE
PROJECT, FINANCIAL AND
OTHERWISE, GIVES US A GOOD
TEMPLATE GOING FORWARD.
I WANTED TO ASK ABOUT
STAFFING.

DAN HAS DONE INCREDIBLY JOB
OF KEEPING COSTS RELATIVELY
FLAT, AND THE HART BOARD IS
HAS DONE A REALLY GOOD JOB
OF NOT INTERCEDING AND
TELLING THEM ABOUT THAT.
BUT WHEN YOU HAVE A FLAT
STAFF AT, HART STAFF, FOR
THE LAST 3 YEARS, AND
INCREASED CONSTRUCTION
PROJECTS AND COSTS, BEING
EXPENDED, I WANT TO MAKE
SURE IN YOUR EXPERIENCE,
THAT LOOKS LIKE PAR FOR THE
COURSE, OR IS THAT UNUSUAL?

(DOG BARKING)

>> CARRIE, WERE YOU ASKING
ME THAT QUESTION?

>>DIRECTOR OKINAGA: YES.

(RON ON PHONE)

>> IN MY EXPERIENCE, I
THINK DAN HAS DONE A GREAT
JOB IN TERMS OF BALANCING
THE NEEDS THAT THE AGENCY
HAS FOR STAFF.
AND WITH THE FINANCIAL
REALITIES AND TRYING TO
HOLD THE LINE ON THINGS, HE
DOES MAKE GOOD USE OF
EMBEDDED STAFF AND
CONSULTANTS, THAT
SUPPLEMENT THE EXISTING

HART STAFF AND THE
POSITIONS THAT YOU HAVE.
AND HE HAS MADE SOME THINGS
TO REALLOCATE STAFF WITHIN
THE VARIOUS FUNCTIONS THAT
HE HAD.

I I THINK THE LEVEL OF
STAFFING THAT IS
APPROPRIATE WITHIN THE
SUPPORT THAT YOU HAVE GIVEN
THE TYPE OF OPERATIONS AND
TYPE OF PROJECT THAT YOU
HAVE ON THE WAY.

>>DIRECTOR OKINAGA: ONE
MORE.

THE NUMBER OF 63% OF 1400
JOBS CREATED BEING LOCAL.
I HAD NOT FOCUSED ON THAT
IN THE PAST.

I THINK THAT' S GREAT.
FROM THE ANECDOTAL STORIES,
I DON' T THINK THAT' S
GETTING OUT ENOUGH.

>>EXECUTIVE DIRECTOR
GRABAUSKAS: WHEN THE LATEST
RE-EVALUATION OF AND LOOK
AT ALL OF THE DIFFERENT
STAFF, WE TRY TO IDENTIFY
BECAUSE IT' S A QUESTION WE
GET A LOT, HOW MANY ARE
LOCAL PEOPLE WE HIRED.
AND WHAT WE USED AS A
DEFINITION OF THAT IS IF
YOU WERE LIVING HERE IN
HAWAII AT THE TIME, YOU
WERE HIRED, BROUGHT IN FROM
THE MAINLAND, THEN YOU' RE A
LOCAL HIRE.

AND GOOD NEWS IS THAT
PERCENTAGE HAS CLIMBED OVER
THE LAST COUPLE OF YEARS TO
OVERALL, ABOUT 63% AND BUT
IF YOU LOOK AT THE
CONSTRUCTION NUMBERS, LIKE
IF YOU LOOK AT KIEWIT

YOU'RE GOING TO SEE NUMBERS
OVER 80% STAFF LOCAL.

HART, OVER 90% OF OUR STAFF
EXACT NUMBER, OUR
PERCENTAGE, ARE ACTUALLY
LOCAL.

IT'S SOMETHING TO BE PROUD
OF.

I THINK AS WE GET AWAY FROM
THE DESIGN, REALLY WRAPPED
UP OUR DESIGN EFFORTS AND A
LOT OF THE DESIGN FIRMS
THAT WORK ON PUBLIC
TRANSPORTATION SPECIFIC
KIND OF THINGS, MAINLAND
FIRMS THAT HAD TO BE
BROUGHT IN BECAUSE WE
DIDN'T HAVE FIRMS HERE THAT
HAD EXPERIENCE DOING THAT,
AS THOSE JOBS KIND OF GO
AWAY AND MORE CONSTRUCTION
JOBS COME, I THINK YOU'RE
GOING TO SEE THAT NUMBER
CLIMB PRETTY QUICKLY TO
CLOSER TO 75%.

>>DIRECTOR OKINAGA: THANK
YOU.

>> VICE CHAIR HORNER.

>>VICE CHAIR HORNER: BEING
THAT THE WET BLANKET IN
THAT COMMENT TO MEMBER
OKINAGA'S.

I THINK THIS FAIRNESS, WE
AUTHORIZE 139 POSITIONS.
YOU WEREN'T NOT STAFFED AT
139 POSITIONS THE LAST 3
YEARS.

WHAT'S HAPPENING WE
BUDGETED MORE PEOPLE THAN
WE HAD.

YOU'VE BEEN GROWING UNDER
THAT CEILING.

>>EXECUTIVE DIRECTOR
GRABUSKAS: S THERE BEEN
TURNOVER WITH PEOPLE WHO

ARE LEAVING, LIKE LORENZO
TODAY.

VACANCY RATES NOT TOO
SIGNIFICANT.

>>VICE CHAIR HORNER: WHAT
IS OUR FD COUNT?

>>EXECUTIVE DIRECTOR
GRABAUSKAS: EXACT COUNT,
I'LL HAVE TO GET YOU THAT
NUMBER.

OVER 130, UNDER 139.
MOST OF OUR POSITIONS RIGHT
NOW ARE FILLED.

>>VICE CHAIR HORNER: OKAY.

>>DIRECTOR ATTA: ON THE
STAFFING, THERE'S A
QUESTION.

YOU KNOW, SEVERAL TIMES WE
HEARD THAT THE PROBLEM WITH
THE RISE IN CONSTRUCTION
COSTS AND SO EVERYBODY IS
AWARE OF THE PROBLEM
I KNOW YOU FOLKS ARE
LOOKING AT MITIGATION.

I MEAN, THE STRATEGY FOR
MITIGATION AND I KNOW
THINGS LIKE SOME OF THE
PUBLIC/PRIVATE PARTNERSHIPS
FOR STATION DESIGN IS ALL A
PART OF THAT, EFFORTS.

BUT I GUESS I WOULD LIKE TO
SEE SOME COMPREHENSIVE,
WHAT THE ANTICIPATED RISE
IN CONSTRUCTION COSTS AND
WHAT WE'RE DOING
COMPREHENSIVELY AS TO TRY
TO MITIGATE SOME OF THAT
EXPECTED INCREASES.

AND IN THAT EFFORT, AS WE
GO INTO THESE MITIGATION
MEASURES TO COUNTERACT THE
RISE IN COSTS, I'M THINKING
THAT YOU MIGHT NEED ARRAY
DIFFERENT SET OF STAFF, SO
IN TERMS OF I KNOW YOUR

CURRENT STAFF IS GOOD AT WHAT THEY DO AND WHAT THEIR FOCUS ON, I'M THINKING THAT WE MIGHT NEED SOMEBODY WHO IS MORE OF A BUSINESS DEAL, KIND OF PERSON TO WORK THESE PRIVATE PUBLIC PARTNERSHIPS THAT WOULD REDUCE COST.

I DON'T KNOW IF YOU HAVE THEM ON STAFF OR IF YOU'RE THINKING OF BRINGING THEM ON STAFF BECAUSE I THINK YOU NEED THE PEOPLE TO DO THE DEALS OTHERWISE, YOU MISSED THE OPPORTUNITIES. SO THAT'S JUST A COMMENT. I DON'T MR. TABOR ALSO HAS SOME THOUGHTS ABOUT THAT.

>>EXECUTIVE DIRECTOR
GRABAUSKAS: GREAT COMMENT. THE ANSWER IS THAT WE DON'T HAVE ANYBODY WHO IS REAL ESTATE DEVELOPMENT TIME PERSON ON STAFF TODAY. I THINK WE DO WANT TO TAKE ADVANTAGE OF THE PUBLIC EXPECTS US TO TAKE ADVANTAGE OF EVERY OPPORTUNITY TO REDUCE COSTS AND ONE OF THOSE IS TO LOOK AT PUBLIC/PRIVATE PARTNERSHIPS WITH PEARL HIGHLANDS PARKING FACILITY, THE BOARD AND THE TRANSIT-ORIENTED DEVELOPMENT COMMITTEE, AS BOARD KNOWS, HAS SEEN WE'VE GOT SEVEN OR EIGHT PARCELS WHERE TODAY, WE PURCHASED MORE PROPERTY THAN SPECIFICALLY NEEDED FOR THE TOUCHDOWN OF THE STATIONS OR THE GUIDEWAY. THERE'S SOME T. O. D.

OPPORTUNITIES.
SOME OF THOSE WERE ALREADY
PLANNING LIKE WORKING WITH
DEPARTMENT OF
TRANSPORTATION SERVICES, SO
THAT WE CAN HAVE A BUS
DROP-OFF AND PICK-UP
FACILITY ADJACENT TO SOME
OF THE STATIONS.
SO THERE IS REAL
OPPORTUNITY OPPORTUNITIES.
I THINK IF THE
DETERMINATION AS WAS
OUTLINED THERE ON THE
SCREEN EARLIER, ABOUT SOME
OF BIG POLICY DECISIONS
LIKE HEY, WE'RE GOING TO
GET SERIOUS ABOUT LOOKING
AT THE PEARL HIGHLANDS
GARAGE, IT WOULD BEHOOVE US
TO LOOK OUT OUTSIDE
EXPERTISE TO CONSULT WITH
AND ALSO, WORK CLOSELY WITH
YOU DIRECTOR AND YOUR STAFF
AT DPP, AND THE T. O. D.
FOLKS, BECAUSE I THINK
THAT'S GOING TO BE
CRITICAL.

>> DIRECTOR FORMBY?
>DIRECTOR FORMBY: I
APOLOGIZE IF THIS WAS
COVERED WHILE I STEPPED OUT
FOR A PHONE CALL.
BUT I JUST WANTED TO
CLARIFY AND I THINK RON,
YOU CAN CONFIRM IF I'M
CORRECT, BUT ON THE
POWERPOINT WHERE WE TALK
ABOUT THE POLICY DECISION
OF FARES TO GUIDE THE
SYSTEM, DESIGN
CONFIGURATION AND FEATURES,
IMPLICIT IN THAT IS AN
UNDERSTANDING THAT THAT'S A
SHARED DECISION PROCESS

BETWEEN THE BOARD FOR RAIL
AND THE CITY AND COUNTY,
ADMINISTRATION AND THE
COUNCIL, AND THAT WE'RE ALL
COGNIZANT OF THAT.

WE'RE NOT STEPPING ON THE
TOES OF ANYBODY ELSE.

WE UNDERSTAND IT'S A SHARED
DECISION PROCESS.

AND WE'RE CONFIDENT THAT
WE'LL COME UP WITH AN
INTERMODAL FARE STRUCTURE
THAT WILL BE FAIR,
EQUITABLE AND SUSTAINABLE.
SO THAT'S THE GOAL.

I WANTED TO MAKE SURE THE
REPORT IS VERY CLEAR ABOUT
THE FACT THAT IT DOES
INVOLVE COORDINATION WITH
THE CITY, CITY COUNCIL AND
ADMINISTRATION, NOT PURELY
A FUNCTION OF THIS BOARD.

>>CHAIR LUI-KWAN: THANK
YOU.

IN FACT, THAT WAS NOT
REFERENCED IN PRIOR
DISCUSSION WHILE YOU
STEPPED AWAY FOR A SECOND.

>>EXECUTIVE DIRECTOR
GRABAUSKAS: RON, CAN YOU
MAKE SOME CLARIFICATION IN
THE LANGUAGE OR AUGMENT
THAT?

RON?

>> RON: YES, I'M SORRY.
DID YOU WANT ME TO RESPOND?
I THOUGHT THAT I HAD SAID
THAT THOSE THINGS WERE
BEING DONE IN CONJUNCTION
WITH DTS AND ITS TRANSIT
MANAGEMENT CONTRACTOR OTS.
OBVIOUSLY, ANY DECISIONS ON
THE NATURE OF THE FARE
SYSTEM ARE GOING TO HAVE TO
BE JOINT DECISIONS BETWEEN

HART AND THE CITY.

>>CHAIR LUI-KWAN: BIG PART OF CITY WOULD BE THE CITY COUNCIL ALSO.

CLEARLY, UNDER THE CITY CHARTER, HART IS THE BOARD IS GIVEN THE AUTHORITY TO SET THE FARES, BUT IT REALLY, THE REALITY IS THAT IT REQUIRES COOPERATION, PARTNERSHIP WITH THE CITY ADMINISTRATION AND THE CITY COUNCIL.

ON A SEPARATE MATTER, ON A DIFFERENT MATTER, RON, THANK YOU VERY MUCH FOR REFERENCING IN YOUR DRAFT, THE HIGH INTEREST IN TRANSIT-ORIENTED DEVELOPMENT.

AS WE'VE GONE THROUGH OVER THE PAST SIX MONTHS, INTERFACED WITH THE COUNCILMEMBERS, WITH THE LEGISLATORS, WITH THE GOVERNOR, WHAT'S BECOME VERY CLEAR IS THAT AS WE MOVE FORWARD, BIG PART OF THIS PROJECT HAS TO DO WITH TRANSIT-ORIENTED DEVELOPMENT.

THERE'S A BIG REALIZATION OF HOW IMPORTANT TRANSIT-ORIENTED DEVELOPMENT IS.

SO I JUST WANTED TO HIGHLIGHT THAT PARTICULARLY WITH COUNCILMEMBER MANAHAN HERE.

AND THAT, AGAIN, WILL REQUIRE PARTNERSHIP CLEARLY AMONG HART, THE CITY, AND THE STATE, IN OUR DISCUSSION WITH THE GOVERNOR, THAT MATTER CAME

UP AND WHAT WAS DISCUSSED ALSO WAS THE FACT THAT A LARGE NUMBER OF PARCELS OF LAND, APPROXIMATE TO THE GUIDEWAY, ARE OWNED BY DIFFERENT AGENCIES OF THE STATE OF HAWAII, SO WHAT THAT'S GOING TO REQUIRE CLEARLY IS THROUGH DPP AND THE CITY IS SETTING THE PROPER ORDINANCES TO PUT THE PERMITTING PROCESS IN PLACE, AND COOPERATION WITH THE LANDOWNER, TO MAKE SURE THAT THE LANDOWNERS ARE OKAY WITH WHAT'S BEING DONE IN CONJUNCTION WITH HART. SO AGAIN, RON, THANK YOU FOR RAISING THAT AND AGAIN, THAT'S REALLY GOING TO REQUIRE PARTNERSHIP AS MANY OF THESE THINGS, MOST OF OUR WORK DOES, WITH THE CITY AND WITH THE STATE.

>> THANK YOU, CHAIR.

>>DIRECTOR HUI: THANK YOU FOR PUTTING ALL OF THIS TOGETHER.

MY COMMENT, ONE OF THE THINGS THAT I WOULD LIKE TO OUR BUSINESS STRATEGY GOING FORWARD TO HIGHLIGHT FOR DISCUSSION, OF COURSE, WITH BOARD MEMBERS IS REALLY WITH REGARDS TO PROJECT DELIVERY AND OVERSIGHT. SPECIFICALLY RELEVANT TO TODAY, CONSIDERING A NUMBER OF CONDEMNATION ACTIONS, BUT ALSO VERY ACUTE IN THE MIND OF THE COMMUNITY PARTICULARLY IN CERTAIN NEIGHBORHOODS THE IMPACTS THAT CONSTRUCTION IS HAVING ON OUR COMMUNITY, NOT ONLY

IN TERMS OF TRAFFIC, BUT
ALSO IN TERMS OF BUSINESS
IMPACTS TO EXISTING
BUSINESSES DURING
CONSTRUCTION.

I THINK THESE ARE THINGS
THAT OUR BOARD HAS A
RESPONSIBILITY TO STAY ON
TOP OF, TO WELCOME THE
PUBLIC TO SHARE THEIR
FEEDBACK ON HOW OUR
CONSTRUCTION ACTIVITIES,
OUR SCHEDULE, WE'RE PUSHING
HARD, AND THE HARDER WE
PUSH, THE LARGER THE IMPACT
ON THE FOLKS THAT ARE MOST
EFFECTED BY OUR
CONSTRUCTION IS GOING TO
BE.

SO FAR, WE'VE COORDINATED
PRETTY WELL WITH D. O. T. AND
WITH DTS, BUT IT DOESN'T
FULLY MITIGATE WHAT'S
HAPPENING AND WHAT'S GOING
TO CONTINUE TO HAPPEN FOR
SEVERAL YEARS.

SO WHILE WE WANT TO STAY ON
BUDGET, AND WE WANT TO STAY
ON SCHEDULE, WE'RE NOT THE
ONLY ONES, IT'S NOT JUST
IT'S FINANCIAL COSTS FROM A
TAX STANDPOINT THAT WE
SHOULD CONSIDER.

I THINK COUNCIL HAS A
RESOLUTION ON THE BLOOD
BANK AND A LOT OF OTHER
THINGS WE SHOULD DISCUSS
AND STAY ON TOP OF AS A
BOARD.

I WOULD LIKE TO HAVE THAT
AS A FOCUS FOR THE BUSINESS
PLAN.

>>CHAIR LUI-KWAN: THANK YOU
MEMBER HUI.
DIRECTOR ATTA?

>>DIRECTOR ATTA: ANOTHER QUESTION FOR RON.
AS WE MENTIONED T. O. D. , THERE' S OBVIOUSLY INCREASE IN LAND VALUES AND PROPERTY VALUES WITH T. O. D. , AND I KNOW THE CITY WILL TRY TO CAPTURE SOME PUBLIC BENEFITS OUT OF IT, BUT I WAS WONDERING IF THAT AS PART OF HART' S FINANCIAL PLAN, WHETHER HART SHOULD ALSO BE ABLE TO CAPTURE SOME OF THE VALUE AND TO HELP WITH EITHER OPERATIONS OR THE CONSTRUCTION.
I MEAN, I DON' T KNOW OF A BUSINESS MODEL OF HOW TO DO IT AND I DON' T THINK HART' S STRUCTURE IS SET UP TO DO VALUE CAPTURE, BUT I DON' T KNOW IF ON THE MAINLAND, IN OTHER SYSTEMS, THERE' S SOME SYSTEM OF VALUE CAPTURE THAT THE RAIL CAN GET A PORTION OF IT.
JUST TO INVESTIGATE.
IF CAN, THEN PUT THAT INTO THE FINANCIAL MODEL AS POSSIBLE REVENUES IN THE FUTURE.

>>CHAIR LUI - KWAN:
MR. HORNER IS GOING TO BE LEADING THAT CHARGE WITH THE BANNER.

(LAUGHTER)

>>VICE CHAIR HORNER: THANK U CHAIR.

>>CHAIR LUI - KWAN: HE' S BEEN RAISING THAT POINT FOR A LONG TIME NOW WHICH I THINK IS VERY GOOD.
AND I THINK WE' VE BEEN HEARING THAT FROM THE CITY

COUNCIL AND I KNOW THE
MAYOR HAS MADE THAT A
PRIORITY.
JUST BASED ON THE
DISCUSSIONS WE'VE HAD AT
THE CITY.
SO I THINK WE'RE ALL ON
BOARD WITH THAT CONCEPT AND
REAL KEY IS ALL OF US
WORKING TOGETHER.
HART BOARD, STAFF, CITY
COUNCIL, THE MAYOR, AND THE
STATE, AND WHAT I'M REALLY
PLEASED ABOUT IS THE LEVEL
AND TONE OF PARTNERSHIP AS
WAS REFLECTED IN THE
MESSAGE FROM THE CHAIR OF
THE TRANSPORTATION
COMMITTEE FOR THE CITY
COUNCIL, COUNCILMEMBER
MANAHAN, WE REALLY
APPRECIATE THAT RESTATEMENT
OF PARTNERSHIP.
>> CHAIR, IF I RESPOND.
>>VICE CHAIR HORNER: I
THINK THE POINT THAT WE
NEED TO INCORPORATE THAT IN
THE PLAN AS A FORMAL
OBJECTIVE.
KIND OF ANECDOTALLY, BUT
BACK TO COUNCILMEMBER
MANAHAN'S POINT, I THINK WE
NEED TO DOCUMENT THIS AND
PUT SOME ACCOUNTABILITY ON
OUR SIDE AS WELL AS THE
OTHER STAKEHOLDERS TO GET
IT DONE.
BECAUSE TO GEORGE'S POINT,
WE'VE SUBSTANTIALLY
ENHANCING THAT CORRIDOR AND
TO THE BENEFIT THAT'S GOING
TO ACCRUE TO A LOT OF
BUSINESSES ARE GOING TO GO
THROUGH A HECK OF A LOT OF
PAIN, BRINGING TENS OF

THOUSANDS OF CUSTOMERS IN
THOSE SITUATIONS.
THERE' S A BALANCE THAT WE
NEED TO FIND THERE WHERE
THERE' S, TAXPAYER INVESTING
A LOT OF INFRASTRUCTURE IN
THAT SITUATION.
SO PERHAPS THERE' S A WAY TO
CAPTURE THAT, EITHER DIRECT
IT TO THE CITY, NOT
NECESSARILY TO HART, BUT
ULTIMATELY, THE COUNCIL IS
GOING TO BE THE ONE
ACCOUNTABILITY FOR PAYING
THE DEFICIT BECAUSE WE' RE
NOT PROJECTING TO RUN THIS
RAIL ON A PROFIT MODE.
SO IT' S GOING TO BE A
DEFICIT.
OUR JOB IS TO MITIGATE THAT
DEFICIT.
AND VERY EFFICIENT
OPERATION.
HAVING SAID THAT, THERE' S A
DEFICIT.
SO IF WE FIGURE OUT A WAY
FOR THE CITY TO ACCRUE
ADDITIONAL BENEFIT, AS A
RESULT OF THAT, THAT' S
POSITIVE FOR ALL OF THE
FOLKS INVOLVED, THEN THAT' S
SOMETHING WE SHOULD BE
WORKING ON NOW AS WE BUILD
AS OPPOSED TO AFTER WE
BUILD.
>>DIRECTOR ATTA: MY PROBLEM
IS THAT I HEAR ALL THE
NAYSAYERS, AND ALL THE
COMPLAINTS ABOUT THE COST
OF THIS PROJECT.
AND THE FACT THAT THERE IS
VALUE CREATED AND THAT
SOMEHOW, THAT COST IS
VIEWED IN ISOLATION OF THE
VALUE CREATED.

SO THE MESSAGE THAT GOES
OUT IS THAT THIS IS A BIG
ALBATROSS AROUND THE CITY'S
NECK AND I THINK THAT'S WHY
I'M TRYING TO MITIGATE
BECAUSE THAT'S NOT A TRUE
PERCEPTION OF THE 5,
\$6 BILLION.

IT'S A NEGATIVE COST.
AND IF WE CAN MITIGATE BY
SOME KIND OF MECHANISM TO
TAKE DOWN SOME OF THAT 5,
\$6 BILLION COST, THAT WOULD
TONE DOWN SOME OF THE
CRITICISM

>>VICE CHAIR HORNER: AGREE.
REMEMBER, I MEAN, TO ME,
THIS IS AN INVESTMENT.
OBVIOUSLY, TO MITIGATE
TRAFFIC AND TO CHANGE
IMPROVE THE QUALITY OF LIFE
OF FOLKS ON THE WEST SIDE.
BUT IT'S ALSO CAPITAL
INVESTMENT JUST LIKE ANY
FREEWAY THAT WE BUILD, IT
ADDS VALUE TO THE PROPERTY
OWNERS ALONG THE CORRIDOR.
THERE'S STUFF, WE'VE GOT
SUBSTANTIAL OPPORTUNITY FOR
CONDUITS TO GO THROUGH
THERE U FIBEROPTICS AND
OTHER TYPES OF
OPPORTUNITIES FOR CAPTURING
THAT WE NEED TO PUT A
FOCUS, I THINK MOST OF OUR
FOCUS HAS BEEN ON IF WE
BUILD IT.
NOW WE'RE FOCUSED ON HOW TO
BUILD IT.
NOW GOT TO GET TO A POINT
OF WHETHER WE BUILD IT,
WHAT IS THE REVENUE
SOURCES.
OF COURSE, OPERATION, HOW
TO MITIGATE ALL THE COST

STRUCTURES THERE.

I LOOK FORWARD TO THAT
DISCUSSION.

I DO THINK IT SHOULD BE
PART OF THE PLAN.

>>CHAIR LUI-KWAN: THANK
YOU, VICE CHAIR.

BEFORE WE ASK YOU, MEMBER
KIM, DAN, WHAT IS THE
SCHEDULED TIME OR DATE FOR
ADOPTION OF THIS FINAL
FINEIZATION OF THIS
BUSINESS PLAN?

>>EXECUTIVE DIRECTOR
GRABAUSKAS: THE GOAL WOULD
BE TAKE COMMENTS THAT THE
BOARD HAS TODAY, FOLLOWING
THE MEETING AS WELL AS
COMMENTS WE RECEIVE FROM
THE PUBLIC WE RECEIVE
TODAY, BETWEEN NOW AND JUNE
BOARD MEETING, PRESENT THE
FINAL DRAFT FOR YOUR
ADOPTION IN JUNE.

IT WILL BE AGENDA ITEM
PRECEDING OPERATING AND
CAPITAL BUDGET AS HAS BEEN
THE PAST PRACTICE.
SO SETTING THE TONE FOR THE
BUDGETS.

SO IT WILL BE NEXT MONTH
THAT THIS WOULD BE UP FOR
ADOPTION.

>>CHAIR LUI-KWAN: I HEAR
THE CALL FOR SOME MORE
SPECIFICITY WITH RESPECT TO
PLANS FOR T. O. D.

I THINK THAT'S GOOD, BUT
THE REALITIES THAT WE JUST
GOT A MONTH IN ORDER TO DID
THAT AND MAYBE RON, IF YOU
DON'T MIND, YOU'VE HEARD
THE REQUEST FROM THE

DIFFERENT BOARD MEMBERS
WITH RESPECT TO PROVIDING
SOME DEGREE OF SPECIFICITY,
SO IF YOU COULD ADDRESS
THAT RECOGNIZING THAT JUST
BASICALLY A MONTH BEFORE
THE PLAN IS TO HAVE THIS
DRAFT ADOPTED IN FINAL
FORM

MEMBER KIM?

>>DIRECTOR KIM: YES.
I WANT TO MAKE A FEW
COMMENTS.

IT'S MORE ON THE
CONSTRUCTION SIDE.
WHAT RON BROUGHT UP IS
CORRECT AS FAR AS THE
SIGNIFICANT LEVEL OF
CONSTRUCTION THAT'S GOING
TO BE CONTINUING THROUGHOUT
THE STATE.

THE 62% LOCAL JOB RATE,
THAT IS GOING TO CLIMB
BECAUSE A LOT OF THE
CONSTRUCTION SITE, A LOT OF
THE UNIONS THAT SUPPLY AND
DEMAND POWERS IS DOING VERY
WELL.

IT'S A LOT OF OUR LOCAL
PEOPLE ARE WORKING NOW.
WHICH IS REALLY GOOD.
BUT YOU KNOW, MOVING
FORWARD BECAUSE OF THAT, SO
THERE'S GOOD NEWS, BAD NEWS
ABOUT IT.

GOOD NEWS THAT PEOPLE ARE
WORKING AND LOCAL WORKS.
BAD NEWS IS CONSTRUCTION
COSTS IS GOING TO GO UP.
THAT'S UNFORTUNATE.

NATURE OF THE GAME WITH AS
MUCH WORK OUT THERE THAT
IT'S PLENTIFUL NOW.
SO YOU KNOW, TO GET AND BID
THIS NEXT JOB, I GET IT, I

GET IT.
IF I DON'T, NOT A PROBLEM
I'M STILL BUSY DOING OTHER
WORK.
BUT IT'S GOING TO, WHAT I
THINK WE NEED TO SIT BACK
AND REALIZE IS NOT JUST TO
GIVE UNAND TAKING THE LOWER
BIDS BECAUSE YOU DON'T WANT
TO GIVE UP QUALITY OF
WORKMANSHIP.
YOU DON'T WANT TO GIVE UP
SAFETY.
THE SAFETY RECORD THAT YOU
HEAR, THAT'S OUTSTANDING TO
HAVE A SAFETY RECORD LIKE
THAT.
I MEAN, REALLY OUTSTANDING.
SO THEY'RE DOING A GREAT
JOB IN DOING THAT.
BUT WERE DON'T WANT TO
JUST, I KNOW FINANCIALLY,
WE NEED TO LOOK AT AND KEEP
OUR BUDGETS IN ORDER, BUT
AGAIN, IT WILL COST MORE IN
THE LONG RUN IF WE GET
COMPANIES THAT ARE NOT
QUALIFIED TO DO THE WORK.
OR PEOPLE START GETTING
HURT SAFETY WISE AND ALL OF
THAT AS WELL.
SO WE JUST NEED TO BE AWARE
OF THAT AS WELL TOO, ABOUT
GETTING THE QUALIFIED
COMPANIES TO DO THIS TYPE
OF BIDDING.
>>CHAIR LUI-KWAN: THANK YOU
VERY MUCH FOR THAT MEMBER
KIM
ARE THERE ANY FURTHER
QUESTIONS OF RON?
ANY FURTHER COMMENTS?
>>VICE CHAIR HORNER: ONE
COMMENT.
I THINK I'VE BEEN WORKING

WITH RON FOR THE FOUR YEARS
NOW THAT HE'S BEEN HERE AND
I JUST REALLY, REALLY JUST
APPRECIATE THE HARD WORK
THAT HE DOES AND CLARITY HE
BRINGS TO THE TABLE.

I MEAN, WE'RE TALKING ABOUT
FINE TUNING SOMETHING
THAT'S 50 PAGES, SO IT'S
NOT CRITICAL OF THE
PROCESS.

BUT MAKING SURE WE GET IT
RIGHT.

BUT HE DOES OUTSTANDING
JOB.

AND I APPRECIATE IT.

>>CHAIR LUI-KWAN: THANK YOU
VERY MUCH FOR THAT, VICE
CHAIR HORNER.

RON, I THINK WHAT OUR VICE
CHAIR INDICATES IS
REFLECTIVE OF ALL THE BOARD
MEMBERS BELIEVE.

SO THANK YOU VERY MUCH.

HARD WORK, BUT MORE
IMPORTANTLY, SMART WORK
FROM A SMART GUY.

THANK YOU VERY MUCH.

>> I LIKE YOUR BIG DOG THAT
YOU OBVIOUSLY HAVE.

BARKING IN THE BACKGROUND.

>> PART OF YOUR SUPPORT
STAFF, HOPING I'M NOT
PAYING TOO MUCH FOR THAT.

>> THANK YOU VERY MUCH FOR
THOSE COMMENTS.

I APPRECIATE IT VERY MUCH.

>> EVERYBODY IN NORTH
CAROLINA HAS GOT TO HAVE A
BIG DOG BEFORE WE CLOSE
THIS MATTER, WE HAVE SOME
REQUESTS FOR TESTIMONY.

BARBRA ARMENTROUT.

>> GOOD MORNING.

BARBRA ARMENTROUT.

MEMBER OF NEIGHBORHOOD
BOARD 5, BUT SPEAKING AS AN
INDIVIDUAL.

HE DID A LOT OF GOOD WORK
ON THIS.

I JUST HAD A FEW QUESTIONS
ON THIS THAT IS, I KNOW A
LOT OF CITIZENS ARE
QUESTIONING THIS.

ARE THERE ANY ESTIMATES AT
ALL ABOUT IT'S OPERATIONS
AND MAINTENANCE THAT IS
GOING TO COST ON THIS?

AND I KNOW THEY HAVE THE
POSSIBLE USE OF FEDERAL BUS
SYSTEM FUNDS, BUT I KNOW
CITY COUNCIL PASSED A
RESOLUTION TO TAKE IT OUT
AND IT WAS SUPPOSED TO BE
TAKEN OUT BY JUNE, DOESN'T
SAY ANYTHING IN HERE ABOUT
IT BEING OUT OF IT BY JUNE.
I DON'T KNOW, MAYBE
COUNCILMEMBER MANAHAN HAS
ANY.

I DON'T KNOW IF HE KNOWS
WHEN THAT'S SUPPOSED TO BE.
I KNOW ANN KOBAYASHI TOLD
ME THAT.

AND THEN ALSO, WHEN YOU SAY
BUS AND RAIL, THAT INCLUDES
HANDI-VAN IN THAT ALSO?

OKAY.

IT DOES INCLUDE THAT IN
THERE.

OKAY.

AND THEN ALSO, IN THE
BUDGET, IS THERE SOMETHING
FOR THE COST TO TEST THE
RAIL CARS ONCE IT'S DONE?
IS THAT LISTED IN THIS
ANYWHERE?

AND YOU HAVE IN HERE, ALSO,
THAT THE STAFF, WHEN THE
PROJECT IS FINISHED, WILL A

LOT OF THAT STAFF GO AND
HOW MANY WILL BE STAYING TO
MANAGE THE RAIL AFTER
COMPLETION ON THAT.

AND I AM AWARE THAT STATE
HAS PURCHASED THE ALI' I
BUILDING HERE.

WILL HART BE HAVING TO MOVE
WHEN THEY DO THAT?

I' M JUST CURIOUS ABOUT
THAT.

AND ALSO, IT ALSO PLANS FOR
PROVIDING SECURITY ON THE
RAIL LINE.

WHEN THE MAINTENANCE
FACILITIES DONE, WON' T YOU
HAVE TO DO SECURITY FOR
THAT BEFOREHAND?

THAT' S NOT LISTED DOWN ON
HERE.

THAT' S ALL I HAD TO SAY FOR
THAT.

>> THANK YOU VERY MUCH FOR
YOUR INSIGHTFUL COMMENTS.
WE APPRECIATE IT VERY MUCH.
ANY QUESTIONS FOR MISS
BARBRA ARMENTROUT?

>> THANK YOU VERY MUCH FOR
YOUR CONCERN WHILE MAKING
SURE THAT CARRIE AND
LORENZO HAVE THEIR LEIS.

THANK YOU.

>>CHAIR LUI - KWAN:

MR. HONMA, DID YOU WANT TO
TESTIFY NOW?

CAN YOU COME FORWARD?

STATE YOUR NAME FOR THE
RECORD EVEN KNOW YOU' RE
WELL KNOWN HERE, AND
PRESENT YOUR TESTIMONY.

>> THANK YOU, CHAIRMAN
LUI - KWAN AND DISTINGUISHED
MEMBERS OF THE HART.

FIRST I WOULD LIKE TO
CONGRATULATE THE BOARD AS

WELL AS CARRIE OKINAGA
BEING TERRIFIC, EVER SINCE
THE BOARD WAS ESTABLISHED,
SHE WAS THE CHAIRMAN.
GAVE A SENSE OF DIRECTION
OF HAVING THE UNITY AMONG
WITHIN THE SO CALLED
PLAYERS THAT WAS INVOLVED
IN THIS PROJECT.
ANYWAY, FIRST OF ALL, I
WOULD LIKE TO CONGRATULATE
THE BOARD FOR LOBBYING THE
STATE LEGISLATURE AS WELL
AS WITH THE MAYOR KIRK
CALDWELL THAT PASSED THE
FIVE YEAR EXTENSION WITH
THE SINCE VERSION.
I THINK THE NEIGHBOR ISLAND
COUNTIES ARE VERY HAPPY TOO
BECAUSE IT HAS A MEASURE IN
THERE WHERE THEY CAN SPEND
THEIR EXCISE TAX FOR
TRANSPORTATION AND CLAY
PARK AND RECREATION
PROJECTS AS WELL AND GIVES
THE CITY COUNCIL OF
HONOLULU TO OVERLOOK AT AND
PASS A MEASURE TO COMPLY
WITH THE SENATE VERSION OF
THE EXTENSION OF THE FIVE
YEAR EXCISE TAX FROM THE
YEAR 2020.
SO IT GIVES A BETTER
PERSPECTIVE WHERE YOU CAN
HAVE MORE OF DUE DILIGENCE
AND
TRANSPARENCY FOR THE PUBLIC
AND THEY SEE WHAT THE BOARD
IS GOING THROUGH.
IN THE PAST, WE DIDN'T HAVE
THAT MUCH PUBLIC RELATIONS
OR WE DIDN'T HAVE THAT MUCH
PUBLIC PARTICIPATION, BUT I
THINK YOU'RE GOING TO SEE
MORE INVOLVEMENT AS WE

PROCEED WITH THE PROJECT.
SO TO ME, I WOULD LIKE TO
SEE THIS WORK FAST, RAIL
TRANSIT BEING BUILT HERE IN
HAWAII, BECAUSE IT'S GOING
TO PUT US, WE WANT TO MAKE
HAWAII THE LEADERS OF THE
ASIA-PACIFIC REGION WHERE
PEOPLE FROM ALL OVER THE
WORLD CAN COME HERE AND
VISIT THE STATE OF HAWAII
AND WE CAN SHOWCASE THIS
RAIL TRANSIT SYSTEM
AND SHOWING THAT HAWAII HAS
THAT QUALITY OF LIFE WHERE
PEOPLE CAN COME HERE AND
ENJOY OUR ATMOSPHERE AND
CONDUCT BUSINESS AS WELL.
RIGHT NOW, WE HAVE ALL OF
THESE MEASURES THAT'S GOING
WITH THE IN TERMS OF
INTERNATIONAL TRADE
AGREEMENTS THAT WE WANT TO
ESTABLISH IN HAWAII.
WE WANT TO MAKE HAWAII THE
HEADQUARTERS FOR THAT.
ONE IS THAT THE TRADE
PROMOTION AUTHORITY BILL
THAT'S BEEN DISCUSSED IN
THE U. S. CONGRESS, THAT
WITH THE TRANS-PACIFIC
PARTNERSHIP TRADE AGREEMENT
THAT HAWAII WANTS TO BE THE
HEADQUARTERS FOR THAT, FOR
THE ASIA-PACIFIC REGION.
I THINK THE RAIL TRANSIT
CAN SHOWCASE THOSE MEASURES
AND SO I JUST WANTED TO LET
THE COMMITTEE AND THE BOARD
KNOW THAT THERE'S A BIG
STAKE INVOLVED.
NOT ONLY GETTING THE
LARGEST PUBLIC WORKS
PROJECT IN HAWAII.
GOOD FOR THE STATE OF

HAWAII.
>>CHAIR LUI-KWAN: THANK YOU
VERY MUCH.
REALLY APPRECIATE YOUR
COMMENTS.
ANY QUESTIONS?
THANK YOU VERY MUCH.
>> THANK YOU.
>>CHAIR LUI-KWAN: NATALIE
IWASA, DID YOU WANT TO
TESTIFY NOW?
>> MISS IWASA, IF YOU DON'T
MIND.
STATE YOUR NAME FOR THE
RECORD AND PRESENT YOUR
TESTIMONY.
>> SURE.
THANK YOU.
NATALIE IWASA.
I WAS ACTUALLY GOING TO GO
ON THE REPORT FOLLOWING,
BUT I DO HAVE STOP COMMENTS
ON THE PLAN.
I'LL MAKE ALL OF THEM AT
ONE TIME.
WHEN YOU'RE LOOKING AT THE
FARE COLLECTION SYSTEM AND
THE POLICY THAT YOU'RE
GOING TO BE DECIDING ON, I
THINK IT'S REALLY IMPORTANT
TO CONSIDER THAT WE HAVE A
LOT OF RESIDENTS WHO ARE
NOT GOING TO BE RIDING RAIL
SIMPLY BECAUSE THEY'RE NOT
GOING TO BE GOING TO ANY OF
THE DESTINATIONS.
SO I HOPE THAT YOU'RE GOING
TO BE CONSIDERING A
SEPARATE FARE JUST FOR THE
BUS?
I MEAN, I UNDERSTAND WHICH
WANT TO MAKE EFFICIENCIES,
HAVING A RAIL AND BUS RATE,
BUT ALSO, SEPARATE ONE FOR
THE BUS.

I DIDN'T KNOW IF THAT HAD
WHERE BEEN DISCUSSED.
REGARDING THE OPERATING
MAINTENANCE COSTS, I ASK
YOU TO LOOK AT THAT A
LITTLE ABOUT MORE CLOSELY
AS FAR AS THE BUS OPERATING
AND MAINTENANCE, WHAT HAS
BEEN PROJECTED AN ALSO THE
ACTUALS BECAUSE WHEN I
LOOKED AT I THINK IT WAS
2010S THE ACTUAL THAT I
FOUND ACCORDING TO THE
CITY'S WEBSITE, WAS ABOUT
\$3 MILLION LESS AND THEN
THE PROJECTION FOR 2013
COMPARED TO THE ACTUAL ON
THE BUS, WAS ABOUT
\$38 MILLION LESS.

SO SOME OF THOSE PRO
PROJECTIONS MAY BE TOO HIGH
ON THE BUS AND THEN ALSO, I
APPRECIATE YOUR COMMENTS,
BOARD MEMBER HORNER,
LOOKING AT REFRESHING THESE
NUMBERS BECAUSE SOME OF
THEM, NOW WE HAVE A LITTLE
MORE HINDSIGHT ON THEM
IF I MAY ADDRESS SOME OF
THE REPORT THAT YOU'RE
GOING TO BE TALKING ABOUT
NEXT.

I HAVE SOME COMMENTS ON
THAT AS WELL.

IS THAT ALL RIGHT?

>>CHAIR LUI-KWAN: PLEASE.

>> JUST IN GENERAL, THE
REPORTS IN BY THE PROJECT
MANAGEMENT CONTRACT
OVERSIGHT ARE THE CUTOFFS
ARE NOT THE END OF THE
MONTH.

SO IT MAKES IT REALLY HARD
TO COMPARE WITH THE
FINANCIAL DATA THAT IS

BEING PUT OUT.
SO IF YOU CAN, IN SOME
CASE, IT'S JUST A DAY OR
TWO, RIGHT?
BUT IN THOSE LAST COUPLE
DAYS, WE KNOW THAT A LOT OF
ADJUSTMENTS CAN BE MADE ON
THE BOOKS.

SO IF YOU COULD MAKE THAT
FOR THE NEXT COUPLE OF --
GOING FORWARD, ACTUALLY,
CUT OFF AT THE END OF THE
MONTH.

ON THE SECTION OF THE
AIRPORT UTILITIES, PAGE 148
OF THE 134 PAGES OF THE PDF
DOCUMENTS OF THE MATERIAL
IT'S, INDICATED THAT THE
CONTRACT STARTED JULY 2014
AND CONTINUING WITH UTILITY
RELOCATION.

BUT THE COST INFORMATION
SAID THAT IT WAS ZERO.
OUT OF \$28 MILLION
CONTRACT.

I DON'T KNOW HOW ALL OF
THIS WORK CAN BE DONE WITH
ZERO COSTS.

SO I'M JUST, I DON'T
UNDERSTAND WHY IT SAYS ZERO
COST.

I JUST ASK THAT YOU LOOK
INTO THAT.

THE BUY AMERICA AUDIT
APPARENTLY WAS DONE AND
SHOULD BE SUBMITTED TO YOU
SOON SO I HOPE THAT THAT
WILL BE POSTED ON YOUR
WEBSITE.

AND THEN JUST IN GENERAL, I
DON'T KNOW WHAT YOUR
PROCESS IS FOR PUTTING
THOSE MATERIALS TOGETHER.
I KNOW AT THE CITY,
SOMETIMES THEY SCAN THE

DOCUMENT.
PRINT, SCAN, AND THEN POST.
AND WHAT HAPPENS IS A LOT
OF THOSE CHARTS ARE FUZZY
AND IF AS MUCH AS POSSIBLE,
IF YOU CAN USE THE ORIGINAL
DOCUMENT TO POST I THINK
THAT MAKES IT CLEARER FOR
PEOPLE TO SEE ACTUAL
NUMBERS.

AND THEN JUST ONE MORE
COMMENT ABOUT THE
TRANSPARENCY.
YOU HAVE A TREMENDOUS
AMOUNT MUCH INFORMATION OUT
THERE.

I KNOW YOU FOLKS ARE
GETTING BETTER AND MAKING
THINGS TRANSPARENT.
I JUST HOPE THAT YOU' RE
CONTINUING TO WORK ON
CREATING, FOR EXAMPLE, ON
THE AGENDA, PULLING THAT
INFORMATION OUT AND
PROVIDING LINKS TO IT SO
PEOPLE CAN ACCESS IT.
EASIER.

I THINK THAT' S PART OF
TRANSPARENCY.
THANK YOU FOR ALLOWING ME
TO TESTIFY.

>>CHAIR LUI - KWAN: THANK YOU
VERY MUCH.
ANY QUESTIONS FOR MISS
IWASA?

>> I WANT TO SAY AS ONE BE
BEAN COUNTER IT ANOTHER,
ACCOUNTANT TO ACCOUNTANT, I
APPRECIATE YOUR
THOROUGHNESS AND EYES ACE
FIDUCIARY REPRESENTING THE
COMMUNITY.

>> THANK YOU.
>> YOU' RE WELCOME.
>>CHAIR LUI - KWAN: I F

THERE' S NO FURTHER
COMMENTS, OR DISCUSSION, ON
THE 2016 BUSINESS PLAN
DRAFT REVIEW, WE' LL MOVE ON
AND JUST FOR THE RECORD,
THERE' S JUST A SMALL TYPO
ON THE AGENDA.
IT' S FISCAL YEAR 2016
BUSINESS PLAN DRAFT REVIEW.

>>VICE CHAIR HORNER: ONE
COMMENTS BEFORE YOU MOVE
ON.

JUST TWO QUESTIONS.
THINK I BARBRA ARMENTROUT
NEEDED ADDRESSING.
ONE WAS ON THE STAFFING.
139 FTA RIGHT NOW, THAT
GOES TO THE HEART OF THE
MATTER FOR THIS YEAR,
PUBLIC DESERVES OPERATING
PLAN OF HOW TO OPERATE.
I THINK DAN, TELL US THE
NUMBER RIGHT NOW THAT WE' VE
GOT AS FAR AS WHICH IS
BELOW THE BUDGET NUMBER
THAT YOU' RE ESTIMATING NOW.
BECAUSE THE ASSUMPTION
OPERATING PLAN IS WE' RE NOT
DOING EXTENSION.
WE DON' T HAVE THAT STAFF,
COUNCIL DECISION LATER.
BIGGER DECISION.
OUR JOB IS TO BUILD THE
20- MILES.

AND STAFF THAT AT 20- MILES.
YOUR NUMBER NOW IS --

>>EXECUTIVE DIRECTOR
GRABAUSKAS: IF YOU HAVE, IF
THERE ARE NO WORK TO BE
DONE ON ANY EXTENSIONS,
THEN WE DO HAVE DRAFT
PROPOSALS THAT LOOK AT
REDUCING OVERALL STAFF TO
ABOUT 59.

>>VICE CHAIR HORNER: I WILL MAKE THAT, KEEP THAT NUMBER SO 139 TO 59 IS WHERE WE'RE LOOKING AT.

BECAUSE CLEARLY, OUR JOB IS TO BE MANAGERS OF MANAGERS. NOT TO WE'VE GOT THIRD-PARTY WHICH WILL BE ATACHI AT THIS POINT, TO MANAGE THE EXECUTION OF THE RAIL.

SECOND QUESTION SHE ADDRESSES ON TESTING, WHETHER THE MONEY IS IN THE BUDGET FOR TESTING.

I KNOW WELL IT IS.

YOU MIGHT EXPAND ON THAT.

>>EXECUTIVE DIRECTOR

GRABAUSKAS: YES.

>>VICE CHAIR HORNER: WOULD YOU JUST EXPAND ON IT?

THERE'S SUBSTANTIAL AMOUNT OF TESTING.

WINDOW OF TIME THERE FOR WHERE WE'RE DELIVER THE TRAINS UNTIL WE ACTUALLY GO LIVE.

MIGHT WALK US THROUGH HOW THAT WORKS.

>>EXECUTIVE DIRECTOR

GRABAUSKAS: SURE.

SO THE COSTS FIRST OF ALL, THERE WAS A QUESTION RAISED ABOUT JUST THE COST TO DO THE TESTING.

THAT IS INCLUDED IN THE ANSALDO CONTRACT AS A PART OF WHAT THEY'RE REQUIRED TO DO UNDER THE CONTRACT.

THE PROCESS WILL BE ROUGHLY AS FOLLOWS.

RAIL CAR WHICH IS BEING MANUFACTURED NOW, CAR SHELLS ARE DONE IN ITALY.

SHIPPED TO A FACTORY IN CALIFORNIA JUST OUTSIDE OF OAKLAND, CALIFORNIA.

THE FINAL ASSEMBLY OF THE RAIL CARS WILL TAKE PLACE THERE AND THE FIRST RAIL CARS EXPECTED HERE ON THE ISLAND --

>>VICE CHAIR HORNER: YOUR STAFF WILL ACTUALLY BE THERE DOING INSPECTIONS AND WHAT HAVE YOU?

>>EXECUTIVE DIRECTOR

GRABAUSKAS: BOTH IN THE ITALY FACTORIES RIGHT NOW, BOTH IN THE DESIGN AND THE CONSTRUCTION, LOCATIONS, AS WELL AS THE FACT THAT WHEN WE COME TO THE FACTORY IN PITTSBURGH, CALIFORNIA, THEY' LL BE THE MOST INTENSE WORK.

THAT' S REALLY WHERE THE FINAL ASSEMBLY OF THE RAIL CAR WILL TAKE PLACE.

>>VICE CHAIR HORNER: MY POINT THERE, SO WE DO NOT WANT TO HAVE HAPPENED, THEY DELIVER SURPRISE TO US.

>>EXECUTIVE DIRECTOR

GRABAUSKAS: NO SURPRISES.

>>VICE CHAIR HORNER: YOU' RE GOING TO BE LOOKING AT THOSE WHILE ASSEMBLED AND INSPECT.

WHEN WE GET DELIVERY, WE' RE KNOWING WHAT WE' RE GETTING DELIVERED

>>EXECUTIVE DIRECTOR

GRABAUSKAS: KEY IS TO HAVE BOOTS ON THE THE GROUND. 2 YEARS AGO, WHEN ANSALDO WAS FALLING BEHIND IN DESIGN, WE SENT FOLKS THERE ONE OF OUR DESIGN

CONSULTANTS EXPERT IN THE
AREA, ACTUALLY WAS THERE
TWO OUT OF EVERY FOUR WEEKS
WORKING CLOSELY, SHOULDER
TO SHOULDER WITH THE
DESIGNERS, REPORT BACK
DIRECTLY TO US ABOUT WHAT
WAS HAPPENING ON THE
FACTORY FLOOR.

AND IN THE DESIGN ROOMS
WITH THE ENGINEERS.

I THINK THAT REALLY WAS
WHAT TOOK US FROM AT ONE
POINT, ALMOST NINE MONTHS
BEHIND TO TODAY, WE'RE ON
SCHEDULE A LITTLE BIT
AHEAD.

SO THAT AND WE'RE VERY
HAPPY WITH THE PRODUCT
WE'RE SEEING IN TERMS OF
DESIGN AND SO FAR WITH THE
CONSTRUCTION.

AGAIN, GOING BACK TO
PITTSBURGH, CALIFORNIA, WE
WILL HAVE FOLKS THERE IN
THE FACTORY MONITORING
ACTIVITIES AND THEN THEY'LL
BE SHIPPED, FIRST RAIL CARS
WILL BE SHIPPED HERE ABOUT
A YEAR FROM NOW, TO
HONOLULU.

AND THEY'LL BE DELIVERED TO
THE RAIL OPERATIONS CENTER
INITIALLY FOR THE REAL
FINAL TEST ASSEMBLY AND
TESTING.

>>VICE CHAIR HORNER: AGAIN,
PUT A PLUG IN.

THAT ROC AS WE CALL IT NOW,
ROC, WALLS ARE UP, ROOF IS
ON.

TRACKS ARE BEING LAID.

WE'LL SEE IN THE FEW
SECONDS.

SUBSTANTIALLY WITHIN OUR

BUDGET PARAMETERS WHICH IS TERRIFIC.

>>EXECUTIVE DIRECTOR GRABAUSKAS: IT'S GOING EXCEEDINGLY WELL THERE. OF THE WE GOT FAVORABLE WINDS OF A WEAK CONSTRUCTION MARKET. THE TAXPAYER DID BENEFIT ON THE FIRST HALF OF THIS PROJECT.

>> SHOWS HOW IMPORTANT THE MARKET IS.

WHEN WE FIRST BID THE INITIAL 60% OF OUR CONSTRUCTION CONTRACTS, WE CAME IN SEVERAL HUNDRED MILLION DOLLARS UNDER THE BUDGET BECAUSE IT WAS JUST AFTER THE RECESSION HAD BEGUN.

HERE WE ARE NOW AT THE OPPOSITE, SITUATION, AND AGAIN, YOU'VE HEARD ME QUOTE THE FIRM OF RIDER LEVETT BUCKNELL REALLY DONE A VERY GOOD JOB.

WHEN YOU LOOK BACK ON THEIR PROJECTIONS.

WE WERE PROBABLY WHEN WE WOULD HAVE BEEN BIDDING THESE CONTRACTS TALKING ABOUT NOW, THE REMAINING 40%, WE WERE IN 3% TO MAYBE 5% CONSTRUCTION ESCALATION EACH YEAR.

TODAY, LAST YEAR, I CAN TELL YOU, IT WAS 14% INCREASE.

OVER THE PRIOR YEAR AND THEY'RE EXPECTING 12 TO 14% INCREASE THIS YEAR AND NEXT.

SO THAT'S JUST THE DIFFICULTY THAT WE'RE

FACING WITH THE, AGAIN,
WITH TODAY'S SITUATION WITH
THE HOT MARKET.

GOING BACK TO WHEN THE RAIL
CAR ARRIVES HERE, THE TEST
SOMETHING GOING TO PRETTY
EXTENSIVE.

SAFETY TESTING AS WELL AS
ALL THE FUNCTIONS OF THE
SYSTEMS.

IT'S ABOUT 22 TO 24 MONTH
PERIOD.

SO UNISHLY, PEOPLE WILL SEE
THE RAIL CARS DELIVERS.

OPERATING AT A TEST TRACK
AT THE RAIL OPERATION
CENTER FOR A PERIOD OF
TIME.

GOING UP ON THE GUIDEWAY.
WHAT WE'RE CALLING THE
FUNCTIONAL SECTION OF THE
GUIDEWAY, ABOUT 3-MILES.

AND 3 STATIONS.

FIRST THREE THAT WE HAVE
OUT TO BID, BY WAIPAHU HIGH
SCHOOL, LEEWARD COMMUNITY
COLLEGE AND WESTLOCH
STATIONS

>> MINI VERSION OF THE
SYSTEM THAT THE TRAINS WILL
BE TESTED, DOORS, EMERGENCY
DOORS, PLATFORM, ALL OF
THAT COMPONENTS WILL BE
TESTED FOR ABOUT TWO YEARS.

THEN YOU'LL SEE AS WE
CONTINUE TO COMPLETE THAT
FIRST 10-MILES TO ALOHA
STADIUM, THAT'S GOING TO BE
THE SITUATION IN 2018, TAKE
OUR FIRST PAYING CUSTOMER.

>>VICE CHAIR HORNER: GREAT
FOR THE PUBLIC TO
APPRECIATE THIS.

IT'S THAT 2 YEARS SOUNDS A
LONG TIME.

BUT THAT'S THE FEDERAL
REQUIREMENT ALSO.

>>EXECUTIVE DIRECTOR
GRABAUSKAS: WE ARE
INTRODUCING FIRST FULLY
AUTOMATED DRIVERLESS SYSTEM
TO THE UNITED STATES.
PROVEN TECHNOLOGY, 25TH IN
THE WORLD.

BECAUSE WE'RE INTRODUCING A
NEW SYSTEM, WE'RE GOING TO
HAVE BOTH THE FEDERAL
TRANSIT ADMINISTRATION, NEW
AUTHORITY UNDER MAP 21,
CONGRESS GIVEN THEM NEW AND
HIGHER STANDARDS OF SAFETY
AND SECURITY STANDARDS,
THEY NOW HAVE TO
ADMINISTER, AS WELL AS
WORKING WITH HDOT, WHO IS
OUR STATE SAFETY OVERSIGHT.
THEY'VE ALSO GOT TO CERTIFY
SAFETY AND SECURITY OF
SYSTEM

THEN WE OUR OWN CHECKLISTS

>>VICE CHAIR HORNER:

HADACHI WILL BE OR
OPERATOR.

150 YEARS IN THE
EXPERIENCE.

HAVING THEM AS OUR OPERATOR
GIVES ME MORE COMFORT.

>>CHAIR LUI-KWAN: BEFORE WE
CLOSE DISCUSSION ON THIS
ITEM, WHAT'S BECOME VERY
CLEAR IS THAT THE
ESCALATION IN CONSTRUCTION
COSTS RETROSPECTIVELY IN
THE PAST YEAR, HAS REALLY
IMPACTED THIS PROJECT
MOVING FORWARD IS GOING TO
IMPACT THE PROJECT.

WE HEAR THAT FROM RIDER
BUCKNELL, BUT MEMBER KIM,
YOU ARE THE CHAIR OF THE

PROJECT OVER SIGHT
COMMITTEE.

YOU ARE ALSO IMMERSSED IN
THIS INDUSTRY.

CAN YOU GIVE US YOUR
INSIGHT ABOUT HOW YOU SEE
THE -- I GUESS I WOULD LIKE
TO HEAR YOUR THOUGHTS ABOUT
THE WHAT YOU SEE IN THE
ESCALATION OF THESE COSTS.

>>
>>DIRECTOR KIM: LIKE I WAS
SAYING, I THINK FOR SURE,
IN THE NEXT FOUR OR FIVE
YEARS, THERE IS A LOT OF
CONSTRUCTION GOING ON.
YOU SEE THE CRANES OUT
THERE.

NOT JUST IN KAKAAKO BUT IN
WAIKIKI AREA AS WELL.
BEYOND THAT, YOU'RE LOOKING
AT HO'OPILI JUST NOT SIGNED
BY THE MAYOR.

THAT'S 15 TO 20 YEAR
PROJECT.

KOA RIDGE IS ANOTHER ONE
THAT WE'RE LOOKING AT.

ANOTHER 15, 20 YEAR
PROJECT.

BUILDING NOT JUST HOMES,
BUT WHOLE SUBDIVISION AREA
OVER THERE.

WORK WILL BE PLENTIFUL IN
THE YEARS TO COME.

AGAIN, YOU KNOW, A LOT OF
THE MAJOR COMPANIES ARE
GROWING AS MUCH AS THEY
CAN.

AND TRYING TO DO A GREAT
JOB OF SUPPLYING THE
SKILLED LABOR FORCES FOR
IT.

GOOD NEWS, IT IS LOCAL
PEOPLE GETTING THE WORK.
AND WORKING OUT THERE IN

THE FIELD.

BUT WE'RE GOING TO COME TO
A POINT LIKE I SAID, THAT
TO HELP TO TRY TO CONTAIN
SOME OF THIS COST IS HAVING
THE OUTSIDE CONTRACTORS
FROM THE MAINLAND COME IN
AND START BIDDING THIS
WORK.

BUT AGAIN, WHEN WE WERE
BUSY BACK IN THE EARLY
2000'S, IT WAS THE SAME
THING.

A LOT OF COMPANIES THAT
OPENED UP, A LOT OF PEOPLE
TRYING TO MAKE MONEY IN
THIS SITUATION.

BUT THEY'RE NOT DOING
QUALITY WORK.

THAT'S WHAT WE'RE, LIKE I
SAID, WE'VE GOT TO BE WARY
OF, WE'RE HIGH ON SAFETY,
DRIVERLESS TRAINING IS I
THINK THE WAY TO GO.

LIKE I SAID, I'VE BEEN TO
ROME AND GOT TO RIDE IT AND
DO ALL OF THE THE TESTING
STAGE OF IT AND ANSALDO
DOES A GREAT JOB IN REGARDS
TO THAT TESTING ITSELF AND
BUILDING OF THE CARS.

BUT CONSTRUCTION IS GOING
TO BE GOING.

LIKE DAN SAID, ANYWHERE
FROM 12, 14% RISE IN THERE.
SO WE HAVE TO LOOK AT OUR
BUDGETS.

WE HAVE TO ADD THAT INSIDE
OF THERE AND FIGURING OF
THE COSTS OF THIS IS GOING
TO GO UP AS WELL.

WE'RE TALKING ABOUT ANOTHER
FOUR YEARS OR SO.

SO EVEN WITH THAT, WITH
CONTRACTS, LABOR CONTRACTS,

UP FOR NEGOTIATIONS AND THINGS OF LIKE THAT COMING UP.
OF COURSE THERE'S ALWAYS EASIER TO NEGOTIATE IN TIMES WHEN IT'S BUSY.
BUT HOPEFULLY, EVERYBODY IS LEVEL HEADED AND DON'T WANT TO ESCALATE THE PRICE OF THEIR.
GOOD NEWS WITH THAT I THINK IS THAT I THINK IT'S SHOWN THAT AS ECONOMY GETS BETTER AND CONSTRUCTION GETS BETTER, OUR CONSTRUCTION FORCES OUT THERE TEND TO SPEND MORE WHICH IS GOOD NEWS FOR THE THE G. E. T. TAX.
SO MORE REVENUES COMING IN. THAT'S WHY I THINK THE REVENUES IS ACTUALLY GOING FOR GO UP BECAUSE OF THIS IN THE NEXT FOUR OR FIVE YEARS.
I THINK THAT'S GOING TO HELP OUT TREMENDOUSLY.

>>CHAIR LUI-KWAN: WE'LL MOVE ON TO AGENDA ITEM 6. DO YOU WANT TO INTRODUCE MARK GARRITY?

>>EXECUTIVE DIRECTOR GRABAUSKAS: SURE.

>>CHAIR LUI-KWAN: GOING TO TESTIFY AFTER THE PRESENTATION, RIGHT?

>> I HAVE THE HANDI-VAN COMING AT 11:00. IF HE'S ON TIME, I WOULDN'T BE ABLE TO.

>>CHAIR LUI-KWAN: ALL RIGHT.

>> IT'S ON TIME TODAY.

>> IT'S PROBABLY ON TIME

TODAY.
BARBRA ARMENTROUT FOR
RECORD.
>>CHAIR LUI-KWAN: DO YOU
HAVE THE POWER TO HOLD IT
UP?
>> I WOULD HAVE DONE IT
LIKE NATALIE.
I THOUGHT, I SHOULD HAVE
DONE THAT.
OKAY, I JUST WAS
QUESTIONING, I KNOW --
>>CHAIR LUI-KWAN: FOR THE
RECORD?
>> SMART CARDS.
>>CHAIR LUI-KWAN: AGAIN,
FOR THE RECORD, YOUR NAME.
>> BARBRA ARMENTROUT.
OKAY.
I KNOW THEY' RE DOING THE
SMART CARD AND IT GOING TO
INCLUDE HANDI-VAN.
MY ONLY QUESTION ON THAT IS
THERE IS A LOT OF SENIORS,
PEOPLE IN THAN DAY VAN,
MYSELF INCLUDED, LIMITED
INCOME AND THEY PAY TWO
DOLLARS A RIDE, TWO DOLLARS
A RIDE.
THEY DON'T HAVE IT, THEY
CAN'T RIDE IT.
LIKE THIS NEXT WEEK, THERE
WILL BE A LOT OF PEOPLE NOT
RIDING.
BUT JUNE 1 ON MONDAY, WHEN
THEY GIVE THEIR SOCIAL
SECURITY DISABILITY IN
THEIR CHECKING ACCOUNTS,
THEY' LL BE RIDING IT.
JUNE 3RD, THEY' LL BE EVEN
MORE.
SO WHAT I'M SAYING, IF THEY
HAVE THE SMART CARD AND
HANDI-VANS ALSO ON THAT
SMART CARD, THERE A LOT OF

THEM DON' T HAVE CREDIT
CARDS TO BE ABLE TO HAVE
THE MONEY ON THERE.
THEY WON' T BE ABLE TO RIDE.
THEY MIGHT JUST HAVE TWO
DOLLARS SET ASIDE.
BECAUSE I KNOW HOW PEOPLE
PAY WHEN THEY' RE ON THAT.
IT' S JUST SOMETHING THAT I
WANTED TO MAKE A COMMENT
ON.

ALSO, HOW MANY SEAT ON THE
THE RAIL WILL BE SET ASIDE
FOR THE ELDERLY, DISABLED?
SCOOTERS, WHEELCHAIRS,
WALKERS, ROLLING WALKERS,
WHAT ABOUT SERVICE DOGS?
THERE' S NOT GOING TO BE
ANYBODY ON THERE TO
ACTUALLY SAY, OH, YOUR DOG
CAN COME ON, CAN' T COME ON
BECAUSE THE BUS DRIVERS OR
HANDI - VAN DRIVERS DO THAT
NOW.

SO AND THEN JUST ON THIS
WORKING GROUP, IF THERE
COULD BE SOMEBODY FROM
DISABILITY RIGHTS CENTER,
IS CITY COUNCIL ONE TIME
WAS GOING TO DO DISABILITY
LIAISON, THERE' S ALL OF
THESE DIFFERENT DISABLED
THINGS THAT MAYBE THEY' RE
NOT CONSIDERING.

BECAUSE THERE' S LIKE 14, 000
PEOPLE ELIGIBLE TO RIDE THE
HANDI - VAN.

3, 600 RIDE IT DAILY.
AND EACH ONE HAS A SEPARATE
AND DISTINCT DISABILITY.
SO IT' S GOT TO ENCOMPASS A
LOT OF PEOPLE.

THAT' S ALL I WANT THED TO
SAY.
JUST SO IT' S NOTED TO THE

GROUP. WORKING GROUP.
>>CHAIR LUI-KWAN: THANK YOU
VERY MUCH. ANY QUESTIONS
FOR MISS BARBRA ARMENTROUT?
>> DO.

I WANT TO THANK YOU FOR
YOUR ADVOCACY.
I HAVE THE PRIVILEGE
SERVING ON THE TASK FORCE.
BEGINING TO LOOK AT FARE
CHARGE EVOLUTION.
THOSE ISSUES ARE BEING
ADDRESSED.

I APPRECIATE YOU KEEPING IT
IN THE FOREFRONT.
>> I KNOW WITH HIM HERE, IT
IS GOING TO BE ADDRESSED.
>> AGREE WITH YOU.

I MIGHT ALSO ADD, FOR THE
TAXPAYERS IN GENERAL,
BECAUSE YOU KNOW THE
HANDI-VAN IS PROBABLY FROM
A PER CAPITA OPERATION COST
BECAUSE OF ITS NATURE, IS
THE MOST PER MILE IS
PROBABLY THE MOST
EXPENSIVE.

SO THE MORE WE CAN MAKE
RAIL VERY EFFICIENT AND
EFFECTIVE FOR THAT
POPULATION, OVERALL, IT'S
GOING TO BE SUBSTANTIAL
LOWERING OF OVERALL
OPERATING COSTS.
WHICH MEANS WE CAN GIVE
MORE SERVICES.

>> RIGHT.
THERE ARE PEOPLE THAT WILL
BE LIVING THAT WON'T BE
RIDING THE RAIL THAT ARE
HANDI-VAN.

YES.
>> ON A C FODDER MEETING
THE OTHER DAY, SOMEONE

MENTIONED THAT SOMEONE FROM
WAIMANALO GOES ALL WAY TO
KAPOLEI TO GET THEIR HAIR
DONE.

AND GOES ON THE HANDI-VAN
AND IT COSTS THEM ABOUT
\$300 TO DO THAT.

SOME THINGS LIKE THAT
SHOULDN'T HAPPEN.

I MEAN, YOU KNOW.

I KNOW PEOPLE NEED THE
HANDI-VAN FOR FREEDOM AND
TO DO THINGS.

BUT WHEN YOU'RE USING IT
FOR THAT LONG OF A RIDE
JUST TO GET YOUR HAIR DONE.

I DON'T KNOW.

>> NO COMMENT ON THAT.

>> NO COMMENT.

>> I'LL COMMENT ON THAT.

I WANT TO CLARIFY YOUR
COMMENT.

COST THE RIDER FOUR
DOLLARS.

COST THE SYSTEM OR
TAXPAYERS MUCH, MUCH MORE.

>> I KNOW THAT.

THAT'S TRUE.

I'M NOT SAYING IT COSTS THE
RIDER.

>>

>>VICE CHAIR HORNER: GOOD
THING ABOUT THE RAIL, AS
YOU KNOW, CHALLENGE WITH
THE HANDI-VAN IS INDEED
BECAUSE OF ITS HAS TO BE IN
FOUR PLACES AND ONLY THREE
OF THEM SOMETIMES.

IS THAT RAIL WILL ALWAYS BE
ON TIME.

SO THE PERSON ON FROM THAT
PERSPECTIVE, I MEAN, RIDER
WILL KNOW EXACTLY WHERE IT
IS BECAUSE TRAFFIC DELAYS,
ET CETERA.

ET CETERA.
I THINK THERE'S GOING TO BE
A LOT MORE CERTAINTY.
I THINK WE'LL HAVE RIDERS
THAT WILL CHOOSE RAIL AS
OPPOSED TO HANDI-VAN
BECAUSE IT IS EFFICIENCY.
>> THAT'S TRUE SOMEONE IN
EAST HONOLULU HAVE NO
REASON TO GO THAT WAY.
THAT'S WHAT I'M SAYING.
THE ONES THAT DO THE HANDY
VAN IN KAPOLEI AND WANT TO
COME TO WAL-MART,
KEEAUMOKU, THEY'LL BE ABLE
TO COME ON THE RAIL.
>> OR GO TO THE AIRPORT.
FOR EXAMPLE.
>> TRUE.
>DIRECTOR FORMBY: WHEN I
STARTED IN 2013.
SHE INTRODUCED TO ME.
ONE OF THE BIGGEST SINCERE
AFTERS OF NOT ONLY TRANSIT
IN GENERAL BUT ALSO THE
HANDICAPPED COMMUNITY.
I APPRECIATE YOUR INPUT
BARBARA.
THANK YOU.
>> THANK YOU.
>> THANK YOU VERY MUCH.
GOOD LUCK.
YOU'LL BE HERE NEXT MONTH.
BUT GOOD LUCK.
I LIKE THE LEI BY THE WAY.

(LAUGHTER)
>> SHE HASN'T BEEN
CONFIRMED YET.
>> I KNOW!
>>CHAIR LUI-KWAN: WE ARE
NOW ON -- DAN, DID YOU WANT
TO INTRODUCE MARK?
>>EXECUTIVE DIRECTOR
GRABAUSKAS: SURE.

PERIODICALLY, WE GIVE OFF
DATES OF THE ANSALDO DTS
WORKING GROUP.
AND WE'RE REALLY GIVES ME
AN OPPORTUNITY TO THANK
MARK GARRITY TAKING ON THIS
CHALLENGING TASK OF
BRINGING TOGETHER VARIOUS
ORGANIZATIONS.

PEOPLE HEARD ME SAY THIS
BEFORE.

OUR GOAL IS THAT EVEN
THOUGH THERE'S AN ALPHABET
SUPERVISOR OF AGENCIES AND
ACRONYMS BEHIND THE
DELIVERY OF HANDI-VAN BUS
AND SOON TO BE RAIL, THAT
OUR GOAL IS TO PRESENT ONE
FACE TO THE PUBLIC, ONE
WEBSITE, ONE FARE CARD, AND
ALSO, TO TRY TO DO WHAT WE
CAN TO RECOGNIZE SYNERGIES
AMONG OUR ORGANIZATIONS
THAT WILL SAVE MONEY.

TO THE TAXPAYER.

BY WORKING TOGETHER.

MARK HAS REALLY TAKEN THIS
ON TO FIGURE OUT HOW TO
BRING ALL OF US TOGETHER SO
THIS IS HIS REGULAR REPORT.

>> IF I COULD INTERRUPT.

>>VICE CHAIR HORNER: WHEN
YOU SAY ONE FARE CARD,
OBVIOUSLY FARE CARD WILL
HAVE A BUS ONLY POTENTIAL
AND IS GOING TO HAVE A
MULTIPLE CAPACITIES OF
ADDRESSING AIR JUST
COMMUNITIES.

IT'S NOT JUST ONE QUOTE,
ONE FARE CARD.

ONE CARD BUT WITH MULTIPLE
OPPORTUNITIES FOR SERVICE.

>>EXECUTIVE DIRECTOR

GRABAUSKAS: RIGHT.

WITH THE GOAL THAT IT'S ONE SINGLE CARD THAT WILL GET YOU ON BOARD HANDI-VAN, BUS AND RAIL.

>>VICE CHAIR HORNER:
SEAMLESS SYSTEM FOR OUR RIDERS.

>> THANK YOU.

>>CHAIR LUI-KWAN: THANK YOU VERY MUCH FOR JOINING US TODAY.

>> MARK GARRITY FOR THE RECORD.

THE DEPUTY DIRECTOR OF THE CITY'S DEPARTMENT OF TRANSPORTATION SERVICES CHAIR AND BOARD MEMBER.

I APPRECIATE THE OPPORTUNITY TO COME IN AND PROVIDE AN UPDATE ON THE ACTIVITIES OF THE HART OTS, DTS WORKING GROUP.

THAT'S THE OFFICIAL GROUP. IT INVOLVES IS ANSALDO AND OTHER NUMBER OF OTHER AGENCIES WHICH I'LL MENTION.

YOU'RE GOING TO DO IT FOR ME?

>> THANK YOU.

SO THIS GROUP WAS FORMED IN THE SPRING OF 2013.

DOES INCLUDE HART, OTS, DTS, ANSALDO, PLUS A NUMBER OF OTHER RELEVANT AGENCIES AND ORGANIZATIONS.

WE DO MEET REGULARLY.

WE HAVE A MONTHLY STANDING MEETING IN ADDITION TO THAT, THERE'S SEVERAL SUBGROUPS THAT HAVE BEEN FORMED THAT MEET ON A REGULAR BASIS, AND ALSO, WE

DO PROVIDE A FORUM FOR
COORDINATION AND DISCUSSION
OF A LOT OF OTHER
ACTIVITIES THAT ARE TAKING
PLACE RELATED TO THE RAIL
PROJECT AS WELL AS
INTERMODAL DISCUSSIONS.
I'LL TALK ABOUT SOME MORE
OF THAT STUFF.

BUT JUST AS A RECAP, THE
PURPOSE OF THE WORKING
GROUP IS TO CONDUCT
RESEARCH, PREPARE, PRESENT
DATA AND DOCUMENTATION AND
IDENTIFY OPPORTUNITIES FOR
COORDINATION AS WELL AS
COOPERATION BETWEEN VARIOUS
AGENCIES SUCH AS HART, OTS,
AND DTS AS IT RELATES TO A
SEAMLESS INTERMODAL
OPERATIONS.

SO AS DAN MENTIONED,
REALLY, THE PURPOSE OF THIS
GROUP IS TO BRAINSTORM
IDEAS FOR HOW TO MAKE THIS
THE BEST INTERMODAL SYSTEM
WE CAN POSSIBLY MAKE IT.
KNOWING THAT THE BUS IS AN
EXISTING ORGANIZATION, RUN
VERY WELL BY OTS,
INTRODUCING A BRAND NEW
MODE ON TO THE THE ISLAND
AND WE WANT TO MAKE SURE
THAT THAT INTEGRATION GOES
WELL IN MANY NUMBER OF
WAYS.

SO THERE ARE MANY PEOPLE
WHO COME TO THESE MEETINGS
AND WHO ARE INVOLVED IN
THIS OVERALL EFFORT TO
IMPROVE THE EFFICIENCY OF
THE SYSTEM

AS YOU CAN SEE HERE,
THEY'RE LISTED, DTS, HART,
OTS, DIT ACTUALLY, OUR

DEPARTMENT OF INFORMATION TECHNOLOGY HAS BEEN VERY CRUCIAL IN HELPING US UNDERSTAND AND HOW TO MAKE THIS BETTER, PRESENT OPPORTUNITIES FOR THINGS LIKE THE FIBER NETWORK AND THINGS LIKE THAT. PLANNING AND PERMITTING IS INVOLVED.

ANSALDO OF COURSE.

WE HAVE SOME INVOLVEMENT FROM OUR PARATRANSIT PROVIDER AS WELL AS OTHER STAKEHOLDERS AND PARTNERS SUCH AS FISCAL SERVICE BUDGET AND BUDGET AND FISCAL SERVICES HCDA IS A REGULAR PARTICIPANT IN THE MEETINGS.

NAVY COMES OCCASIONALLY.

SO THERE ARE A LOT OF PARTNERS OUT THERE THAT WE HEAR FROM AND WORKING WITH AT VARIOUS LEVELS.

NEXT PLEASE.

SOME OF THINGS, I'M GOING TO HIGHLIGHT TODAY SOME OF THE THINGS THAT WE'VE BEEN WORKING ON, SOME OF THINGS THAT RECENTLY THAT HAVE BEEN OF NOTE.

THIS LIST IS NOT FULLY EXHAUSTIVE.

ACTUALLY MORE THAN THIS.

I THINK MANY OF THESE THINGS ARE WORTH NOTING, THAT MAINTENANCE OF TRAFFIC AND MITIGATION ARE REGULAR DISCUSSION ITEM, BUS RAIL INTEGRATED OPERATIONS, SO THAT MEANS BOTH NEAR TERM OPPORTUNITIES AS WELL LONG TERM PLANNING FOR HOW BUS AND RAIL WILL BE

INTEGRATED.
ELECTRONIC FARE COLLECTION
SYSTEM DISCUSSED EARLIER
TODAY A LITTLE BIT IS A BIG
PART OF OUR DISCUSSIONS.
THE I. T. COMMUNICATION
SYSTEMS INTEGRATION FROM
SIMPLE THINGS LIKE PHONE
TECHNOLOGY, UP TO WHAT KIND
OF COMMUNICATIONS AND
COMPUTER SYSTEMS AND HOW
THEY CAN BE INTEGRATED.
T. O. D. IS A REGULAR
DISCUSSION ITEM ON THIS
GROUP AND HOW WE CAN
CONTINUE TO SUPPORT THE
ONGOING TRANSIT-ORIENTED
DEVELOPMENT EFFORTS THAT
ARE HAPPENING.
RAIL STATION DESIGN
COORDINATION IS ANOTHER
THING THAT WE REGULARLY
DISCUSS AT THESE MEETINGS
AND IN FACT, THERE'S WHAT'S
HAPPENS IS THERE'S OFTEN
OPPORTUNITIES FOR
COLLABORATION BETWEEN
PARTNERS THAT MAY NOT SHOW
UP AT OTHER MEETINGS.
SO WE FOUND SOME GOOD
OPPORTUNITIES FOR
DISCUSSIONS ON THAT.
RAIL STATION ACCESS.
I WANT TO TALK ABOUT HOW
WE'RE TRYING TO IMPROVE
ACCESSIBILITY FOR
PEDESTRIANS, BICYCLISTS,
TRANSIT RIDERS, HANDY VAN
RIDERS, PARK AND RIDERS AND
DROP-OFFS AT THE VARIOUS
STATIONS.
WAY FINDING AND SIGNAGE.
HAD SEVERAL DISCUSSIONS
ABOUT.
THERE ARE COORDINATED

EFFORTS GOING ON AS WELL AS OPPORTUNITIES TO TALK ABOUT WEBSITE COORDINATION, HOW WE CAN POSSIBLY INTEGRATE IN THE FUTURE, AND HOW WE CAN COORDINATE IN THE NEAR TERM WEBSITES THAT DO PROVIDE TRANSPORTATION INFORMATION TO PEOPLE ACROSS OAHU.

NEXT PLEASE.

EXAMPLE OF TRAFFIC AND BUS MITIGATION EFFORTS GOING ON.

YOU BE AWARE, BECAUSE OF ALL THE CONSTRUCTION ACTIVITY ON KAMEHAMEHA HIGHWAY AND AIEA, ALTERED SOME OF OUR BUS SERVICE THROUGH THAT AREA TO PROVIDE A MORE EFFICIENCY AND CREATED A SHUTTLE THAT IS RUNNING ALONG KAMEHAMEHA HIGHWAY.

AND WE'VE ACTUALLY DIVERTED SOME OF OUR LONGER RANGE BUSES.

TO AVOID SOME OF THE TRAFFIC CONCERNS.

SO WE ACTUALLY STARTED THIS SERVICE A COUPLE MONTHS AGO BACK IN FEBRUARY.

AND IT'S BEEN RUNNING WELL. WE DO TWEAK IT OCCASIONALLY AND BUT WE'RE ALWAYS LOOKING FOR OPPORTUNITIES TO PROVIDE BETTER BUS SERVICE IN THE NEAR TERM, TO OUR CUSTOMERS AND SPECIFICALLY, WHEN IT COMES TO AVOIDING RAIL CONSTRUCTION ACTIVITY, WE WANT TO BE A GOOD PARTNER SO THAT'S AN EXAMPLE OF HOW THROUGH THIS WORKING GROUP,

WE'VE BEEN ABLE TO CREATE A BETTER SYSTEM IN THE NEAR TERM, AND BUS ACCESS FOR OUR OWN PASSENGERS.

NEXT PLEASE.

FOR THE LONG TERM DISCUSSION, WE WANT TO ENSURE THAT WE'VE GOT THE BEST POSSIBLE SYSTEM ON THE GROUND WHEN THE RAIL IS FULLY OPERATIONAL.

SO WE ARE LOOKING AT A LONG TERM STRATEGY OF CHANGING MANY OF OUR BUS ROUTES.

SO THAT THEY WILL FEED INTO RAIL AND TAKE ADVANTAGE OF THE REGULAR RELIABLE SERVICE THAT WE'LL BE PROVIDED ON THE RAIL IN PARTICULAR, THERE IS SEVERAL LONG DISTANCE ROUTES THAT WE THINK WOULD BE ALTERED AFTER THE RAIL SERVICE IS FULLY OPERATIONAL.

THEN WE'LL BE LOOKING FOR OPPORTUNITIES TO REALLOCATE SOME OF THOSE BUS SERVICE HOURS TO PROVIDE BETTER MAUKA MAKAI SERVICE THAT WE'VE IDENTIFIED A NEED.

TO THEN BRING THOSE PASSENGERS DOWN TO THE RAIL AND ENSURE THAT THEY CAN CONTINUE THEIR JOURNEY INTO THEIR FINAL DESTINATIONS.

I WANT TO JUST PROVIDE ONE IS EXAMPLE OF SOME RECENT DISCUSSION THAT WE'VE BEEN HAVING INTERNALLY THROUGH THIS GROUP.

WE HAVE A PROPOSED CIRCULATOR SYSTEM

THIS IS STILL JUST AGAIN IN THINKING ABOUT IT, NOT THE

FINAL VERSION, BUT FOR A
KAKAOKO ALA MOANA, WAIKIKI
CIRCULATOR TYPE OF SERVICE,
THAT WOULD CONNECT TO MANY
OF THE URBAN CENTERS
STATIONS.

THIS WOULD PROVIDE ACCESS
TO WAIKIKI, AS WELL AS THE
MAUKA AREAS INCLUDING
UNIVERSITIES AND SCHOOLS,
HOSPITALS, AND OTHER
EMPLOYMENT CENTERS.

WHAT WE'RE THINKING RIGHT
NOW IS WE COULD USE
SPECIALLY DESIGNED BUSES
THAT WOULD PROVIDE ACCESS
FOR LUGGAGE, AND POSSIBLY
RUN ON ELECTRIC BATTERY
POWER.

WE FEEL THAT THE TECHNOLOGY
IS RAPIDLY INVOLVING IN
THAT AREA.

WE'VE ACTUALLY HAD
DISCUSSIONS WITH HECO
RECENTLY ABOUT PARTNERING
WITH THEM TO USE CHARGING
STATIONS AND BY TAKING
ADVANTAGE OF THESE
OPPORTUNITIES, WE MAY BE
ABLE TO DEPLOY THESE BUSES
IN WAIKIKI AND OTHER HIGH
DENSITY AREAS TO PROVIDE
CONNECTED SERVICE FROM THE
RAIL AND BY INCORPORATING
SOME OTHER TRAFFIC
ENGINEERING ADVANCEMENTS,
WE MAY BE ABLE TO IMPROVE
THE OVERALL EFFICIENCY OF
THOSE PARTICULAR SHUTTLES
RUNNING TO THE RAIL
STATIONS. FOR EXAMPLE, THE
GRAPH ON THE LOWER LEFT,
YOU CAN SEE THIS IS ROUTE
8.

THIS OUR WAIKIKI SHUTTLE

CURRENTLY THAT RUNS
CONNECTS FROM ALA MOANA
INTO WAIKIKI.
ONLY A THIRD OF THE TIME,
ACTUALLY LESS THAN A THIRD
OF THE TIME, IS THE BUS
RUNNING TIME.
MOST OF THE TIME IS DUE TO
TRAFFIC DELAYS AND
PASSENGER LOADING TIME.
I DON'T KNOW IF YOU'VE BEEN
ON THE, EVER TAKEN THE BUS
FROM WAIKIKI INTO ALA
MOANA, A LOT OF THAT TIME
THAT THE BUS IS SITTING
THERE AT THE STOP IS
PASSENGERS FUMBLING WITH
MONEY, WITH COINS AND
DOLLAR BILLS, ASKING THE
DRIVER HOW TO GET TO
PLACES, CAUSES A BACK UP
JUST BOARDING.
AND THEN THE TRAFFIC
CONGESTION AND TRYING TO
NEGOTIATE THAT ALSO EATS UP
A LOT OF THE TIME.
WHAT WE'RE INTERESTED IN
EXPLORING IDEAS LIKE ALL
DOOR BOARDING MEANING
PEOPLE WITH PASSES WOULD BE
ABLE TO USE THE REAR DOORS
AND REMEMBER, ONCE WE GO TO
ELECTRONIC FARE COLLECTION,
THINGS LIKE THAT ARE
POSSIBLE.
OFF VEHICLE FARE
COLLECTION.
WHERE PEOPLE COULD ACTUALLY
PURCHASE THEIR FARE AT ABC
STORES OR AT 7-ELEVEN AS
WELL AS TICKET VENDING
MACHINES THAT MAY BE AT
SOME OF THE MAJOR STOPS W
THESE TYPE OF ADVANCEMENTS,
WE ARE CONFIDENT THAT WE

COULD SPEED UP THE OVERALL SYSTEM

AND USING THINGS LIKE DYNAMIC SCHEDULING WHERE WE DON'T ACTUALLY HAVE LAYOVERS, THE BUS WOULD JUST RUN CONTINUOUSLY BETWEEN ALA MOANA OR THE OTHER STATIONS AND WAIKIKI, WE COULD PROVIDE BETTER SERVICE AND OVERALL IMPROVE THE OVERALL EFFICIENCY OF THE SYSTEM

SO THOSE ARE THE KINDS OF THINGS WE'RE THINKING ABOUT.

IN FACT, WE'RE EVEN INTERESTED IN SUBMITTING THIS AS A POTENTIAL TIGER GRANT APPLICATION TO GET ADDITIONAL FEDERAL FUNDING TO RUN THIS TIME OF SYSTEM BUT REGARDLESS, WE THINK THIS IS A GREAT EXERCISE IN TERMS OF THINKING ABOUT HOW TO PROVIDE THE BEST POSSIBLE SERVICE TO COMPLEMENT THE RAIL IN THE FUTURE.

SO THOSE ARE THE TYPES OF THINGS THIS GROUP IS WORKING ON.

NEXT PLEASE.

THEN THERE'S BEEN ALREADY SOME DISCUSSION ABOUT THE MULTIMODAL FARE COLLECTION PROJECT.

SO I WON'T DWELL ON THIS TOO MUCH.

EVERYBODY KNOWS AT THIS POINT IS THAT WE ARE PLANNING A SYSTEM THAT WOULD RELY ON A SMART CARD TECHNOLOGY THAT WOULD WORK ON THE BUS, THE RAIL, AND

THE HANDI-VAN, BUT ALSO, HOPEFULLY, WORK FOR OTHER TRANSPORTATION TECHNOLOGIES AS WELL, INCLUDING PARKING, POSSIBLY BIKE SHARE, MAYBE EVEN SOME OTHER OPPORTUNITIES FOR COLLABORATION.

SO WE AM A CONSULTANT HEMMINGS US AND WE HAVE THE PROJECT MANAGER.

I THINK YOU ALL KNOW WHITNEY AT THIS POINT WHO HAS BEEN FANTASTIC IN TERMS OF PICKING UP THE BALL AND LEADING THIS PROJECT FORWARD.

WE HAVE A DYNAMIC STEERING GROUP THAT INCLUDES A LOT OF DIFFERENT AGENCIES ANDEN DEPARTMENTS.

AND THE RFP IS JUST ABOUT READY FOR RELEASE AND WE HOPE TO HAVE THE VENDOR HIRED WITHIN A FEW MONTHS. SO THAT'S DEFINITELY MOVING FORWARD AND WE'RE EXCITED ABOUT THE OPPORTUNITY FOR THAT.

NEXT PLEASE.

AND THEN RAIL STATION ACCESS PROGRAM IS ANOTHER THING I WANTED TO HIGHLIGHT TO YOU AS I MENTIONED, WHAT WE WANT TO DO IS ENSURE THAT PEOPLE CAN GET TO THE RAIL STATIONS.

WHAT I MEAN BY THAT, SOME OF THE RAIL STATIONS ARE GOING IN NEIGHBORHOODS WHERE IN SOME CASES WE DON'T HAVE A WELL DEVELOPED SIDEWALK NETWORK OR PERHAPS THE EXISTING BUS SYSTEM DOESN'T PROVIDE ACCESS

DIRECTLY TO THE RAIL
STATION.

BUT GOES NEARBY.

SO WE WANT TO ENSURE THAT
THERE IS GOOD BICYCLE
ACCESS, GOOD PEDESTRIAN
ACCESS, OPPORTUNITIES FOR
BUS DROP-OFF, HANDI-VAN
DROP-OFF, OTHER VEHICLE
DROP-OFF.

SO WE'RE GOING OUT STATION
BY STATION AND IDENTIFYING
THE PHYSICAL NEEDS,
OPPORTUNITIES THAT WE CAN
MAKE TO IMPROVE THE
PHYSICAL STREET SCAPE
ENVIRONMENT AROUND THE
STATIONS, TO ENSURE THAT
THERE IS ACCESS TO THE RAIL
STATIONS, BUT ALSO, TO
ENCOURAGE TRANSIT-ORIENTED
DEVELOPMENT ACTIVITY AROUND
THE RAIL STATIONS.

WE ARE PLANNING TO PROCEED
WITH TWO NEAR TERM
PROJECTS.

ONE IS THE WAI PAHU TRANSIT
CENTER AND THE OTHER IS
CHINATOWN.

NEXT SLIDE, PLEASE.

I SHOULD TALK ABOUT THAT.

WE WENT OUT TO WAI PAHU
TRANSIT CENTER.

WE SAW THIS AS A MAJOR
NEED.

AS YOU KNOW, THERE WILL BE
A RAIL STATION THERE THAT
WILL BE PROVIDING ACCESS TO
THE EXISTING BUS TRANSIT
CENTER.

BUT WHEN WE WENT OUT AND
VISIT EX-WE FOUND THAT
THERE WASN'T EVEN
SUFFICIENT CAPACITY NOW FOR
THE BUS TO BUS TRANSFERS

THAT ARE TAKING PLACE.
SO WE'RE VERY CONCERNED
THAT WHEN RAIL OPENS, THAT
THERE MAY NOT BE ADEQUATE
CAPACITY FOR THE PASSENGERS
TO MAKE THAT TRANSFER
BETWEEN BUS AND RAIL.
SO WHAT WE WANT TO DO IS
MAKE CAPACITY AND SAFETY
IMPROVEMENTS OVER THE NEXT
YEAR- AND- A- HALF USING
AVAILABLE LOCAL FUNDS TO
MAKE IT A MORE COMFORTABLE
ENVIRONMENT RIGHT NOW AND
ALSO, PREPARE FOR RAIL
COMING IN THE FUTURE.
THE SECOND ONE IS
CHINATOWN.

AGAIN, WE WANT TO IMPROVE
THE OVERALL ABILITY
NEIGHBORHOOD TO FOR PEOPLE
TO GET AROUND AND TO
PROVIDE ACCESS TO THE
FUTURE RAIL STATION AT THE
SAME TIME.

SO WE TEND TO PLAN TO GO IN
AND HAVE SOME PEDESTRIAN
IMPROVEMENTS AT VARIOUS
INTERSECTIONS AS WELL AS
WAY FINDING AND SIGN
LANGUAGE IMPROVEMENTS IN
THE AGAIN IN THE NEAR TERM
TO HELP THE SITUATION
CURRENTLY AND TO PREPARE
FOR THE FUTURE RAIL STATION
THAT COMING TO CHINATOWN.
NEXT SLIDE PLEASE.

THAT'S IT.

SO THOSE ARE THE THINGS I
WANT TO HIGHLIGHT.
YOU CAN TELL THERE'S A LOT
OF ACTIVITY THAT'S
HAPPENING.

A LOT OF THESE THINGS ARE
INDEPENDENT PROJECTS.

AND INDEPENDENT STUDIES
THAT ARE HAPPENING.
BUT THIS IS HART OTS DTS
WORKING GROUP PROVIDES A
FORUM FOR DISCUSSION ABOUT
AWE THE DIFFERENT THINGS
THAT ARE HAPPENING AND
ENABLES US TO KEEP TRACK OF
AND LOOK FOR FURTHER
EFFICIENCIES AND
OPPORTUNITIES.
I'LL BE HAPPY TO TAKE ANY
QUESTION.

THANK YOU.

>>CHAIR LUI-KWAN: THANK YOU
VERY MUCH.

>DIRECTOR FORMBY: I WANT TO
MAKE A COUPLE OF COMMENTS.
FIRST, I HOPE EVERYBODY
KNOWS HOW FORTUNATE I AM TO
HAVE MARK GARRITY WITH ME
AND THE DEPARTMENT OF
TRANSPORTATION SERVICES.
HE IS A HIGHLY EXPERIENCED
TRANSIT, TRANSPORTATION
PLANNER AND JUST A PERFECT
GUY TO PULL THIS OFF.
SO MARK, I DO APPRECIATE
YOU AND THANK YOU.
JUST WANTED TO ADD A COUPLE
OF NOTES.

ONE, WE'RE TRANSITIONING
FROM ANSALDO TO HITA CHI.
REALLY ARE EXPERTS IN
INTERMODAL CONNECTIONS.
WHEN THE TIME IS
APPROPRIATE, WE'LL LET YOU
KNOW.
MAKE SURE WE REACH OUT TO
THEM.
I'M CONFIDENT THEY'RE GOING
TO BRING ALL KINDS OF
KNOWLEDGE AND EXPERIENCE TO
THE TABLE THAT'S GOING TO
HELP US.

THE SECOND, WHERE WE TALK ABOUT THE WORKING GROUP MEMBERS, BOTTOM YOU TALK ABOUT STAKEHOLDERS.

I DO WANT TO MAKE SURE THAT TO BARBRA ARMENTROUT'S COMMENT, WE ALWAYS KEEP THE USERS NOT JUST TRANSIT RIDERS, BUT HANDI-VAN RIDERS AS PART OF THE STAKEHOLDERS GROUPS.

I THINK THAT'S REAL IMPORTANT.

AND THEN DONE HORNER ALWAYS REMINDS ME AND I APPRECIATE THAT, THERE ARE OTHER STAKEHOLDERS LIKE THE MEDICAL COMMUNITY, DEPARTMENT OF EDUCATION, UNIVERSITY, AND THOSE ARE STAKEHOLDERS THAT WE NEED TO REACH OUT ALSO IN THOSE CONNECTIONS.

I WANTED TO JUST BRIEFLY TO EVERYBODY KNOW MARK TALKED ABOUT THE CIRCULATORS WE'RE WORKING ON FOR THE DOWNTOWN AND KAKAOKO STATIONS.

WE ARE PUTTING THAT IN UNDER A TIGER GRANT.

EXTREMELY COMPETITIVE.

IF WE GET IT, IT PAYS OFF WELL.

AND AS A PLUG FOR HECO, THEY DID AGREE TO PARTNER WITH US ON THIS APPLICATION TO THE U.S. DEPARTMENT OF TRANSPORTATION.

WHAT THAT MEANS IS WE WOULD HAVE A MIX OF HYBRID ELECTRIC AND ELECTRIC BUSES.

DURING THE NONHIGH VOLUME HOURS, ELECTRIC BUSES WOULD GO TO THE TRANSIT

CENTERS AND HECO WOULD
INSTALL THE ELECTRICAL
INFRASTRUCTURE FOR
RECHARGING.
THEY'VE AGREED TO PARTNER
WITH US ON THIS.
I'M REALLY APPRECIATIVE.
ANY TIME YOU GET PARTNERS
FROM THE COMMUNITY, IT
HELPS PROSPECTS OF GETTING
THE GRANTS.
SO THAT'S A BIG PLUS FOR
US.
WHEN MARK TALKED ABOUT THE
ROUTES OF TWO CIRCULATOR
BUSES, WE CAN TWEAK THEM,
BUT WE SAT DOWN WITH ROGER
MORTON, LISTENING TO PEOPLE
LIKE DON HORNER AND WE
TWEAKED THE ROUTES TO MAKE
SURE THAT WE MAXIMIZED WHAT
USDOT CALLS THE LADDERS OF
OPPORTUNITIES.
THAT'S WHERE YOU MAKE SURE
THAT YOUR ROUTES PROVIDE
MAXIMUM OPPORTUNITIES FOR
THE COMMUNITY TO ADVANCE IN
LIFE, WHETHER IT'S JOBS, OR
EDUCATION, SO IF YOU LOOK
AT THOSE ROUTES, THEY'RE
PROBABLY A LOT OF PEOPLE
THAT LIVE AVENUE THAT WOULD
LIKE THEIR KIDS TO GO TO
PUNAHOU AND/OR IOLANI.
MAYBE EVEN APPLY.
BUT THEY DON'T HAVE
OPPORTUNITIES BECAUSE OF
TRANSPORTATION.
AND WE MADE SURE THESE
ROUTES WENT BY THOSE
SCHOOLS.
>> AND MCKINLEY.
>> MCKINLEY.
IT CAN BE ANY OF THEM
WE'RE JUST SAYING IT'S

ABOUT EQUAL ACCESS.
SO CANCER CENTER, QUEEN'S
MEDICAL CENTER, STRAUB, WE
TRIED TO THE MAXIMUM EXTENT
POSSIBLE TO MAKE SURE THAT
WE HIT ON SOME THOSE
LADDERS OF OPPORTUNITY.
I THINK THAT'S ONE.
BENEFITS OF OUR PROPOSAL TO
USDOT.
AND I THINK I HAD JUST ONE
MORE THING.
IF YOU COULD GIVE EVERYBODY
A BRIEF UPDATE ON THE
PEARLRIDGE TRANSIT CENTER.
THAT WASN'T PART OF YOUR
BRIEF TODAY.
FOR THAT COMMUNITY, THAT'S
GOING TO BE IMPORTANT HUB.
>> ABSOLUTELY.
SO I DID NOT MENTION THAT.
BUT THERE IS AN EFFORT
UNDERWAY.
CITY IS ACTUALLY CONTRACTED
WITH THE FIRM RIGHT NOW
THAT'S DOING ENVIRONMENTAL
SITE ASSESSMENT.
PLANNING TO LOOKING AT THE
IDEA OF PURCHASING THAT
PROPERTY AND THEN
CONVERTING IT TO A BUS
TRANSIT CENTER TO PROVIDE
THOSE INTERMODAL ACCESS
OPPORTUNITIES AT THAT RAIL
STATION.
SO HART PURCHASED THE JUST
THE PROPERTY THEY NEEDED ON
THE MAKAI SIDE OF MAKAI
SIDE OF KAMEHAMEHA HIGHWAY,
THE CITY IS LOOKING AT
PURCHASING THE PROPERTY
AROUND THE HART PROPERTY,
AND WE WOULD USE THAT
PRIMARILY AS A BUS TRANSIT
CENTER TO PROVIDE A LOT OF

THE MAUKA MAKAI ACCESS TO
THE RAIL STATION.

THAT' S SOMETHING THAT IN
THAT PARTICULAR COMMUNITY
IS REALLY NECESSARY BECAUSE
GETTING ACCESS TO THAT
STATION IN PARTICULAR IS
QUITE DIFFICULT JUST
BECAUSE OF THE NATURE OF
THE HIGHWAY AND THERE' S NOT
A PARK AND RIDE PLAN THERE.
IT' S NOT REALLY APPROPRIATE
PLACE FOR A PARK AND RIDE,
BUT IT IS A GREAT
OPPORTUNITY FOR A BUS
TRANSIT CENTER AND POSSIBLY
EVEN A TRANSIT-ORIENTED
DEVELOPMENT SITE IF THAT
WORKS OUT.

SO THERE' S A LOT OF THINGS
BEING CONSIDERED FOR THAT
LOCATION.

BUT THAT' S SOMETHING THAT
WE ARE ALSO PURSUING AT
THIS TIME.

>> ANY FURTHER QUESTIONS OF
MARK?

COMMENTS?

MR. HORNER?

>>VICE CHAIR HORNER: I' M
EXCITED ABOUT THIS, MARK.
SO THANK YOU AND WORK FORCE
THAT' S BEING DONE.

I KNOW WE' RE STILL A LONG
WAY OF FINALIZATION, SO I
SEE THE NEWSPAPER BACK
THERE WRITE AGO WAY.

I THINK THIS IS ALL YOUR
PROPOSALS.

THERE' S A LOT TO COME.

IDEAS AT THIS POINT.

GET FEEDBACK FROM THE
COMMUNITY.

SO IF I' M A RIDER FROM
KAUAI, AND I NEED TO GET TO

QUEEN' S HOSPITAL AND I COME
IN ON THE AIRPORT, I GET ON
THE RAIL, WHAT I' M HEARING
YOU SAY, THERE' S A
POTENTIAL FOR A SHUTTLE
SERVICE THAT WILL SWING
AROUND AND DROP ME RIGHT
THERE AT QUEEN' S AND I' LL
KNOW HOW TO GET RIGHT BACK
TO THE RAIL AND GET BACK TO
THE AIRPORT, SAVE ME A LOT
OF COST IN TRAFFIC AND
TAXICABS AND ALL OF THE
DIFFERENT THINGS.

>> SOME OF THE MAJOR
DESTINATIONS ARE SLIGHTLY
LONGER THAN WALKING
DISTANCE FROM THE NEAREST
RAIL STATION.

QUEEN' S HOSPITAL MIGHT BE
ONE OF THOSE THAT IT' S A
MAJOR EMPLOYMENT
DESTINATION, AND IF WE WERE
TO RUN A SHUTTLE ON A
REGULAR BASIS FROM A COUPLE
OF THE RAIL STATIONS THAT
ARE NEAR BY, I THINK MANY
OF THE PEOPLE WOULD FIND IT
MUCH MORE CONVENIENT TO HAVE
THAT RELIABILITY AND THEY
WOULD FEEL CONFIDENT TAKING
THE RAIL KNOWING THAT THEY
CAN EASILY HOP ON THE BUS.
I' VE BEEN TO MANY OTHER
CITIES AROUND THE UNITED
STATES WHERE THEY RUN A
FREQUENT SHUTTLE BUS FROM
THE RAIL STATIONS TO SERVE
THE BUSINESS COMMUNITY
THAT' S NEAR BY.
AND THAT IS A VERY POPULAR
OPTION

>>
>>VICE CHAIR HORNER: MIGHT
BE CONFIGURED FOR THAT

PURPOSE.
HIT KUAKINI, HIT STRAUB,
HIT KAPOLEI -- KAPIOLANI
HOSPITAL.
ET CETERA.
PROBABLY HAVE A
CONFIGURATION THAT
ACCOMMODATES THAT TYPE OF
PASSENGER, AS WELL AS
UNIVERSITY, MAYBE A
DIFFERENT TYPE OF VEHICLE
FOR THEIR NEEDS AND
TOURIST.
MOST IMPORTANTLY, WORKS
COMING FROM THE WEST SIDE
THAT FIGHT TRAFFIC, NEED TO
GET TO THEIR, HOUSE KEEPERS
OR FOLKS IN WAIKIKI, ET
CETERA.
>> I THINK THE RELIABILITY
IS THE KEY FOR THEM
>>VICE CHAIR HORNER: LOVE
THE IDEA, MORE OF A SHUTTLE
TYPE CONFIGURATION.
DESIGNING, RATHER THAN
FORCING OUR CUSTOMERS TO
FIT WHAT WE'VE MODE OF
TRANSPORTATION, WE'RE
DESIGNING OUR MODE OF
TRANSPORTATION TO FIT OUR
CUSTOMERS.
>> RIGHT.
>>VICE CHAIR HORNER: THAT'S
GOOD NEWS.
THANK YOU, MARK.
>> THANK YOU.
>>CHAIR LUI-KWAN: I HAVE A
QUESTION.
NOT ONLY A QUESTION, BUT
REALLY A COMMENT.
THE COMMENT HAS TO DO WITH
THE FACT THAT THIS PROJECT
IS INCREDIBLY IMPORTANT AND
ONE PIECE, THE PIECE THAT
CONNECTS THE ALA MOANA

CENTER TO WAIKIKI IN THE HOTELS, PARTICULARLY THOSE PASSENGERS COMING FROM THE AIRPORT, AND IN A MEETING, WITH RECENTLY HAD WITH THE COUNCILMEMBER TREVOR OZAWA, HE MENTIONED THAT THERE'S SO MUCH INTEREST THAT CONSUL GENERAL FROM JAPAN HAD INQUIRED ABOUT THAT CONNECTIVITY FOR THE CITIZENS COMING FROM JAPAN. THAT WILL USE THE RAIL, AND GO AND GET CONNECTED FROM THE ALA MOANA CENTER TO WAIKIKI.

SO MY QUESTION IS HOW FAR ALONG IS THE GROUP WITH RESPECT TO COMING UP WITH THESE AI HAD IDEAS AND CONCEPTS THAT'S GOING TO BE MORE SUBSTANTIVE?

>> WELL, WE'VE BEEN HAVING ONGOING DISCUSSIONS AND THIS IS PART OF IT. YOU KNOW, THERE IS AN EXISTING BUS SYSTEM THAT CONNECTS ALA MOANA WITH WAIKIKI, BUT WE RECOGNIZED THAT IT DIDN'T PROVIDE MANY OF THE THINGS THAT YOU MENTIONED OR THAT HAVE BEEN MENTIONED, THE EXTRA ROOM FOR LUGGAGE, THE SORT OF FREQUENCY THAT PEOPLE EXPECT, RELIABILITY, AND SO THESE ELEMENTS THAT MIKE MENTIONED WE'RE GOING TO PUT IN THE TIGER GRANT ARE TO IMPROVE THE RELIABILITY AND THE CAPACITY FOR THOSE SPECIFIC CUSTOMERS THAT YOU MENTIONED AS WELL AS EMPLOYEES.

IF THANK YOU THINK ABOUT IT

IN TERMS OF BEING ABLE TO,
IF SINCE WE'RE ALLOWING
LUGGAGE ON THE TRAIN.
MANY JAPANESE PEOPLE WILL
BE DOING THAT BECAUSE
THAT'S WHAT THEY'RE USED
TO.

I GO TO JAPAN QUITE OFTEN
AND YOU ALWAYS SEE PEOPLE
TAKING LUGGAGE ON THE
TRAINS AND THEN THEY USE
THE OTHER FORMS OF
TRANSPORTATION WITH THAT.
SO THEY'RE GOING TO BE
COMING DOWN THE ESCALATOR
AT ALA MOANA WITH THEIR
BAGS AND EXPECTING TO BE
ABLE TO PUT THEM ON TO A
BUS AND TAKE THEM INTO
WAIKIKI.

SO AS DON MENTIONED, WE
WANT TO DESIGN THE VEHICLES
TO ACCOMMODATE THAT
SPECIFIC MOVEMENT.

I THINK THE ALL DOOR
BOARDING IN PARTICULAR IS
GOING TO BE SOMETHING VERY
BENEFICIAL.

ALL DOORS OF THE BUSES
WILL OPEN.

PEOPLE WILL BE ABLE TO TAKE
THEIR BAGS ON TO THE BUS
USING THE REAR DOOR.

THEY MIGHT BE ALREADY
WITHIN THE FARE ZONE.

IN OTHER WORDS, WE MIGHT
EVEN BE ABLE TO DESIGN A
BUS RAIL CONNECTION AT ALA
MOANA YOU HAVEN'T ACTUALLY
LEFT THE FARE ZONE YET.

THOSE ARE THE KIND OF
THINGS WE'RE THINKING
ABOUT.

WE DON'T HAVE IT FINALIZED
OR DETAILED THE WAY THAT

WE'RE GOING TO HAVE IT IN
THE END.

WE HAVE A COUPLE MORE YEARS
TO WORK ALL OF THOSE
DETAILS OUT.

THOSE ARE THE SORT OF
THINGS WE'RE THINKING
ABOUT.

HOW TO MAKE IT AS QUICK,
EASY AND EFFICIENT AS
POSSIBLE SO THE PEOPLE
CHOOSE TO USE TRANSIT AND
REDUCES OUR OVERALL TRAFFIC
CONGESTION, REDUCES
POLLUTION.

THANKS LIKE THAT.

>> IF I MAY POINT AU.

I THINK FARE SYSTEM THAT
WE'RE TALKING ABOUT
EMPLOYING WOULD GIVE US THE
CAPACITY FRANKLY CHARGE THE
TOURISTS A BIT OF A PREMIUM
COMPARED TO THE LOCAL FOLKS
BECAUSE THEY \$25 TAXI RIDE.

>> SURE.

>>VICE CHAIR HORNER: \$68
THAT BART CHARGES FOR
EXAMPLE, THEY'LL SUBSIDIZE
OUR CITIZENS.

>> CARD WILL ALLOW THAT.

>> THEY'LL BUY IT, POINT OF
SALE AT THE AIRPORT.

HAVE A VERY EFFICIENT USER
FRIENDLY SYSTEM FOR THAT TO
ACCOMMODATE THOSE FOLKS AND
THEY'LL PAY FOR IT.

>> THEY THINK IT'S WORTH
IT.

>>VICE CHAIR HORNER: JAPAN,
ALL OF THOSE, MOST NOT ALL,
BUT I'D SAY MAJORITY
OPERATE AT A PROFIT THOSE
RAIL SYSTEMS.
THEY'RE ACCUSTOMED TO

OPERATING AT A PROFIT.
THOSE TOURISTS ARE
ACCUSTOMED TO PAYING A FAIR
PRICE FOR THE EXPERIENCINGS
OF TAKING RAIL THAT MAKES
IT EFFICIENT.

>>CHAIR LUI-KWAN: ANY OTHER
QUESTIONS?

THANK YOU VERY MUCH.

>> THANK YOU VERY MUCH.

>>CHAIR LUI-KWAN: NEXT ITEM
ON THE AGENDA, CONSTRUCTION
AND TRAFFIC UPDATE.

WANT TO INTRODUCE YOUR
TEAM?

>>

>>EXECUTIVE DIRECTOR
GRABAUSKAS: YES.

I WOULD LIKE TO INTRODUCE
DEPUTY DIRECTOR OF
CONSTRUCTION, WHO IS GOING
TO GIVE THE OVERVIEW ON OUR
CONSTRUCTION UPDATED AND
SCOTTY ISHIKAWA IS OUT THIS
WEEK.

WE'RE PLEASED TO HAVE
ALLISON ANDRADE HERE GIVING
US THE UPDATE.

ALLISON WORKS FOR KIEWIT
AND IS ONE OF OUR REAL KEY
GO TO PEOPLE OUT IN THE
COMMUNITY, GIVES ME A
CHANCE BECAUSE ALLISON
DOESN'T COME UP ALL THE
TIME, JUST TO SAY THANK YOU
TO HER AND HER STAFF WHO DO
A REALLY TERRIFIC JOB
THERE, ON CALL WHEN WE HAVE
AN ISSUE IN THE COMMUNITY,
AND THEY'RE OUT THERE WITH
US PARTNERING TO ADDRESS
ANY COMMUNITY CONCERNS OR
QUESTIONS AND SO SHE IS
GOING TO, TODAY SHE GETS TO
BE THE FACE OF TRAFFIC.

AND GIVE US THE UPDATE
BECAUSE SCOTT IS ON
VACATION.
I'LL TURN IT OVER TO TOM TO
WALK US THROUGH.
>> GREAT.
THANK YOU.
AGAIN.
TOM LABO DEPUTY DIRECTOR OF
CONSTRUCTION FOR HART.
WE'VE HAD A LOT OF EXCITING
THINGS GOING ON.
ATTENTION TO THE SCREEN FOR
THOSE WHO ARE VIEWING AT
HOME AS WELL.
JUST TO EXPLAIN A LITTLE
BIT ABOUT OUR PACKAGING FOR
THOSE THAT DON'T KNOW.
I WILL BE STARTING FROM
WEST TO EAST.
WORKING.
WE HAVE THE FIRST DESIGN
BUILD PACKAGE.
WHICH IS THE WEST OAHU
FARRINGTON HIGHWAY
CONTRACT.
ON THE WEST, OTHERWISE
KNOWN AS THE WOFH CONTRACT
IN ABBREVIATION.
THEN YOU HAVE THE RAIL
OPERATION CENTER, ALREADY
REFERRED TO HERE AS THE
ROC.
REFER TO THERE, NEAR
LEEWARD COMMUNITY COLLEGE
AND WAIPAHU HIGH SCHOOL.
AND FORMER NAVY DRUM SITE
LOCATED RIGHT IN BETWEEN.
THE NEXT DESIGN/BUILD
CONTRACT FOR THE GUIDEWAY
IS KAMEHAMEHA HIGHWAY
GUIDEWAY SECTION.
THE KHG SECTION.
WHICH IS IN ORANGE.
THAT RUNS FROM PEARL

HIGHLANDS ALL THE WAY TO
ALOHA STADIUM
FROM THERE, ON THE EAST,
PACKAGING STRUCTURE MOST
RECENTLY IS THE
DESIGN/BUILD WHICH IS IN
RED, FOR OUR AIRPORT
GUIDEWAY SYSTEM THAT PICKS
UP AT ALOHA STADIUM AND
THEN GOES ALL THE WAY TO
THE MIDDLE STREET TRANSIT
CENTER.
FINALLY, GOING EAST BOUND
FROM THE MIDDLE STREET
TRANSIT CENTER, CITY CENTER
DESIGN/BUILD CENTER EXPICK
UP AT MIDDLE STREET AND GO
ALL THE WAY IN TO ALA
MOANA.
SOME OF THINGS WE HAVE
HAPPENING, RAIL OPERATIONS
CENTER, WE'VE ALREADY
REFERRED TO IT AS THE KIND
OF A CROWNING JEWEL THAT
WE'VE HAD HERE.
IT'S BEEN A VERY SUCCESSFUL
PROJECT.
IT'S ON TIME.
ON BUDGET.
RIGHT NOW, CURRENTLY, AS OF
TODAY, IT'S 71% COMPLETE.
CONTRACT BUILD TO DATE IS
RIGHT ON SCHEDULE.
71% OF IT BUILT.
AND WE ARE ARE MOVING RIGHT
ALONG.
IT'S REALLY TAKING SHAPE
THERE AS YOU CAN SEE FROM
SOME OF THE PICTURES HERE.
AN THAT I WILL RUN THROUGH.
SOME OF THE CRITICAL THINGS
WE'RE GOING THROUGH RIGHT
NOW IS REALLY THE INTERFACE
WITH ANSALDO AT THIS POINT.
STARTING TO MOBILE

IDENTIFI ESIZE.
TRAILERS- MOBILIZE.
TRAILERS ON SITE.
START INSTALLING SYSTEMS
COMMUNICATIONS ELEMENTS.
RIGHT NOW, WE'RE TRYING TO
MIX THE TWO BETWEEN OUR
CIVIL AND STRUCTURES WORK
AS WELL AS OUR SYSTEMS AND
COM WORK IN PREPARATION FOR
THE VEHICLE ARRIVAL EARLY
NEXT YEAR.

IF I COULD INTERRUPT.
>>VICE CHAIR HORNER:
IMPORTANT FOR THE PUBLIC TO
APPRECIATE HOW THAT WORKS.
IF I UNDERSTAND IT, WHEN
YOU'RE FINISHED, ALMOST
LIKE WE TURN THE KEYS OVER
TO OUR OPERATOR AND THEY
TAKE OVER OPERATION.
MIGHT JUST HIGHLIGHT AU
THAT.

>> YES, ANSALDO HAS GOT THE
DESIGN/BUILD OPERATE
MAINTAIN, WHICH INCLUDES
INSTALLATION OF SYSTEM
ELEMENTS, TRACTION POWER
COMMUNICATIONS.
ONCE THAT'S DONE, THOSE
EFFORTS ARE COMPLETED WITH
OUR SITE, CIVIL AND
STRUCTURES ELEMENTS OF THE
SYSTEM AS WELL AS THE TRACK
WORK.
IN CONJUNCTION WITH ANSALDO
INSTALLING THE SYSTEMS AT
THE SAME TIME, THEN AT THAT
POINT, WHICH WILL BE END OF
THIS YEAR, EARLY NEXT YEAR,
AGAIN, KEYS WILL BE
THEORETICALLY HANDED OVER
TO ANSALDO'S OPERATIONS AND
MAINTENANCE SIDE, WHICH

WILL THEN RECEIVE THE
VEHICLES AND START THE
OPERATIONS AND TESTING OF
THOSE VEHICLES.

>>VICE CHAIR HORNER: WILL
THE CITY HAVE ANY -- I MEAN
HART HAVE ANY STAFF ON SITE
THERE PHYSICALLY?

AT THIS POINT, DO WE KNOW?

>> NOT LOKE LOCATED THERE
FULL-TIME.

>> ANSALDO LESSEE TAUGHT
YOU THAT POINT.

THEY'RE GOING TO BE THE
OPERATORS.

>>EXECUTIVE DIRECTOR
GRABAUSKAS: EARLIER POINT
IN THE MEETING, WE'LL BE
OVERSEEING THE CONTRACT,
THAT LOCATION WILL BE THE
HOME BASE AND OPERATIONS
CENTER AND THE HEADQUARTERS
FOR ANSALDO JOINT VENTURE
THAT WILL OPERATE AND
MAINTAIN THE SYSTEM.

CURRENTLY PLANNED, WE WOULD
BE LOCATED SOMEPLACE ELSE.

>> AS POINT OF
CLARIFICATION, WE DO HAVE A
CORE SYSTEMS STAFF WITH A
VEHICLE COMPONENT.

SO THERE WOULD BE
TREMENDOUS OVERSIGHT BY
HART OF COURSE WHEN WE
START TAKING CONTROL OF
THAT.

OPERATIONS SERVICES
BUILDING IS MOVING RIGHT
ALONG.

MOST OF THE FOCUS RIGHT NOW
IS ALL INTERNAL.

YOU'LL START TO SEE
TRAFFIC.

YOU'LL SEE TRACK BED BEING
LAID THERE ON THE LEFT SIDE

OF THE PHOTOGRAPH.
THE TRACK WILL START
EXTENDING THROUGH THE
BUILDING HERE IN THE NEAR
FUTURE.
THE MAINTENANCE AWAY
BUILDING, SHELL IS
COMPLETE.
THE ROOFS IS ON.
YOU'RE STARTING TO SEE
TRACK ACTUALLY LAID THROUGH
THE BUILDING AS WELL THERE.
THE WHEEL TRUING BUILDING
ON THE OUTSIDE OF THE OSB,
HAS TRACK ALREADY GOING
THROUGH IT.
THE YARD IS STARTING TO
TAKE SHAPE.
YOU SEE THE TRACK EQUIPMENT
THERE.
RIGHT-HAND CORNER.
DUMPING THE BALLAST ROCK TO
MAKE THE TRAIN DELIVERY
EARLY NEXT YEAR.
NEXT PROJECT, DESIGN/BUILD
WEST OAHU FARRINGTON
HIGHWAY GUIDEWAY CONTRACT.
62% COMPLETE.
EXCITED TO SEE A LOT OF
TRACK WORK IN THE HO' OPILI
AREA GOING DOWN ON THE
GUIDEWAY DECK.
THE COLUMN THERE YOU SEE
PICTURED IS THE COLUMN IN
BETWEEN THE FORT WEAVER
OVERPASS OVER FARRINGTON.
THE TRUST IS THE COMING
DOWN FARRINGTON GOING
TOWN-BOUND AND GETTING
READY TO FLY OVER FORT
WEAVER ROAD.
RIGHT NOW, CONTRACT IS
STILL TRACKING FOUR MONTHS
BEHIND SCHEDULE. WE ARE
WORKING WITH OUR CONTRACTOR

PRIMARILY WITH THE LCC
PORTABLES.
LONG LEAD ITEM
DRIVING THAT OUT.
TRY TO MITIGATE THAT AND
MOVE IT FORWARD AS MUCH AS
POSSIBLE TO BRING THE
CONTRACT BACK.
>>EXECUTIVE DIRECTOR
GRABUSKAS: DO YOU WANT
COMMENT.
THERE' S A LOT OF INTEREST
IN FORT WEAVER ROAD.
WHEN WE' RE ACTUALLY GOING
TO START DOING THE
CONSTRUCTING CROSSOVER.
CAN YOU GIVE TIME TABLE AND
WHAT PEOPLE MIGHT EXPECT TO
SEE THERE
>> HE HE WITH WOULD EXPECT
TO SEE THE TR U. S. S.
SYSTEM, START TO GO UP AND
GO OVER FORT WEAVER TIME
FRAME.
COMPLETION MIDDLE TO END OF
AUGUST.
TRAVELING PUBLIC, A LOT OF
DISCUSSION AND TALK ABOUT
THE CLEARANCES BETWEEN FORT
WEAVER ROAD AND OUR BRIDGE.
WE HAVE VERIFIED THOSE
CLEARANCES THERE WITHIN
D. O. T. STANDARDS.
PLANS HAVE BEEN APPROVED BY
D. O. T.
WE' RE KEEPING A CLOSE EYE
ON THAT.
AS-BUILT THAT AFTER IS IT
STARTS.
SOME OF THE PICTURES ON THE
BALANCED CANTILEVER WORK.
AHEAD OF SCHEDULE.
KIEWIT IS MOVING RIGHT
ALONG.
WE' RE VERY HAPPY WITH THE

CONSTRUCTION EFFORT THAT'S
BEEN GOING ON.
WE HAVE HAD SOME ALLEGED
DEBRIS FOLLOWING FROM THE
BALANCED CANTILEVER.
INVESTIGATING THOSE ISSUES.
NEWS WORTHY STORY.
WE WANT TO ENSURE THE
PUBLIC AT HOME THAT THE
BALANCED CANTILEVER IS VERY
SAFE.
KIEWIT HAS GONE ABOVE AND
BEYOND TO INSTALL MEASURES
WITH HART.
WE'VE COME UP WITH MEASURES
LIKE NETTING IF YOU'VE
DRIVEN UNDER THERE LATELY,
THERE'S NETTING NOW
UNDERNEATH ALL OF THE
TRAVELER SYSTEMS.
THEY'VE USED FOAM TO FILL
ANY GAPS WITHIN THE FORM
WORK.
STRUCTURE TO KEEP THOSE
TYPES WAS THINGS FROM ANY
DEBRIS FROM FALLING.
AS WELL AS THEY ARE
INSTALLING 247 CAMERAS AS
WELL TO HELP US IN
ASSISTING INVESTIGATION AS
WELL.
HELPS US IN KNOWING WITHER
SOMETHING FELL, HOW IT
FELL, WHAT IT LOOKED LIKE,
THOSE TYPE OF THINGS.
SO WE'RE GOING ABOVE AND
BEYOND TO TRY TO MITIGATE
THOSE CLAIMS AND AS WELL AS
TRY TO SETTLE IN AS QUICKLY
AS WE POSSIBLY CAN.
THE KAMEHAMEHA HIGHWAY
DESIGN/BUILD SECTION, RIGHT
NOW, IS 38% COMPLETE.
THE DRILLED SHAFTS ARE
MOVING RIGHT ALONG.

WE DO HAVE SOME CONCERNS ON SCHEDULE.

AS FAR AS THE THIRD-PARTY UTILITIES ARE CONCERNED. AND WE HAVE ELEVATED SOME OF THOSE TO EVEN THE CEO AND EXECUTIVE DIRECTOR LEVEL WHO IS ACTIVELY INVOLVED WITH HECO TO TRY TO GET RESOLUTION ON SOME OF THE COMMIT 789S BY A

COMMITMENTS BY THIRD-PARTY UTILITIES.

CONSTRUCTION IS PROGRESSING.

SHAFTS GOING INTO THE GROUND.

COLUMNS UP SHORTLY.

RIGHT NOW, KIEWIT IS

CONSTRUCTING A

MANUFACTURING A THIRD TRUSS

ON THE MAINLAND WHICH IS

SCHEDULED TO ARRIVE LATE

JUNE, EARLY JULY, WHICH

WILL GO TO THE KAMEHAMEHA

HIGHWAY GUIDEWAY CONTRACT

AND START SETTING IT ERECT

AND EXPAND FROM THERE.

THE NEXT 10-MILES, WHICH

WOULD INCLUDE THE AIRPORT

DESIGN/BUILD SECTION.

AS WELL AS CITY CENTER, WE

HAVE TWO ADVANCED CONTRACTS

AS I REPORTED IN THE PAST.

AIRPORT ADVANCED UTILITIES

CONTRACT IS 10%.

WE'VE HAD SOME CHALLENGES

WITH THE NAVY WHICH WE'LL

GET UPDATED ON.

WE'RE LOOKING AT HAVING

ACCESS VIA THE NAVY

PROPERTY AND THE NAVY

UTILITIES BY MID JULY TO

HAVE THAT ISSUE CLEARED UP

AND THAT PROJECT WILL START
MOVING A BIT QUICKER THAN
IT HAS IN THE PAST.

THE AIRPORT SEVEN PIERCE IS
100% COMPLETE WITH PHYSICAL
WORK.

WE ARE RIGHT NOW WALKING
THROUGH THAT SMALLER
PROJECT THROUGH CLOSE-OUT
PROCESS.

WHICH HAS BEEN REALLY GOOD
FOR US AND OUR STAFF TO
WALK THROUGH EXACTLY WHAT
IT'S GOING TO TAKE TO START
CLOSING OUT CONTRACTS.

IT WILL BE THE FIRST
CONSTRUCTION CONTRACT THAT
WE'VE STARTED AND ACTUALLY
CLOSED OUT HERE AT HART.
WITH THAT, I WILL TURN IT
OVER TO ALLISON FOR THE
TRAFFIC UPDATES.

>> THANK YOU.

GOOD MORNING BOARD.

THANK YOU FOR HAVING ME.

GLAD TO BE BACK TO GIVING
YOU YOUR TRAFFIC UPDATE.

I HOPE I DO SCOTT'S UPDATE
JUSTICE.

A LOT OF THESE, YOU'VE SEEN
BEFORE.

BUT WE ARE CONTINUING OUR
FARRINGTON HIGHWAY DETOUR
IN THE EVENINGS.

TO KEEP THAT FARRINGTON
HIGHWAY OPEN DURING THE
MORNING AND EVENING COMMUTE
FOR THE TRAVELERS OUT ON
THE WEST SIDE.

MOVING ON TO FARRINGTON
HIGHWAY IN WAIPAHU.

WE HAVE THE CONCRETE
BARRIER UP IN THE MEDIAN
WHERE WE ARE BUILDING OUR
COLUMNS.

THIS ALLOWS US, WE JUST
PUSHED THE LANES OUT SO IT
DOES ALLOW US TO KEEP THE
FREE FLOWING TRAFFIC WITH
THE 2 LANES AND WE'RE
WORKING SAFELY WITHIN THE
MEDIAN.

MOVING DOWN FURTHER, ON
FARRINGTON HIGHWAY, THIS IS
AN EXAMPLE OF A CROSSOVER
WHERE WE NEED TO SHUT DOWN
ONE SIDE OF THE HIGHWAY AND
WE CROSS OVER ONE LANE IN
EACH DIRECTION ON THE OTHER
SIDE.

THIS IS EVENING WORK.
SO THIS TAKES PLACE 7:00
P.M TO 6:00 A.M

THIS IS UTILITY RELOCATIONS
THAT WE'RE DOING TO MAKE
WAY FOR THE COLUMNS AND
SHAFTS.

AS WE ALL INOUYE, THE
BALANCED CANTILEVER WORK,
THE LOCATION IS RIGHT OVER
THE H-1-H2 MERGE.

WE DO TAKE LANES IN THE
EVENINGS AND WHEN WE ARE
ABLE, WE GO AHEAD AND
PARTNER WITH D.O.T. AND THE
LANE CLOSURES THAT HAWAIIAN
DREDGING IS TAKING TO
MINIMIZE THE IMPACTS OF
THESE CLOSURES.

KAMEHAMEHA AND PEARL CITY,
THIS IS ANOTHER LOCATION
WHERE WE HAVE OUR CONCRETE
BARRIERS UP TO WORK ON THE
FOUNDATION SHAFTS.

THIS IS NEAR ACACIA ROAD.
I KNOW EVERYONE IS FAMILIAR
WITH THIS CLOSURE AND
MOVING RIGHT DOWN, NEAR
WAIMANO HOME ROAD,
CONTINUING AT THOSE DRILLED

SHAFT FOUNDATIONS.
THESE ARE A COUPLE OF
EXAMPLES OF OUR EVENING
CLOSURES FOR OUR UTILITY
RELOCATE.
THIS IS INTERMITTENT
THROUGHOUT THE HIGHWAY.
WORK INSIDE THE MEDIAN AND
KEEP LANES IN EACH
DIRECTION OPEN AND THEN
OPENING IT BEFORE THE
MORNING DRIVE TIME.
THIS IS AN EXAMPLE ON
KAMEHAMEHA HIGHWAY WHERE WE
ARE DOING A CROSSOVER.
THERE IS UTILITY RELOCATION
WORK RIGHT THERE IN THE
GENERAL WORK ZONE.
CAN YOU SEE.
AND WE'RE GOING AHEAD AND
COUNTER FLOWING THE TRAFFIC
ONE LANE IN EACH DIRECTION
ON THE OPPOSITE SIDE OF THE
HIGHWAY.
THEN THIS IS NEAR PEARL KAI
SHOPPING CENTER WHERE WE
ARE DOING SOME ROADWAY
WIDENING WORK.
WORKING ON THE SIDE OF THE
ROAD.
CONCRETE BARRIER.
24-7 CLOSURE IN THIS AREA.
WORKING CLOSELY WITH THE
SHOPPING CENTER.
ALL ACCESS TO THE SHOPPING
CENTER IS STILL MAINTAINED
WHILE WE'RE DOING THIS
WORK.
HELD NUMEROUS MEETINGS WITH
THEM REGARDING IT.
BEFORE IT HAND IT BACK OVER
TO TOM, I DO WANT TO MAKE
NOTE THAT I KNOW GRADUATION
SEASON IS COMING UP.
AND WE ARE GOING AHEAD AND

DELAYING SOME LANE CLOSURES
DUE TO ALOHA STADIUM
SO IT IS 10:00 P.M. IS WHEN
WE WILL START CLOSING LANES
WHEN GRADUATIONS ARE IN AT
ALOHA STADIUM
AND LCC GRADUATION WAS LAST
WEEK.
WE DID GO AHEAD AND
COORDINATE WITH THEM
CLOSELY THAT EVENING.

WE HAVE THE AIRPORT
UTILITIES CONTRACT ALONG
KAMEHAMEHA HIGHWAY NEAR
PEARL HARBOR.
WE WILL TAKING VARIOUS LANE
CLOSURE AS WE CONTINUE WORK
KAMEHAMEHA HIGHWAY ON THE
UTILITY RELOCATIONS.
LASTLY, WE ALWAYS INCLUDE
THIS SLIDE.
ESPECIALLY FOR OUR VIEWERS
AT HOME.
SOME OF WAYS WE CAN STAY
CONNECTED WITH THE GO
AKAMAI, YOU CAN FOLLOW HART
AND THEIR POST IT'S ON
SOCIAL MEDIA.
AS WELL AS THE HOT LINE,
808-566-2299.
WE ENCOURAGE ALL OF THE
PUBLIC TO UTILIZE THAT HOT
LINE AND IN FACT, THIS LAST
MONTH, SCOTT TYPICALLY
REPORTS WE'VE HAD 106 CALLS
SINCE THE LAST BOARD
MEETING, 50% OF THOSE CALLS
HAVE BEEN ABOUT TRAFFIC.
THAT WE'VE TRIED TO
ADDRESS.
WITH THAT SAID, I DO WANT
TO SAY THAT HART HAS GONE
OUT THERE.
WE'VE ATTENDED SEVERAL

NEIGHBORHOOD BOARD MEETINGS
IN THE LAST MONTH.

I KNOW DAN AS WELL AS
MYSELF ATTENDED WAIPAHA
NEIGHBORHOOD BOARD AND
LISTENED TO A LOT OF THEIR
TRAFFIC CONCERNS.

AS WELL AS THE PEARL CITY
NEIGHBORHOOD AND BUSINESS
COMMUNITY MEETING.

I WOULD LIKE TO THANK
PUBLICLY THANK DIRECTOR
FORMBY FOR HIS PRESENCE AT
THAT MEETING AND WE LISTEN
A LOT OF THE THEIR CONCERNS
AS WELL.

AND WE'RE TRYING TO DO
EVERYTHING WE CAN JOINTLY
WITH DTS TO TRY TO MAKE THE
TRAFFIC BETTER.

WE REALIZE OUR CONSTRUCTION
IS AN INCONVENIENCE TO THE
PUBLIC.

BUT WE TRUST THAT WHEN IT'S
ALL SAID AND DONE, THAT WE
CAN WORK TOGETHER TO MAKE
IT AS SAFE AND EASILY
TRAVELED AS POSSIBLE.

SO THOSE TYPES OF THINGS.

LASTLY, I DO WANT TO JUST
ELABORATE A LITTLE BIT MORE
ON THE GRADUATION.

SO EVERYBODY KNOWS KIEWIT'S
NORMAL WORKING HOURS ON
KAMEHAMEHA HIGHWAY ARE EAST
BOUND FROM 7:00 P. M. TO
6:00 A. M.

AND WEST BOUND, FROM 8:00
P. M. TO 7:00 A. M.

SO AGAIN, AS ALLISON
STATED, KIEWIT WILL NOT BE
STARTING THEIR CONSTRUCTION
WORK OR THEIR WORK IN THE
TRAVEL WAY UNTIL 10:00 P. M.
ON THURSDAY THE 28TH.

AND THEN AGAIN, ON THE
29TH, THAT'S TO ACCOMMODATE
CAMPBELL HIGH SCHOOL'S
GRADUATION AT 5:00 AS WELL
AT WAIPAHU HIGH SCHOOL AT
6:00 P. M.
CAMPBELL AT ALOHA STADIUM
AND THEN WAIPAHU HIGH
SCHOOL AT THE BLAISDELL
CENTER.

SO KIEWIT, WE'VE BEEN
WORKING IN ADVANCE WITH
BOTH SCHOOLS TO TRY TO MAKE
SURE WE'RE ACCOMMODATING
THEM THE BEST WAY POSSIBLE.
LASTLY, KIEWIT HAS
REQUESTED, NOT APPROVED BY
D. O. T. YET, BUT HAS
REQUESTED SOME WORK THIS
SATURDAY NIGHT TO MOVE
TRAVELERS ON H-1.
THEY'RE GOING TO TRY TO
PIGGYBACK ON HAWAIIAN
DREDGING'S CONTRACT AS FAR
AS THOSE CLOSURES ARE
CONCERNED.

SO IF THE VIEWERS AT HOME
OR OTHER HE IS HEAR ABOUT
IT, THEY'RE LOOKING TO DO
SOME WORK THIS SATURDAY
NIGHT.

WHICH IS NOT TYPICAL, BUT
TO MAINTAIN SCHEDULE AND
MOVE THOSE TRAVELERS ON THE
BALANCED CANTILEVER.
SOMETHING THEY'RE TRYING TO
DO.

WITH THAT SAID, I WOULD BE
HAPPY TO ANSWER ANY
QUESTIONS.

>> WHAT TIME SATURDAY
NIGHT?

>> RIGHT NOW, REQUEST ON
SATURDAY NIGHT IS TO START
AT 8:00 P. M.

IT WOULD GO FROM 8:00 P. M.
SATURDAY NIGHT TO 10:00
A. M. SUNDAY MORNING.
AGAIN, THAT IS -- TRYING TO
PIGGYBACK ON HAWAIIAN
DREDGING CLOSURE.

>> ANY QUESTIONS FOR TOM
LE BEAU OR ALLISON ANDRADE
>> NOT A QUESTION.

BUT I APPRECIATE YOUR HART
TEAM GOING OUT INTO THE
COMMUNITY.

SOMETIMES WHAT ARE
DIFFICULT FORUMS.
PEARL CITY ONE IS
DIFFICULT.

IMPORTANT NOTE, IF YOU GO
TO THOSE MEETINGS AND
LISTEN TO THE COMMUNITY,
YOU DISCOVER VERY QUICKLY
THAT THIS IS NOT JUST A
HART ISSUE.

THIS IS A HART, CITY,
STATE, PRIVATE CONTRACTOR,
UTILITIES, I MEAN, IT'S A
CUMULATIVE ISSUE.

AND MANY TIMES, THE FACE OF
THIS ISSUE IS HART.

BUT WHEN YOU GO TO THE
MEETINGS AND LISTEN TO THE
QUESTIONS, YOU FIND THAT'S
FRUSTRATIONS ARE ACROSS THE
BOARD.

THAT'S WHY WE'RE TRYING
VERY HARD AND I THINK
WE'RE SUCCEEDING AND
WORKING WITH THE
DEPARTMENT OF
TRANSPORTATION, WORKING
WITH UTILITY COMPANIES,
WORKING WITH THE PRIVATE
CONTRACTORS, DPP HELPS US
ON THE PERMITTING, AND THEN
WORKING WITH HART SO THAT
TOGETHER, WE HELP TO SOLVE

THIS PROBLEM
BECAUSE IT'S REALLY UNFAIR
FOR THIS TO BE PAYMENTED AS
JUST A RAIL ISSUE.

IT'S NOT.

TO THAT END, THE MAYOR HAD
ASKED ME TO BRING A TRAFFIC
MITIGATION CONSULTANT ON
BOARD, COUNCIL HAS
SUPPORTED IT, WHICH I'M
THANKFUL FOR THAT.
AND WORKING ON THE SCOPE OF
WORK NOW.

HOPEFULLY BRINGING THEM ON
SOMETIME AFTER JULY THE
FIRST, AND THEY'LL BE A
FURTHER RESOURCE TO THE
COMMUNITY.

HOPEFULLY, WE'LL TAKE SOME
OF THE HEAT OFF HART THAT
WE'VE EXPERIENCED.

BUT THANK YOU GUYS FOR
COMING TO THOSE MEETINGS.

>> THANK YOU DIRECTOR.

>> VICE CHAIR?

>> NOW THAT HO' OPILI HAS
BEEN APPROVED, IF I
UNDERSTAND IT CORRECTLY, A
LOT ABOUT THAT WHOLE
PROJECT.

I KNOW WE'RE GOING RIGHT
THROUGH THE CENTER OF THAT
PROJECT.

UPDATE US, ASSUMING WE'RE
HAVING CONVERSATIONS WITH
THOSE FOLKS AND THEIR
DEVELOPMENT PLANS AND
POTENTIAL PARKING AND THOSE
KIND OF ISSUES.

>> ABSOLUTELY.

WE'RE WORKING VERY WELL AND
VERY CLOSELY WITH D. R.

HORTON SCHULER, DEVELOPER
OF HO' OPILI.

NUMBER OF DIFFERENT PLACES.

OUR GUIDEWAY CROSSES
THROUGH A SUBSTANTIAL
PORTION OF THE FEATURE OF
HO' OPILI DEVELOPMENT.

>>VICE CHAIR HORNER: HOW
MANY HOMES DO YOU KNOW?

>> THINK IT' S 14, 000 HOMES
WHEN IT' S ALL COMPLETED.

>>VICE CHAIR HORNER: TO ME,
NOT HERE TO BE PRO OR CON
OF THAT WHOLE DEVELOPMENT,
THAT' S NOT WHAT I' M
ENDORISING.

IF THERE IS GOING TO BE
14, 000 HOMES THERE, BUILT
THE INFRASTRUCTURE RATHER
THAN GOING BACK AND
BUILDING INFRASTRUCTURE
AFTER THE HOMES ARE
INSTALLED.

THAT' S REALLY IMPORTANT.

>>EXECUTIVE DIRECTOR
GRABAUSKAS: THE OTHER THING
IS IS THAT WE' LL HAVE A
STATION, THE HO' OPILI
STATION IN THE CENTER OF
THE THE FUTURE DEVELOPMENT.
WE MOVED THE STATION IN
COORDINATION WITH D. R.
HORTON CHU LAN A COUPLE OF
YEARS AGO SO THAT IT WAS
MORE, OR BETTER PLACED
WITHIN THE DEVELOPMENT, SO
THAT WE MAXIMIZED THE TOTAL
NUMBER OF RESIDENTS THAT
WOULD BE WITHIN THAT
QUARTER AND HALF MILE
DISTANCE TO THE STATION.
SO THAT WE COULD ACTUALLY
HAVE FOLKS WALK TO THE
STATION WHEN IT' S ALL BUILT
OUT.

I THINK IT' S A MUCH BETTER
LOCATION.

AND THEN FINALLY, THE OTHER

THING THAT I MIGHT TALK
ABOUT GOOD EXCELLENT
COOPERATION.

I KNOW THAT THERE HAS BEEN
A LOT OF CONVERSATION ABOUT
WHAT D. R. HORTON HAS BEEN
DOING FOR COMMUNITY BENEFIT
IN THE AREA AND IMPACT, AND
ONE OF THE THINGS THAT THEY
HAVE COMMITTED TO US IS
THAT WHEN WE INITIALLY
BUILD OUR STATION, THAT
THEY'RE ACTUALLY GOING TO,
AT THEIR COST, BUILD AN
ACCESS ROAD TO THE STATION
AND ALSO BUILD AS MANY AS
900, OR MAKE AVAILABLE
SPACE FOR 900 PARKING
STALLS AT THEIR COST AT THE
STATIONS A PARTNER WITH THE
PROJECT.

WHEN WE TALK ABOUT
PUBLIC/PRIVATE PARTNERSHIPS
AND TRANSIT-ORIENTED
DEVELOPMENT PARTNERSHIPS,
THEY'VE DONE AN EXCELLENT
JOB.

>> HOW TO BRING IT UP.
THAT TO ME IS A MODEL, EACH
STATION IS UNIQUE IN ITSELF
AND CONSTITUENCIES.
EACH STATION HAS ITS OWN
CHARACTERISTICS.

CHECK OFF THE BLOCK AS FAR
AS THE DESIGN FOR THE
COMMUNITY.

WE'VE GOT A GOOD STRATEGIC
ALLIANCE WITH THOSE FOLKS
AND --

>> HERE'S AN EXAMPLE WHERE
WORKING WITH THEM WAS A
WIN-WIN.

SO ORIGINAL PRINCIPAL PLAN
FOR THE STATION AT HO' OPILI
HAD THE STATION STRADDLING

OVER WHAT WOULD BE A FUTURE THOROUGHFARE, THROUGH HO' OPILI DEVELOPMENT. AND IN WORKING WITH THEM, WHEN WE LOOKED TO MOVE THE STATION TO A BETTER LOCATION, WE MOVED TO TO ONE SIDE OF THE STREET RATHER THAN STRADDLING OVER.

SO THE PROJECTED COSTS FOR THE STATION ACTUALLY WENT DOWN.

BECAUSE INSTEAD OF HAVING IT SUSPENDED OVER A ROADWAY WITH 2 TOUCHDOWNS, WE' RE NOW ON ONE SIDE OF THE ROAD DEDICATED LOCATION THEY' VE IDENTIFIED FOR US.

SO BETTER FOR THEM LOCATION.

BETTER FOR US IN TERMS OF COST SAVINGS BY HAVING JUST SINGLE TOUCHDOWN ON ONE SIDE OF ROAD.

>> THE PUBLIC ALSO KNOWS, FIRST STATION, IF YOU WILL, HE TEND OF THE LINE, AT THE MOMENT, HOPEFULLY, EXTENSION IS KROCK CENTER, HUGE AMOUNT OF FACILITIES. I STILL THINK THAT CENTER IS WOEFULLY MOST FOLKS DON' T KNOW IT' S THERE.

15 ACRES OF SUBSTANTIAL OPPORTUNITY FOR A LOT OF KIDS.

EACH OF THOSE STATIONS HAVE THEIR OWN CHARACTERISTICS. THANK YOU.

>>CHAIR LUI - KWAN: FURTHER QUESTIONS?

>> I WANT TO ADD FOR WHAT DAN WAS SAYING ABOUT HO' OPILI .

>DIRECTOR FORMBY: THEY CAME TO US, DTS, REACHED OUT TO US.

THE THE BUILD-OUT OF THE COMMUNITY STARTS ON THE SOUTHERN END, AND SO THEY'VE ASKED US TO WORK WITH THEM ON THE ROUTING OF OUR BUSES.

SO THAT'S THE PLAN.

AS THEY CONSTRUCT THE HOMES, WE'LL MAKE SURE THAT THE INTERMODAL CONNECTIONS BETWEEN THE COMMUNITY AND THE RAIL STATIONS ARE IN PLACE SO THAT PEOPLE DON'T HAVE TO DRIVE TO THE RAIL STATION AND USE THOSE PARKING SPACES.

WHICH CAN BE FOR PEOPLE THAT LIVE FURTHER OUT EWA.

WE'LL MAKE SURE THAT'S PEOPLE WHO LIVE IN THE COMMUNITY, THAT CHOOSE TO TAKE RAIL, WHICH I THINK WILL BE A SIGNIFICANT PORTION OF THE COMMUNITY. WILL BE ABLE TO GET THERE BY WITH CIRCULATOR BUSES AN BUSES.

>>
>>VICE CHAIR HORNER: THAT'S A GREAT PLANNED COMMUNITY. THANK YOU.

>> THANK YOU VERY MUCH.

>>CHAIR LUI-KWAN: THANK YOU.

WHAT I WOULD LIKE TO DO IS TO SKIP THE NEXT THREE ITEMS AND MOVE DOWN TO ITEM NUMBER 11.

EXECUTIVE SESSION.

PRECEDENT TO ITEM NUMBER 12 WHICH IS EMINENT DOMAIN. AND THE REASON IS I WOULD

LIKE TO GET TO THE VOTING
ITEMS AS PROMPTLY AS
POSSIBLE.

SO IS THERE, DAN, IS THERE
A REQUEST FOR AN EXECUTIVE
SESSION?

>>EXECUTIVE DIRECTOR
GRABAUSKAS: YES.

I DON'T THEY IF YOU WOULD
WANT TO READ THE MOTION IN.

>>CHAIR LUI-KWAN: IS THERE
A MOTION FOR EXECUTIVE
SESSION TO ENTER INTO,
CONSULT WITH OUR COUNSEL ON
QUESTIONS AND ISSUES ON A
MATTER PERTAINING TO THE
BOARD'S POWERS, DUTIES,
PRIVILEGES, IMMUNITIES AND
LIABILITIES NEEDING TO
CONSULT WITH OUR COUNSEL?

IS THERE A MOTION?
INVITE A MOTION FOR THAT.

>> SO MOVED.

>>CHAIR LUI-KWAN: IS THERE
A SECOND?

>> SECOND.

>>CHAIR LUI-KWAN: IS THERE
DISCUSSION?

>> YES. LITTLE CONFUSED
CHAIR.

WHICH ITEM?

I KNOW WE'RE VERY CAREFUL
WHEN WE GO INTO EXECUTIVE
SESSION, UNLESS IT'S
SOMETHING THAT'S NECESSARY.

I APPRECIATE YOUR --

>>EXECUTIVE DIRECTOR
GRABAUSKAS: FOR THE RECORD,
ITEMS FOLLOWING REGARDING
EMINENT DOMAIN, EXECUTIVE
SESSION FOR MATTERS OF REAL
ESTATE AND POTENTIAL GAIT
LITIGATION SO WE CAN GIVE
YOU THE BOARD BACKGROUND
INFORMATION ON THE EMINENT

DOMAIN ITEMS.

THERE IS OBVIOUSLY THIS IS LITIGATION TALKING ABOUT. SO WE WANT TO BE ABLE TO PREBRIEF THE BOARD.

THEN WE'LL COME BACK INTO PUBLIC SESSION AND THEN GIVE THE PUBLIC INFORMATION THAT'S NOT RELATED TO LITIGATION.

BUT RELATES TO THE --

>> WE'RE GOING TO COME BACK TO EXPLAIN.

>>EXECUTIVE DIRECTOR

GRABAUSKAS: YES.

>> JUST FOR CLARITY.

TELL ME IF IT'S NOT APPROPRIATE, HOW MANY PROPERTIES DO WE HAVE?

WE'VE GOT HUNDREDS OF PROPERTIES THAT WE'RE INVOLVED IN TO MY KNOWLEDGE, WE HAVEN'T, ONLY HAD ONE FRIENDLY FORECLOSURE.

THIS IS A FIRST FOR US AS FAR AS ANY POTENTIAL LITIGATION?

>>EXECUTIVE DIRECTOR

GRABAUSKAS: NO.

FIVE ITEMS FOR CONDEMNATION ACTION IN FRONT OF YOU TODAY N THE PAST, WE'VE HAD A TOTAL OF FOUR THAT'S BOARD HAS TAKEN UP.

I'LL PUT THEM IN THESE CATEGORIES.

TWO THAT YOU MAY RECALL THAT WERE ACTUALLY AT THE REQUEST OF THE HOMEOWNERS. TO CLEAN UP TITLE OR PROBATE ISSUE.

ONE THE OTHER TWO WERE MATTERS OF DISPUTE, ONE REGARDING PRICE.

AND I'M HAPPY TO REPORT
>> SMA COMMERCIAL OR
RESIDENTIAL?
>>EXECUTIVE DIRECTOR
GRABAUSKAS: IT WAS
RESIDENTIAL.
AND THAT WAS THE STEWART
PLAZA PROPERTY WHICH WE
PRESENTED IN THE PAST.
WE ACTUALLY BEGAN THE
PROCESS OF CONDEMNATION.
AS WE ASSURITY PUBLIC WE
NEVER STOPPED TALKING TO
THE OWNERS TO SEE IF WE CAN
REACH RESOLUTION.
ABOUT TWO WEEKS AGO, TWO OR
THREE WEEKS AGO, WE
ACTUALLY REACHED RESOLUTION
PRIOR TO GOING TO MUTUALLY
AGREED-UPON PRICE.
THAT IS NOT GOING TO
CONDEMNATION.
>>VICE CHAIR HORNER: HOW
MANY UNFRIENDLY
CONDEMNATION AT THIS POINT?
NOT LITIGATION.
>>EXECUTIVE DIRECTOR
GRABAUSKAS: REALLY ONLY --
ONE REMAINING WHICH IS THE
LEAD PROPERTY.
NOT AN UNFRIENDLY.
JUST THERE'S BEEN PROCESS
BECAUSE OF THE COMPLICATION
OF HAVING TO REMEDIATE THE
CONTAMINATION AT THAT SITE.
AT THE SAME TIME, THAT
WE'RE NEGOTIATING A PRICE,
FINAL PRICE WHICH IS GOING
TO BE NET OF THE COST TO
REMEDiate.
THAT'S WHY WE'VE GONE
THROUGH THE PROCESS W HE
WENT THROUGH CONDEMNATION
TO GET ACCESS TO THE SITE.
WE HAVE.

CONSTRUCTION ACTIVITY THERE
NOW.

ONLY REASON WE HAVEN' T
SETTLED IS BECAUSE WE' RE
GOING THROUGH THAT PROCESS
OF REMEDIATION AND
NEGOTIATION WITH THAT.

>>VICE CHAIR HORNER:
BECAUSE WE DON' T WANT TO
BUY THE LIABILITY OF
CONTAMINATION.

>>EXECUTIVE DIRECTOR
GRABASKAS: THAT' S CORRECT.
FOUR ACTIONS OF
CONDEMNATION.

AS YOU HEAR, WE DO BELIEVE
THAT THERE ARE SEVERAL OF
THESE ITEMS THAT WE' RE
GOING TO BE ABLE TO REACH
RESOLUTION.

BUT BECAUSE THEY REACHED
CRITICAL PATH ON SCHEDULE,
WE WANT TO MAKE SURE THAT
WE BEGIN THE CLOCK TICKING
SO THAT IF FOR SOME REASON,
NEGOTIATIONS WOULD GO IN A
DIFFERENT DIRECTION, NOT
POSITIVE, THAT WE WOULD BE
ABLE TO AT LEAST GAIN SITE
CONTROL LEGALLY TO BE ABLE
TO GIVE ACCESS TO THE
CONSTRUCTION COMPANIES.

AGAIN, I THINK YOU' LL GET
THE - -

>>VICE CHAIR HORNER:
EXECUTIVE SESSION TALKING
ABOUT HOW MANY PROPERTIES?

>>EXECUTIVE DIRECTOR
GRABASKAS: FIVE.

>>VICE CHAIR HORNER: THANK
YOU

>>CHAIR LUI - KWAN: YOU' RE
WELCOME.

FURTHER DISCUSSION ON THE
MOTION?

WE HAVE A MOTION AND
SECOND.

GO INTO EXECUTIVE SESSION
SESSION TO CONSULT WITH A
LAWYER WITH RESPECT TO
POTENTIAL LITIGATION ON
THESE FIVE IMMINENT DOMAIN
MATTERS.

ALL IN FAVOR, PLEASE
INDICATE BY SAYING AYE.

>>ALL: AYE.

>>CHAIR LUI - KWAN: OPPOSED?
MOTION IS CARRIED.

GO INTO EXECUTIVE SESSION
TO CONSULT WHICH WITH A
LAWYER.

>> THE BOARD WILL PLAN TO
RECONVENE AFTER.

YOU MIGHT WANT TO JUST.

>>

>>CHAIR LUI - KWAN: YES.

(EXECUTIVE SESSION)

AND THIS IS THE SUMMARY OF THE
ACQUISITION NEEDED FOR HART.
IT'S A SMALL 222 FEET.

WE HAVE CONCEPT TO ENTER
FROM THE OWNER BUT THIS IS A
MEASURE TO ENSURE WE CAN
PROTECT THE SCHEDULE.

OKAY.

NEXT SEVERAL PROPERTIES ARE
LOCATED ON WAIWAILUPE.

THIS IS NEAR OUR LAGOON
STATION.

THE ITEM BEFORE YOU IS THIS
PROPERTY HIGHLIGHTED IN
YELLOW.

OUR STATION ACCESS OR
MAINTENANCE EASEMENTS AND/OR
OTHER IMPROVEMENTS FOR
STAIRWELLS THAT WILL ACCESS
THIS ELEVATED STATION AREA.
AGAIN, HERE IS THIS PROPERTY.

JUST A MATTER OF NOTE, THIS PARCEL, WE WILL INCLUDE THE FRONT HALF OF THIS BUILDING AND BRICK WALL AND MODIFICATIONS TO THE FENCE.

THE SUMMARY OF THE ACQUISITION INCLUDES – WE WOULD HAVE A STATION EMERGENCY STAIRWELL ON THIS LOCATION AND ACCESS EASEMENTS FOR UTILITY AND ELECTRICAL AND MAINTENANCE. THE ACQUISITION DOES INCLUDE DAMAGES FOR THE DEMOLITION, PARTIAL DEMOLITION.

WE HAVE A TENTATIVE ADMINISTRATIVE SETTLEMENT. THOSE DISCUSSIONS ARE ONGOING, AND JUST TO PROTECT OUR SCHEDULE MOVING FORWARD.

NEXT PROPERTY IS INTERNATIONAL EXPRESS, WHICH IS RIGHT NEXT DOOR TO PROPERTIES -- HART OWNS THESE TWO.

FRONTING LAGOON DRIVE. THIS IS SITTING RIGHT NEXT DOOR. AN EASEMENT IN FRONT OF THE PARCEL.

THIS IS INTERNATIONAL EXPRESS. THIS IS A 24/7, SEVEN DAY A WEEK REFRIGERATION BUSINESS. THEY NEED ONGOING ACCESS. THEY HAD A NUMBER OF CONCERNS ABOUT THEIR ABILITY TO CONTINUE TO OPERATE DURING CONSTRUCTION.

THIS IS THE SUMMARY FOR STATION MAINTENANCE AND DRAINAGES.

FAIRLY SMALL SQUARE FOOTAGE NEEDED FOR US.

WE MADE AN OFFER WHICH THE OWNER REJECTED.

SO WE CONTINUE DISCUSSIONS

WITH THEM ON THEIR NEEDS.
NEXT IS WINDOW WORLD.
ON THIS SIDE OF THE STREET.
WE'RE LOOKING AT A STATION,
MAINTENANCE, EASEMENT.
THIS IS THE PHOTOGRAPH OF THE
FRONT.
WE'RE IMPACTING SEVERAL OF
THEIR PARKING STALLS, WHICH
THEY DO HAVE CONCERNS ABOUT.
THIS IS THE SUMMARY OF THE
ACQUISITION.
THIS IS 1200 SQUARE FEET FOR
TEMPORARY CONSTRUCTION.
WE HAVE MADE OFFERS ON ALL OF
THESE.
THIS HAVE A CONSENT TO ENTER
SIGNED ON IT.
WE'RE CONTINUING DIALOGUE TO
THE POTENTIAL DAMAGE TO THEM
AS A RESULT OF LOSS OF PARKING.
FINALLY, ONE LAST PROPERTY ON
WAIWAILUPE.
AHUALOHA AINA.
THIS IS JUST A PICTURE.
IT'S CURRENTLY AN IRRIGATION
COMPANY.
THAT'S THE TENANT THERE.
AND WE HAVE MADE AN OFFER.
IT'S VERY SMALL.
THIS IS FOR AN ELECTRICAL
EASEMENT FOR HECO.
WE HAVE TENDERED OFFER AND
ARE CONTINUING TO TRY TO
DISCUSS THE DETAILS OF THIS
CASE WITH THE PROPERTY
OWNER.

SO THAT'S A VERY QUICK SUMMARY.

I'LL BE HAPPY TO ANSWER ANY QUESTIONS.

>> MAJOR QUESTION, AS WE UNDERSTAND IT, NONE OF THESE ARE AT AN IMPASSE.

YOU'RE CONTINUING TO TALK.

YOU'RE CONTINUING TO

NEGOTIATE, AND THE HOPE IS YOU WILL REACH OUT SOME KIND OF A SETTLEMENT.

BUT THE REQUEST FOR THESE RESOLUTIONS IS TO INITIATE THE PROCESS BECAUSE THE PROCESS REQUIRED THAT IT BE SUBMITTED FOR CONSIDERATION BY COUNCIL AND GIVE THEM SOME TIME.

AND SO THAT'S THE BASIS FOR THESE ACTIONS.

>> THAT'S RIGHT.

AS I MENTIONED IN THE MEETING, WE WERE VERY SUCCESSFUL.

BEING ABLE TO REACH AMICABLE AGREEMENT WITH COMPANIES AND BUSINESSES AND INDIVIDUALS.

THESE ARE REALLY HERE

BECAUSE, AS YOU KNOW, WE HAVE TO BALANCE THE INTEREST OF THE OWNER, AS WELL AS THE PUBLIC TO GET THE JOB DONE.

AND IN ORDER FOR US TO

MAINTAIN SCHEDULE US THIS IS TO MAKE SURE WE WOULD HAVE THAT LEGAL ACCESS TO DO CONSTRUCTION ACTIVITIES EVEN IF WE HAVEN'T YET AGREED TO A FINAL PRICE.

>> OKAY.

ARE THERE ANY QUESTIONS OF STAFF?

>> PLEASE.

NOT TODAY BUT I'M CONFUSED ABOUT ACCESS AND ACQUISITION. 80% WE WERE TALKING ABOUT.

HOW MUCH PERCENTAGE WOULD
REMAIN?

I KNOW YOU BROKE IT BY
CATEGORY.

DO YOU HAVE A ROUGH
APPROXIMATION?

>> WE'VE ACQUIRED ABOUT 35% OF
THE ACCESS WE NEED.

>> TO ME ACCESS IS NOT
PURCHASE PRICE.

I'M WORRIED ABOUT BUDGET.
WE'RE AHEAD OF SCHEDULE ON
THE BUDGET.

SIXTY-FIVE PERCENT OF THE
PROPERTIES YET TO ACQUIRE?

>> WE HAVE A SUBSTANTIAL
NUMBER YET TO ACQUIRE.

>> THAT GIVES ME CONCERN.

NOW WE GO TO URBAN CORE.

>> I SHARE YOUR CONCERN ABOUT
COST.

AS WE GET INTO THE URBAN CORE,
WE ARE VERY CONCERNED AND
BEING DILIGENT AND WATCHING.

>> WE'RE LOOKING AT THE -- WE'RE
DOING AN APPRAISAL VALUE.

NEXT MEETING, IF THERE ARE
PROJECTED CONCERNS.

WHEN WE REFRESH THE BUDGET,
I WANT TO VERY ACCURATE TO
IDENTIFY THE RISK.

I WANT TO GET TO THE DETAILS OF
THAT.

THANK YOU.

WE SHOULD KNOW -- FRANKLY, WE
KNOW WHAT THE PROPERTIES ARE.
WE KNOW THE COST PER SQUARE
FOOT.

WE SHOULD BE VERY CLOSE TO
WHAT WE THINK OUR FUTURE
COSTS ARE GOING TO BE.

>>> AGREED.

>> AT THIS POINT.

OUR ESTIMATES ARE SEVERAL
YEARS OLD.

WE CAN LOOK AT AND GET A GOOD
HANDLE.

>> WE DO HAVE A NUMBER OF
APPRAISALS.

WE HAVE A SENSE OF WHERE THE
VALUES ARE.

>> THANK YOU.

>> ARE THERE ANY FURTHER
QUESTIONS?

JUST WHAT I'D LIKE TO DO IS
INVITE AN APPROVAL OF ALL FIVE
RESOLUTIONS, BUT BEFORE I DO
THAT, I'D LIKE TO NOTE FOR THE
RECORD THAT THERE'S A SLIGHT

VARIANCE BETWEEN THE AGENDA,
AS REFLECTED ON THE MATTER
BEFORE YOU.

AND WHAT WAS POSTED ONLINE.
CINDY, CAN YOU ASSURE THE
VARIANCE?

[INAUDIBLE]

>> YOU HAVE TO SPEAK UP.

>> THERE WERE SOME TYPOS OF
THE VERSION OF THE
RESOLUTIONS POSTED INITIALLY
ONLINE.

HOWEVER, THE VERSIONS THAT
YOU HAVE IN YOUR PACKETS
TODAY ARE THE CORRECT
VERSIONS.

>> OKAY.

THAT'S BEEN DISCLOSED.

AND WHAT I'D LIKE TO DO IS
INVITE A MOTION FOR APPROVAL
OF RESOLUTION NUMBER 2015-7.
RESOLUTION 2015-8, 2015-9,
2015-10 AND 2015-11.

>> I'LL MOVE THOSE, CHAIR.

AS STATED IN OUR AGENDA, AND I
THINK AS STATED IN OUR AGENDA
THAT WAS POSTED.

CORRECT?

I WANT TO MAKE IT CLEAR.

>> AGENDA IS CORRECT.

>> YOU HAVE TO SPEAK INTO THE
MIC.

>> THE AGENDA IS CORRECT.

>> THE ONE THAT WAS POSTED
FOR THE PUBLIC.

>> YES.

>> FOLLOWING THE RESOLUTION
THAT WAS POSTED IN ADVANCE
FOR
SUNSHINE PURPOSES, THAT'S MY
MOTION.

AS HE JUST DESCRIBED, THOSE
HAVE BEEN POSTED.

>> YEAH.

>> WE CAN'T TAKE ACTION ON

SOMETHING THAT HASN'T BEEN
PUBLISHED.
I THOUGHT THERE WAS
DISCREPANCIES ON THE AGENDA --
>> NOT THE AGENDA.
THE DRAFT RESOLUTIONS.
>> THERE WERE TYPOGRAPHICAL
ERRORS ON THE RESOLUTIONS
THAT WERE POSTED ON FRIDAY.
AND THEY WERE CORRECTED.
>> CORP COUNSEL IS GIVING A
THUMBS UP.
>> I THINK THE --
>> THE AGENDA IS FINE.
>> OKAY.
>> SO THERE IS A MOTION.
>> SECOND.
>> IS THERE DISCUSSION?
IF NOT, ALL IN FAVOR OF THE
MOTION, PLEASE INDICATE BY
SAYING AYE.
>> AYE.
>> IS THERE ANY OPPOSITION TO
THE MOTION?
THE RESOLUTIONS 2015-7, 8, 9,
10, 11 ARE ADOPTED.
SO WE ARE NOW ON -- BACK ON
AGENDA ITEM 8.
>> AGENDA ITEM 8 IS EVERY
MONTH WE GIVE YOU THE
MONTHLY PROGRESS
REPORT.
IF YOU HAVE ANY QUESTIONS THAT
THE BOARD HAS ON THE REPORT,
THIS IS AN OPPORTUNITY TO
OFFER THAT.
ONLY CHANGE THAT I WILL NOTE IN
THE REPORT FROM WHAT YOU
WOULD HAVE SEEN BEFORE IS AT
THE REQUEST OF THE BOARD OF
DIRECTORS, IF YOU LOOK ON PAGE
11 OF THE MONTHLY REPORT, WE
DO HAVE A BOARD MEETING Q AND
A SECTION, WHICH THE QUESTION
WHEN THE PUBLIC COMES IN TO

TESTIFY AND HAVE A QUESTION,
AND WE HAVEN'T DIRECTLY
ADDRESSED THAT QUESTION OR
WE HAVE FOLLOW-UP.
WE ACTUALLY WOULD PUT THE
QUESTION INTO THE REPORT WITH
AN ANSWER SO WE NOT ONLY
RESPOND TO THE QUESTION THAT
THE PUBLIC MEMBER WOULD COME
FORWARD ASKED, BUT WE MAKE
THAT AVAILABLE TO EVERYBODY
WHO LOOKS AT THE REPORT.
PAGE 11, WE DID HAVE THESE
QUESTIONS LAST TIME.
AND BOARD MEETING Q AND A IS A
CHANCE TO GET THAT BACK OUT
TO THE PUBLIC.
THAT'S THE ONLY CHANGE OF THE
FORMAT OF THE MONTHLY
REPORT.
>> OKAY.
ARE THERE ANY QUESTIONS OF
THAT?
NEXT ITEM ON THE AGENDA IS
NUMBER 9.
>> LIKEWISE, WITH THIS ITEM,
BOARD WILL RECALL THAT LAST
MONTH, THE PROJECT
MANAGEMENT OVERSIGHT
CONTRACTOR REPORT BY
JACOBS ENGINEERING WAS ONLY
MADE AVAILABLE A DAY OR SO
BEFORE THE
BOARD MEETING.
IT WASN'T POSTED SUFFICIENTLY.
WE WANTED TO REPOST IT FOR
THIS
MEETING.
SHOULD ANY MEMBER OF THE
PUBLIC
OR BOARD WANT TO RAISE ANY
QUESTIONS.
AND I CAN TELL THE BOARD, WE'VE
NOT RECEIVED ANY QUESTIONS
FROM THE PUBLIC SINCE THE –

SINCE THIS PARTICULARLY ITEM
WAS POSTED.

AT THIS POINT, AGAIN WE WILL AS
A MATTER OF ROUTINE TAKE THE
MONTHLY REPORT AND POST THAT
FOR THE PUBLIC.

>> ANY QUESTIONS FOR DAN ON
THAT MATTER?

WHAT I'D LIKE TO DO IS TO --
WE'VE ALREADY HAD A BRIEFING
BY MS. SCANLON AND YOGI.

ARE THERE ANY QUESTIONS ON
THAT MATTER?

WE CAN ASK THEM.

IF NOT, WE CAN PASS ON THAT.

>> YEAH.

>> OKAY.

WE ARE NOW ON AGENDA ITEM
NUMBER

13.

DAN?

>> I KNOW IN THE INTEREST OF
TIME AND QUORUM, I'LL BE BRIEF.
I'M GIVING THE BOARD A COUPLE
OF IMPORTANT HIGHLIGHTS OF
NEWS.

FIRST OF ALL, REGARDING THE
PROTESTS OF THE FARRINGTON
HIGHWAY STATION GROUP, I'M
PLEASED TO REPORT TO THE
BOARD THAT THE DCCA HELD A
HEARING YESTERDAY MORNING,
AND THE HEARINGS OFFICER
DISMISSED THE PROTEST BY ORAL
RULING.

WE EXPECT WRITTEN RULING NO
LATER THAN JUNE 4TH.

THAT ALLOWS US TO -- ONCE THAT
RULING COMES FORWARD TO
MOVE FORWARD.

DEPENDING ON WHAT THE RULING
PRECISELY SAYS.

THE ORAL RULING WAS IN OUR
FAVOR, WHICH SHOULD ALLOW US
TO MOVE FORWARD WITH THAT

CONSTRUCTION CONTRACT.
WE OPENED THE BIDS ON MARCH
3RD HAWAIIAN DREDGING WAS THE
LOW BIDDER AT \$78.8 MILLION.
NAN WAS THE SECOND LOW AT
85 MILLION AND NAN FILED THE
CONTRACT ON MARCH 9TH.
WE AT HART DENIED THAT
APRIL 14TH.
AND NAN USING WHAT'S AVAILABLE
APPEALED TO THE DEPARTMENT
OF COMMERCE AND CONSUMER
AFFAIRS ON APRIL 20TH.
THAT RULING CAME IN OUR FAVOR.
BAD NEWS IS WE HAVE LOST TIME
BECAUSE OF THE PROTEST.
OUR INTERLOPING IS CURRENTLY
SCHEDULED FOR JUNE 2018.
WE'VE LOST APPROXIMATELY JUST
SHY OF THREE MONTHS.
WE'LL PROBABLY BE ADJUSTING IN
OUR MONTHLY REPORT THAT THE
INTERLOPING WILL PROBABLY BE
CLOSER TO SEPTEMBER 18TH DUE
TO LOST TIME.
THESE ARE THE THREE STATIONS I
MENTIONED EARLIER.
THE THREE MILES WERE CRITICAL
DURING TESTING.
TO RECOGNIZE THIS DELAY IS
PROBABLY A PRUDENT THING TO
DO.
>> SECOND.
>> TO GIVE THE BOARD UPDATE IS
YOU KNOW THAT WE'VE HAD

MR.~BOND, JOHN BOND TESTIFY
BEFORE THE BOARD ON A COUPLE
OF OCCASIONS REGARDING HIS
CULTURAL HUI REGARDING
CULTURAL RESOURCES
IN THE HONOULIULI WEST OAHU
AREA.

WE DID RECEIVE A DECISION FROM
THE FEDERAL TRANSIT
ADMINISTRATION THAT HAS
STATED THAT THE VARIOUS ITEMS
THAT WERE RAISED THAT THEY
DETERMINED THERE WAS NO
EVIDENCE OF INDIRECT OR
CUMULATIVE AFFECT WITHIN THE
AREA OF POTENTIAL EFFECT OF
THE PROJECTS.

THEREFORE, NO FURTHER ACTION
IS WARRANTED AT THIS TIME.
GOOD NEWS FOR US.

IT REAFFIRMS WE DID PROPERLY
DO ALL THE ENVIRONMENTAL AND
CULTURAL WORK IN THAT AREA.

FTA HAS BACKED UP AGAINST THE
CHALLENGE THAT WAS RAISED BY
MR.~BOND AND OTHERS.

I WILL MENTION THAT WE GIVE YOU
AN UPDATE THAT THE CE&N EAST
CONTRACT, WHICH WAS
CANCELLED.

THIS IS A MEMBER OF UIS AND AEM.
THERE WAS A PURCHASE OF ONE
COMPANY TO ANOTHER.

WE CANCELED THAT CONTRACTOR
OR GAVE THEM NOTICE AND PUT
THAT OUT FOR RESOLICITATING.
MORE DETAILS TO FOLLOW.

WE DID RECEIVE FOUR BIDDERS
FOR THAT CONTRACT, AND WE'LL
BE PROCEEDING TO REVIEW
THOSE.

I'LL REPORT TO YOU NEXT MONTH A
LITTLE BIT MORE INFORMATION.

I ALSO WANTED TO MENTION THAT
WE OPENED ONE BID SINCE THAT

LAST BOARD MEETING, WHICH IS ALSO EXCELLENT NEWS. THE H-2, YOU MAY RECALL THAT THIS WAS AN ELEMENT OF THE NINE STATION GROUP. AND ONE OF THE THINGS WE HEARD FROM THE CONSTRUCTION INDUSTRY WAS BY ADDING IN THINGS LIKE SPECIALIZED CONSTRUCTION LIKE A HIGHWAY RAMP, YOU'RE GOING TO GET A HIGHER PRICE. YOU'RE GOING TO GET LOCAL COMPETITION, YOU'LL PROBABLY GET A BETTER PRICE. I'M VERY PLEASED TO REPORT WE HAD SIX BIDDERS COME IN ON THAT RAMP. WE DID IN FACT RECEIVE A LOW BID, WHICH WE CONFIRM NOW FOR ROYAL CONTRACTING OF \$4.779 MILLION. LET ME PUT THAT IN CONTEXT. WHEN WE PUT OUT THE NINE-STATION BID, WE ACTUALLY ASKED THE BIDDERS TO SEPARATELY PRICE THIS PARTICULAR RAMP SO WE KNEW EXACTLY WHAT THE COST WAS. AND THERE WERE THREE BIDDERS THAT PRICED THAT RAMP. NAN INC. FOR 7.3 MILLION, NORPICK FOR 11.8 AND HENSILL FOR 10.2 MILLION. ROYAL AT 4.8 MILLION SHOWS OUR STRATEGY HAS WORKED. WE'VE GOT A HORIZONTAL CONSTRUCTION COMPANY, WHO KNOWS THEIR BUSINESS HERE IN THE ISLAND. THEY DO A VERY GOOD JOB FOR US. I'LL REMIND YOU THEY'RE OUR

ALL-CALL CONSTRUCTION
COMPANY.
IT'S A WIN-WIN-WIN.
LOCAL COMPANY WINS.
AND WE'RE IN THE PROCESS RIGHT
NOW OF AWARDING THAT TO
ROYAL FOR THAT RAMP.
SO ALSO REALLY GOOD PIECE OF
NEWS.
AND THEN FINALLY, THE LAST
THING THAT --
>> IF I CAN INTERRUPT.
NOW, I WOULD LIKE TO KNOW WHAT
THE PRICE WAS WITH THE FFGA.
BUT WHEN WE GOT TO THOSE
NUMBERS, COMPARATIVELY, HOW
FAR
OFF WERE WE TO THE ORIGINAL?
>> I CAN GIVE YOU THAT.
CINDY CAN HELP ME WITH THE
NEXT TO THE LAST
ANNOUNCEMENT.

NEXT TO THE LAST IS WE DID ADD THE REQUEST OF PUTTING SOME OF THESE FREQUENTLY ASKED QUESTIONS, BUT THE MYTH BUSTER QUESTIONS, I WANT TO THANK DIRECTOR FORMBY FOR THE SUGGESTION AND TIME. IF YOU GO TO OUR WEBSITE, WE HAVE AN ICON CALLED "MYTH BUSTERS."

THINGS THAT HAVE COME OUT FROM DISCUSSIONS WITH THE LEGISLATURE SEEM TO CAUSE THE MOST MISINFORMATION.

WE STATED THAT THERE'S A MYTH AND BUSTED THAT MYTH WITH FACTS, AND WE PUT THAT ON OUR WEBSITE.

WE'RE GOING TO CONTINUE TO DO THAT.

THE LAST THING, CAN YOU PUT UP THE PICTURE?

I'VE BEEN REPORTING TO THE BOARD NOW FOR A COUPLE OF MONTHS THAT THE CAR SHOWS ARE MANUFACTURED IN ITALY. AND THAT SOON -- THE ACTUAL FIRST CAR SHELL WOULD BE PUT IN PLACE.

THIS IS ACTUALLY A PHOTOGRAPH THAT WAS TAKEN YESTERDAY IN ITALY.

THIS IS THE FIRST RAILCAR.

AGAIN, WHAT THEY'RE DOING HERE IS THEY'RE MANUFACTURING THE RAILCAR SHELL.

THEY'LL THEN BE PAINTED FROM THIS STEP, AND THEN SHIPPED TO CALIFORNIA.

THIS IS THE FIRST RAILCAR.

YOU CAN SEE BEHIND IT, THERE'S ANOTHER CAR.

THE FIRST FOUR CAR SHELLS WILL BE SHIPPED IN THE NOT TOO DISTANT FUTURE.

RE-ENFORCING FACT THAT WE ARE
ON SCHEDULE TO DELIVER RAIL
CARS.

THAT CONCLUDES MY REPORT.

>> ANY QUESTIONS FOR DAN?

THANK YOU VERY MUCH, DAN.

THIS MEETING HAS BEEN AN
EXTRAORDINARILY LONG MEETING.

THREE HOURS AND 20 MINUTES.
AND SO I REALLY APPRECIATE THE
ATTENTION AND THE FOCUS AND
THE INTELLIGENCE BROUGHT TO
THE TABLE BY THE DIRECTORS.
OTHER ITEM ON THE AGENDA IS
THE EVALUATION OF THE CEO.
THE CHAIR IS BEFORE THE BOARD
OF REGENTS SO SHE WILL NOT BE
HERE.

WHAT I'D LIKE TO DO IS DEFER
THAT ITEM TO THE NEXT MEETING.
NEXT AGENDA IS EXECUTIVE
SESSION.

IS THERE A REQUEST?

>> NO.

>> NEXT IS ADJOURNMENT.

>> MOVE.

>> THANK YOU, EVERYBODY.