

## **Talking points with the FTA Administrator, February 26, 2010**

### **1. FEIS Schedule**

- a. Request FTA to expedite the processing of PA – All signatories now agree with the original version so that Region IX should process without delay – Regional IX staff has conflicting opinions of processing the current PA versus waiting for the resolution of the FAA issues. If an amendment becomes necessary, it can be resigned.
- b. FAA issues – change or not to change the airport alignment to avoid the Runway Protection Zone (RPZ) – changing the alignment will necessitate
  1. additional cost of \$45 million,
  2. the new Sec. 106 consultation process,
  3. possible PA amendment, and
  4. additional private property takes.

### **2. FEIS Related Issues with the Governor**

- a. The Governor is mobilizing her senior staff to investigate the ways to reject the FEIS.
- b. Cliff Slater and Linda Smith (Governor's Senior Advisor) are strategizing the ways to challenge the FEIS.

### **3. Relevance of environmental disclosure and Financial Plan**

- a. The Governor erroneously believes the financial plan needs to be strengthened in order for her to accept the FEIS.
- b. Financial plan is not required in NEPA. FTA requires it as a part of the New Starts processing in conjunction with NEPA documentation. The Hawaii environmental law does not require a financial plan in its documentation.

### **4. FTA Financial Plan review with Governor**

- a. The Governor erroneously believes the State is responsible to fund any shortfalls resulting from the rail project. Therefore she requests to participate in the FTA's financial review. Honolulu does not anticipate funding shortfalls and there have never been any suggestions or discussions of a State subsidy.
- b. Honolulu intends to engage an independent economic forecast of the local tax revenue as suggested by the FTA's FMOC. However, this is not a prerequisite to the FEIS approval. As such, the Governor may participate in the financial review after the FEIS approval.

### **5. Use of Sec 5307**

- a. As discussed at the previous meeting, Honolulu does not plan to use Sec 5307. The proposal was necessary to balance the financial plan that was prepared prior to receiving the first design-build contract and more optimistic outlook of the revenue by the State's Council on Revenue. The second design build contract proposal received last week suggests another 20% savings.