From: Borinsky, Susan (FTA)
To: Ryan, James (FTA); Day, Elizabeth (FTA); Bausch, Carl (FTA); Barr, James (FTA)
Sent: 2/14/2010 10:25:19 AM
Subject: FW: Honolulu Start Bulletin Editorial - Pressure on Gov. Lingle to OK rail is premature

Background for meeting on Honolulu on Tuesday.

From: Longo, David (FTA)
Sent: Sat 2/13/2010 2:14 PM
To: Rogoff, Peter (FTA); McMillan, Therese (FTA); Carter, Dorval (FTA); Welbes, Matt (FTA)
Cc: List-FTA-TCA; Rogers, Leslie (FTA); Carranza, Edward (FTA); Steinmann, Richard (FTA); Borinsky, Susan (FTA); Day, Elizabeth (FTA)
Subject: Honolulu Start Bulletin Editorial - Pressure on Gov. Lingle to OK rail is premature

EDITORIAL

Pressure on Gov. Lingle to OK rail is premature

POSTED: 01:30 a.m. HST, Feb 13, 2010

State legislators and Mayor Mufi Hannemann are urging Gov. Linda Lingle to act with speed in giving her needed approval of the environmental impact statement on the city's planned rail transit, even though the final version of document has not yet reached her desk. The governor should ignore the pleas and provide an objective assessment of the project after she receives it.

The rail transit between Ala Moana and Kapolei is similar to the elevated rail system Lingle proposed in 2003 along with an elevated two-lane Nimitz Highway "fly-over," so the governor's aesthetic preference now for a ground-level rail line lacks substance. Architects disagree about the line's appearance.

Lingle has indicated her evaluation instead will focus on the project's "financial viability," although she has issued a written statement that she also will review the project's environmental, economic, social welfare and cultural effects, along with "opposing alternatives."

Thirty-nine of the 51 members of the state House signed a letter to Lingle this week requesting that she promptly review and accept the environmental appraisal.

"There's no reason, in our minds, the governor should hold this up anymore," said Rep. K. Mark Takai (D, Newtown-Pearl City).

We question whether Lingle has held up the project at all. The city has yet to receive the final statement and cannot begin its review until completion of the ongoing review by the Federal Transit Administration.

Lingle has based her skepticism about the project's finances on an October memorandum by the FTA's regional office about "financial issues" that could put the project "at risk." However, Peter Rogoff, the agency's administrator, indicated this month that such cautions are commonplace and the FTA would not have made a commitment of $55 million for the Honolulu project "if we thought it was falling off the rails."

The Lingle administration has received a draft of the environmental statement and, according to Rogoff, at least 13 state agencies have participated with input. It is not as if the state's review of the final statement will begin from scratch.

Determining the project's financial viability may be difficult if not impossible in today's economy. While revenue from the state's general excise tax surcharge has been lower than expected, the recession has resulted in lower-than-expected contract bids for work on the transit project.

Lingle's clock to complete her analysis of the project will begin running when she receives the final environmental statement. Politicians blowing the whistle on the governor before then are overly impulsive -- and baffling.