From: Matley, Ted (FTA)
To: Borinsky, Susan (FTA); Barr, James (FTA); Ossi, Joseph (FTA); Ryan, James (FTA)
Sent: 10/30/2009 6:25:48 AM
Subject: FW: FTA article: Honolulu announced it's willing to wait for federal approval before starting construction

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From: Luden, Hymie (FTA)
Sent: Fri 10/30/2009 9:17 AM
Subject: FTA article: Honolulu announced it's willing to wait for federal approval before starting construction

Honolulu mayor willing to delay start of rail project

By Sean Hao

Advertiser

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Mayor Mufi Hannemann's announcement yesterday that he will push back the start date for construction of the planned $5.5 billion commuter rail line coincided with word that one federal agency and one state agency are not ready to sign off on the project.

The federal Advisory Council on Historic Preservation and the state Historic Preservation Division said yesterday the city's plan for lessening the impact of the rail line on historical sites, including burials, needs changes.

Hannemann told an auditorium filled with legislative and business leaders, union officials and city employees, "I'm announcing today that I'm willing to push back our groundbreaking schedule for at least another month to allow the appropriate federal, state and community organizations to cross the t's and dot the i's."

Hannemann had hoped to start construction of the 20-mile elevated rail line between East Kapolei and Ala Moana in December.

Any substantive change to the historical impact plan will require approval by the City Council, which could cause delays.

That historical impact plan needs to be completed and signed before the Federal Transit Administration will give a green light to the rail project. FTA approval is crucial to the project since the city is counting on the federal government to pay for $1.55 billion of the rail construction costs.

The federal Advisory Council on Historic Preservation also warned that the city should not sign any contracts to implement the train project until the historical impact plan is finalized. Any such step could compromise the agency's ability to endorse the city's agreement, the Advisory Council on Historic Preservation said.

Hannemann said on Oct. 21 that the city had awarded a contract for the first phase of construction to Kiewit Pacific Co. The contract is worth $482.9 million and covers construction of the first 6.5 miles of elevated guideway.

That contract award and a half-hour, paid television program aired last night were part of an effort to show that the train project is about to succeed where several past attempts have failed. Yesterday's state of the rail speech by Hannemann, which was recorded earlier in the day at the Mission Memorial Auditorium, kicked off with a video of Hannemann riding a virtual representation of a train.

The mayor's message: The real thing is on the way.

"This is not a virtual dream folks," Hannemann said. "This is our reality."
However, construction cannot occur until the city receives added federal and state approvals.

"I have said the longer we delay, the more we're going to pay," Hannemann said. "But I believe we must be prudent at this critical juncture because thorough preparation will contribute to our ultimate success."

CRITICS' TAKE

Hannemann yesterday said the potential delay exemplifies his wilingness to be flexible and compromise on the project.

However, project critics have long criticized the mayor for failing to meaningfully consider alternatives to rail as well as alternative rail technologies and other routes.

"He doesn't have any choice" but to delay the project, said rail opponent Cliff Slater. "He's got all these federal agencies they're not willing to sign. He's got to do whatever they feel is necessary to fulfill the requirements to protect historic sites."

The city spent $10,000 on air time needed to broadcast the speech, which hit on several previous themes including:
• How the train is needed to stimulate the economy.
• How delays could jeopardize the availability of federal funds.
• And how delays could cause state officials to raid transit funds.
The speech also appeared to be an appeal for support for the train project and future initiatives such as the creation of a transit authority to oversee train construction and operations.

"The whole purpose of the speech from my point of view was to mobilize support from every level — grass roots all the way to business and to other elected officials," said City Councilman Donovan Dela Cruz.

Did the speech work?
"Well find out soon enough," Dela Cruz said. "I think it provided a lot of information for people that needed that reaffirment that rail is moving ahead."

The city also released a public opinion poll of 900 residents surveyed in September that showed 60 percent support rail and 65 percent said the project is a good investment. The survey was conducted by QMark Research and had a margin of error of plus or minus 3.27 percent.