

DEPARTMENT OF TRANSPORTATION SERVICES

CITY AND COUNTY OF HONOLULU

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October 1, 2009

Cliff Slater
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Dear Mr. Slater:

Subject: Honolulu High-Capacity Transit Corridor Project
Comments Received on the Draft Environmental Impact Statement

The U.S. Department of Transportation Federal Transit Administration (FTA) and the City and County of Honolulu Department of Transportation Services (DTS) issued a Draft Environmental Impact Statement (EIS) for the Honolulu High-Capacity Transit Corridor Project. This letter is in response to substantive comments received on the Draft EIS during the comment period, which concluded on February 6, 2009. The Final EIS identifies the Airport Alternative as the Project and is the focus of this document. The selection of the Airport Alternative as the Preferred Alternative was made by the City to comply with the National Environmental Policy Act (NEPA) regulations that state that the Final EIS should focus on the Preferred Alternative (23 C.F.R. § 771.125 (a)(1)). This selection was based on consideration of the benefits of each alternative studied in the Draft EIS, public and agency comments on the Draft EIS, and City Council action under Resolution 08-261 identifying the Airport Alternative as the Project to be the focus of the Final EIS. The selection is described in Chapter 2 of the Final EIS. The Final EIS also includes additional information and analyses, as well as minor revisions to the Project that were made to address comments received from agencies and the public on the Draft EIS. The following paragraphs address comments regarding the above-referenced submittal:

Cover Letter

As described in Chapter 2 of the Final EIS, the Airport Alternative is defined as the Project, and is the focus of the document. The selection of the Airport Alternative as the Preferred Alternative was made by the City to comply with FTA's NEPA regulations that state that the Final EIS should focus on the Preferred Alternative (23 C.F.R. § 771.125 (a)(1)). As such, the Final EIS addresses each of the points of concern noted in the first paragraph of your letter. Specifically, Tables 3-9 and 3-10 of the Final EIS compares existing congestion levels to future levels both with the Project and without to provide a point of reference to the reader for

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future conditions. These tables include traffic volumes, level-of-service, and maximum volume thresholds for individual roadways in the project corridor. Table 3-14 of the Final EIS provides a comparison of the No Build Alternative and the Project in 2030 and shows that the Project will result in an 18 percent reduction in congestion, as measured by daily vehicle hours of delay

(VHD). The environmental benefits and impacts of the Project are detailed in Chapter 4 of the Final EIS. Table 4-1 provides a summary of those impacts and proposed mitigation.

An analysis of the financing of the Project is set forth in Chapter 6 of the Final EIS. Figure 6-3 illustrates forecast transit operating needs from the Highway and General Fund, which includes property tax revenues. As stated in Section 6.4.2 of the Final EIS, overall transit operating and maintenance costs (i.e., the Project, TheBus, and TheHandiVan) are expected to increase from approximately 11 percent to 14 percent of the City's operating budget. This small increase is typically accounted for in the normal budgeting of available funds and will not by itself result in an increase in property taxes. Financial risks associated with the Project are discussed in Section 6.6 of the Final EIS. The travel forecasting model has been refined since the Draft EIS to add an up-to-date air passenger model, improved drive access module and a better presentation of non-home based direct demand trips. The results are not substantially different than those in the Draft EIS. As stated above, VHD will decrease by 18 percent with the Project versus the No Build Alternative.

The summary section of Chapter 4 in the Final EIS provides a list of technical reports that were prepared for the Project. In addition, various technical reports were used as the basis of the transportation and modeling analysis conducted for Chapter 3 of the Draft and Final EISs. These reports are available from the Department of Transportation Services and on the project website at www.honolulutransit.org.

Chapter 2 of the Final EIS also summarizes the screening and Alternatives Analysis processes that were used to identify and develop the alternatives evaluated in the Draft EIS. The detail requested is provided in the supporting reports listed as references to the Draft EIS. To quote from the FTA "Keys to Efficient Development of Useful Environmental Documents" (US DOT, 2007): The NEPA implementing regulations provide that "[e]nvironmental impact statements shall be concise, clear, and to the point, and shall be supported by evidence that agencies have made the necessary environmental analyses" (40 C.F.R. § 1500.2(b)). This means that the impact statement itself should not contain elaborate and extensive analyses of different types of impacts, but rather, relatively brief descriptions in plain language of the results of those analyses; the brief descriptions are meant to discuss impacts associated with alternatives that were analyzed and presented in comparative form. The Final EIS explains the analysis of the various alternatives considered and environmental impacts of the proposed Project in compliance with NEPA.

Part I – "All reasonable alternatives" were not studied.

The Alternatives Analysis phase, as documented in Chapter 2 of the Final EIS, evaluated a range of transit mode and general alignment alternatives in terms of their costs, benefits, and impacts. The scoping process for the Alternatives Analysis involved a presentation of the viable

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alternatives to the public and interested public agencies and officials to receive comments on the Purpose and Need, alternatives, and scope of the analysis for the Alternatives Analysis. Scoping followed the FTA process that provides for an option of culling alternatives studied in the EIS through an Alternatives Analysis. The following scoping meetings were held as part of the Alternatives Analysis phase of the Project:

- *December 13, 2005: Neal S. Blaisdell Center Pikake Room at 777 Ward Avenue in Downtown Honolulu from 2:00 to 4:00 p.m. (agency scoping meeting)*
- *December 13, 2005: Neal S. Blaisdell Center Pikake Room at 777 Ward Avenue in Downtown Honolulu from 5:00 to 8:00 p.m. (open to the public)*
- *December 14, 2005: Kapolei Middle School Cafeteria at 91-5335 Kapolei Parkway in Kapolei from 7:00 to 9:00 p.m. (open to the public)*

The scoping process initiated for the Alternatives Analysis included a variety of highway, bus and fixed guideway options for consideration. As a result of this scoping effort, the proposed Managed Lane Alternative was revised. It was revised again during the Alternatives Analysis to improve its performance.

A second scoping opportunity was initiated in support of the Draft EIS in March of 2007. All meetings held were open to the public:

- *March 28, 2007: Kapolei Hale at 1000 Uluohia Street from 6:00 to 9:00 p.m.*
- *March 29, 2007: McKinley High School at 1039 South King Street from 5:00 to 8:00 p.m.*
- *April 3, 2007 at Salt Lake Elementary School at 1131 Ala Liliko'i Street from 5:00 to 8:00 p.m.*

In this later scoping effort, the public was requested to propose alternatives that would satisfy the purpose and need at less cost or with greater effectiveness, less environmental or community impact and alternatives that were not previously studied and eliminated for good cause. The only alternative which emerged that met these criteria was a fixed-guideway alternative following an alternative alignment. All reasonable alternatives that emerged from these processes were ultimately evaluated in the Draft and Final EISs. This second scoping process was not held because the first scoping process was "inadequate or unsatisfactory." In 2006, FTA issued guidance that stated a scoping process should be held before the Alternatives Analysis with another scoping process and Notice of Intent to prepare an EIS:

According to SAFETEA-LU Environmental Review Process Final Guidance issued jointly by the Federal Highway Administration and FTA: "Certain New Starts project sponsors have advocated publishing a Federal Register notice of intent to prepare an EIS, more accurately called an "early scoping notice," and then conducting the New Starts planning Alternatives Analysis as a super-extended scoping process (so called "Option 1.5"). This option may provide an opportunity to identify and engage participating agencies...earlier, i.e., during the New Starts planning Alternatives Analysis, through the early scoping notice... Under this option, project initiation [scoping process] would occur after the New Starts planning Alternatives Analysis at the start of the environmental review process."

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The FTA issued a Notice of Intent to prepare this EIS in the Federal Register on March 15, 2007. All interested individuals and organizations, as well as Federal, State, and Local agencies, were invited to comment on the Purpose and Need to be addressed by a fixed guideway transit system; the alternatives including modes, technologies and alignments to be evaluated; and environmental, social, and economic impacts to be analyzed. The alternatives evaluated in the Draft EIS are the result of the alternatives screening process and reflect

comments received during the scoping process, as summarized in the Honolulu High-Capacity Transit Corridor Project National Environmental Policy Act Scoping Report (DTS 2007). Several scoping comments were received requesting reconsideration of the Managed Lane Alternative that was considered and rejected during the Alternatives Analysis phase. Because no new information was provided that would have changed the findings of the Alternatives Analysis regarding the Managed Lane Alternative, it was not included in the Draft EIS for further consideration. Had new information been revealed, the managed lane alternative would have been reconsidered in the Draft EIS.

Regarding alternatives studied, the Alternatives Analysis fully evaluated a reversible Managed Lane Alternative and documented that it performed poorly compared to the Fixed Guideway Alternative on a broad range of metrics. The analysis is summarized in Chapter 2 of the Final EIS. The proposed Bus Rapid Transit (BRT) alternative was a variation on the Transportation System Management (TSM) Alternative that was evaluated in the Alternatives Analysis. While the alternative was cost effective, its overall system benefit was very low. The EzWay concept which included a 15-mile, 3-lane viaduct was developed as a hybrid of a plan for elevated lanes and some form of rubber-tire-on-concrete transit system. This concept was similar to the Managed Lane Alternative, which was thoroughly evaluated in the Alternatives Analysis, accommodated both single occupant and transit vehicles. The main difference with the Managed Lane Alternative was that it eliminated the toll element for single occupant vehicles. The EzWay concept was presented for consideration just prior to the release of the Draft EIS. There may be many other versions of this type of system with minor adaptations to suit one or another special concern. In the end, however, they all face similar challenges as a primary solution to the Honolulu transportation problems. Specifically, they do not reduce congestion, do not increase the reliability of the transportation system, do not serve future land use plans, and do not improve transportation equity in terms of the fairness of and access to the transportation system. They also do not offer an alternative to perpetuating continued reliance on limited existing travel modes.

The Transit Task Force was created to assist the City Council in selecting the locally preferred alternative. Page 2 of 7 of the Task Force Report states: "The Task Force finds that the Alternatives Analysis' presentation and assessment of [the Managed Lane] alternative were fair and accurate, however it may well be that operational variations of this alternative could make it more attractive and/or feasible than the specific version considered."

The zipper lane was eliminated in the evaluation of the reversible facility because with the additional lanes, the demand and capacity would be better balanced without the zipper lane. Implementation of the zipper lane results in the loss of two lanes of capacity in the reverse direction. By 2030, the directional transportation demand will be more balanced than it is today.

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Eliminating the zipper lane while evaluating the reversible managed lane alternative provided the greatest benefit to modeled freeway users by increasing capacity in both directions. Access ramps were provided at several locations. Park-and-ride facilities and bus stops were included to maximize transit use, providing the alternative the greatest opportunity to generate transit user benefits.

Summary of the case for reinstating the Managed Lane Alternative in the EIS

The Alternatives Analysis fully evaluated the Managed Lane Alternative and documented that it performed poorly compared to the Fixed Guideway Alternative on a broad range of metrics, including reducing congestion compared to the No Build Alternative, improving the mobility and reliability of the transit system, improving access to planned development areas and providing more equitable access to the transportation system. The analysis is summarized in Chapter 2 of the Final EIS.

The engineering cost estimate for a two-lane reversible managed lane facility, which was calculated following the same rigorous cost estimating process used for the Fixed Guideway Alternatives, was \$2.6 billion in 2006 dollars. The City Council's Transit Advisory Task Force reviewed the Alternatives Analysis and concluded in their report of December 14, 2006 that the assessment of each alternative was "fair and accurate" and that capital cost estimates were compiled using the same methodology and unit cost and that the construction cost estimates were fairly and consistently prepared. The Task Force also concluded that the Honolulu project is not comparable to the Tampa tollway because the size of the project (12 miles in Honolulu versus 5.8 miles in Tampa Bay), local conditions (building in an urbanized environment with utilities, rights-of-way acquisition, extremely challenging geotechnical conditions, and major freeway and overpass structures in Honolulu versus none of those considerations in Tampa Bay), and costs of construction (between 30 and 40 percent higher in Honolulu compared to Tampa Bay) between the two locales are not comparable.

An increase in the number of lanes on the facility would not have substantially changed the findings of the analysis. It would have increased the cost and marginally increased freeway capacity, but the arterial system would still have experienced increased congestion, resulting in total systemwide congestion similar to or worse than the No Build Alternative.

Any increase in the number of access points to the facility would result in significant additional right-of-way requirements and additional costs beyond the \$2.6 billion cost estimate (2006 dollars). The geometric implications of building additional ramps and the structures that are needed to support them are significant. The elevated structure would need to be widened beyond the two full travel lanes to accommodate a deceleration lane approaching the ramp and an acceleration lane rising to it. These will be carried at a full lane width at the full height of the facility for between 600 and 1000 feet before the ramp descends from the facility or after the ramp rises to join it. These improvements add substantial additional cost to the project, make it more difficult to build and increase its impact on the nearby communities.

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The additional information requested by the City Council's Transit Advisory Task Force related to the clarification of the definition of the alternative. The majority of the information requested was available in supporting documentation for the Alternatives Analysis. The requested items would not change the findings of the Alternatives Analysis.

Part II – Insufficient consideration of elevated rail impacts

The Final EIS presents the potential environmental impacts of the proposed action. These are presented in Chapters 3 and 4 of the Final EIS and summarized in the Executive Summary of the Final EIS.

The Final EIS presents the environmental impacts of the Project on the built environment. The following resources of the affected built environment were analyzed in the Final EIS: transportation system (Chapter 3); land use (Section 4.2); economic activity (Section 4.3); acquisitions, displacements, and relocations (Section 4.4); community services and facilities (Section 4.5); neighborhoods (Section 4.6); environmental justice (Section 4.7); visual and aesthetic conditions (Section 4.8); noise and vibration (section 4.10); energy and electric and magnetic fields (section 4.11); and hazardous waste and materials (Section 4.12). In fact, the majority of the environmental analysis presented in the Final EIS pertains to impacts on the built environment versus the natural environment. The potential impacts of the Project on the built environment have been thoroughly analyzed in the environmental process and those results are presented in the Final EIS.

The Project is located in Honolulu; therefore, none of the listed locations have direct applicability. The New York system is now an obsolete construction technology. Neither the Miami nor San Juan systems have generated additional significant adverse impacts that were not addressed in the environmental review documents for those systems. The Embarcadero was an elevated highway, more akin to the elevated traffic lanes preferred in the comment. These examples do not suggest that there would be additional significant impacts that have not already been disclosed in the Final EIS.

City renderings misrepresent reality

Figure 4-28 in the Draft EIS is a correct rendering of the Project based on current design drawings. The Project would not be as large as depicted nor would it include barriers between lanes as shown in your letter

The Project would not construct any structures in the vicinity of University Avenue. The Project has logical termini at East Kapolei and Ala Moana Center and independent utility from any extensions that may be constructed in the future. The future extensions are not part of this Project, thus they are not required to be evaluated under Chapter 343 of the Hawaii Revised Statutes and NEPA. Thus, the graphic included in the letter does not represent the Project.

The next graphic included in the letter does not adequately represent the Project. Figure 4-29 of the Final EIS illustrates the Project on Dillingham Boulevard near Honolulu Community Colleges and Kapalama Station Area. A 3-foot parapet wall is included in project design along the entire alignment. As such, each of the effects of the parapet wall are shown in each of the simulations provided in Section 4.8 of the Final EIS.

Visual and aesthetic conditions are discussed in Section 4.8 of the Final EIS. The Project would be set in a primarily open urban context where visual change, including shade and

shadow, is expected and differences in scales of structures are typical (e.g., new high rise buildings). The Final EIS acknowledges that the fixed guideway and stations will be elevated structures, and thus will result in noticeable changes to existing views and in the foreground of these views. This change will also affect the location and extent of shadows.

The analysis acknowledges that shadow impacts along the alignment will vary with orientation, height of the stations and guideway, and the height of surrounding trees and local development (see Section 4.8.3 from the Final EIS). Shade and shadow effects are correctly illustrated in the simulated views included in Section 4.8 of the Final EIS.

The intent of the comment about the “ugliness” of straddle bents is unclear as there is no noticeable difference between the two pictures shown in the comment. Recognizing the visual concerns about the Project, however, the following measures will be included with the Project to minimize negative visual effects and enhance the visual and aesthetic opportunities that it creates:

- Develop and apply design guidelines that would establish a consistent design framework for the Project with consideration of local context.*
- Retain existing trees and provide new vegetation where practical.*
- Shield exterior artificial lighting.*
- Coordinate the Project design with City transit-oriented development planning and Department of Planning and Permitting.*

Part III – The Locally Preferred Alternative must be studied in the EIS

The Project is defined in the Final EIS as a 20-mile fixed guideway from East Kapolei to Ala Moana Center. The City Council identified this 20-mile portion of the broader Locally Preferred Alternative as the Project. The Project has logical termini and independent utility from any extensions that may be constructed in the future. The future extensions are discussed in the cumulative impacts sections of Chapters 3 and 4 of the Final EIS. The future extensions are not part of the Project, thus they are not required to be evaluated under Chapter 343 of the Hawaii Revised Statutes and NEPA. Under NEPA, environmental analysis is only required when there is a proposed action by a federal agency. Here, because the future extensions are not proposed for implementation at this time, they are not part of the Project studied in the Final EIS. It would be premature to undertake an environmental analysis of the extensions (beyond the analysis conducted as part of the Alternatives Analysis) because they are not part of the proposed action

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to be taken by the City and FTA. FTA will not be granting any New Starts approvals for the extensions of the elevated rail system. If the future extensions are proposed for implementation at some time in the future, environmental analysis of the extensions and appropriate alternatives analysis will be undertaken at that time.

The Final EIS describes the total extent of the proposed Federal action of construction and operation of a fixed guideway transit system between logical termini in East Kapolei and Ala Moana Center, a project included in the Oahu Regional Transportation Plan 2030. There is no segmentation between a Federal and local undertaking. Possible future extensions from East Kapolei to West Kapolei and from Ala Moana Center to UH Manoa and Waikiki are addressed in

the Final EIS as cumulative effects in Sections 3 and 4. The extensions represent elements of the long range plan that are not part of the Project or proposed action. The commenter suggests presenting an evaluation of an action that is not proposed for implementation, which would be a violation of both Chapter 343 of the Hawaii Revised Statutes and NEPA.

Chapter 4 of the Final EIS includes an evaluation of the cumulative effects of the Project with other past, present, and reasonably foreseeable actions, including the proposed future extensions. Because the effects of the proposed future extensions would not be caused by the Project and are speculative the detail of the analysis can not match that conducted for the Project. When the planned extensions are evaluated in the future, a range of alternatives and complete analysis of potential impacts will be conducted.

Future extensions are not precluded by the Project identified in the Draft and Final EISs. The 35-foot-high station at Ala Moana Center is a practical terminus for the Project, which will serve the shopping center and area properties. In the future, when funding is available, the extension would be designed to best accommodate the possibilities available at that time. The high level option over the shopping center is still available and does not obviate the need for the 35-foot option built now. There are operating plans for the system that will continue to rely on the 35-foot station even after an extension is built. If a future extension is constructed beyond the Ala Moana Center, it is preliminarily proposed that the branch lines would have longer headways than the core system, and service that terminates at Ala Moana Center would use the lower platform, while through service would use the upper platform. Riders traveling towards UH or Waikiki would use the upper platform, while those traveling to Ewa could use either platform.

The Draft EIS provided estimates of cost-effectiveness for those build alternatives addressed in the document, namely three fixed guideway alternatives from East Kapolei to Ala Moana Center. The cost-effectiveness discussion in the Final EIS has been revised since the Draft EIS to reflect updated modeling and financial information. In addition, cost-effectiveness is only presented for the Airport Alternative. Possible future extensions from East Kapolei to West Kapolei and from Ala Moana Center to UH Manoa and to Waikiki are addressed in the Final EIS as cumulative effects in Sections 3 and 4.

Table 3-16 of the Draft EIS provides total transit boardings and linked trips in 2030 for each of the "First Project" Build Alternatives. Table 3-28 of the Draft EIS shows fixed guideway boardings for each of the "First Projects" and the "First Projects plus extensions". These tables

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have been revised in the Final EIS to show boardings for the Airport Alternative and the Airport Alternative plus future extensions (Tables 3-18 and 3-29 respectively).

As documented in the Alternatives Analysis and summarized in Chapter 2 of the Final EIS, the Managed Lane Alternative performed poorly in comparison to the 20-mile Fixed Guideway Alternative evaluated in the Alternatives Analysis. Chapter 2 in the Final EIS includes a discussion of why the Managed Lane Alternative is no longer being considered. There was at no time any suggestion that the Project was anything different from the 20-mile fixed guideway that is the subject of the EIS. This Project has been consistent in its presentation to the public since the beginning of the EIS/Preliminary Engineering project began in mid 2007.

Part IV – First Project, Phase I, is an illegal segmentation

The Record of Decision, acceptance of the Hawaii Revised Statutes Chapter 343 EIS, and applicable permits are required prior to construction. Pearl Highlands is not a project terminus, rather, it is a construction phasing point. Logical termini and independent utility apply to project limits of East Kapolei and Ala Moana Center.

As discussed in Chapter 2 of the Final EIS, the Project will connect multiple activity centers, provide cost-effective transit-user benefits, and meet the Purpose and Need whether or not the planned extensions are built. Construction of the Project will not preclude future development of the planned extensions.

Because of its length, the Project will be constructed in phases to accomplish the following:

- *Match the anticipated schedule for right-of-way acquisition and utility relocations.*
- *Reduce the time that each area will experience traffic and community disruptions.*
- *Allow for multiple construction contracts with smaller contract size to promote more competitive bidding.*
- *Match the rate of construction to what can be maintained with local workforce and resources.*
- *Balance expenditure of funds to minimize borrowing.*

Part V – Unjustifiable forecasts

1. Ridership forecasts

National trends show substantial ridership increases. Last year (2008) recorded the highest demand for public transportation in 52 years (APTA 2008 Ridership Report). National transit ridership has grown 18% over the past ten years (2007 National Transit Summaries and Trends, National Transit Database). Honolulu transit ridership has grown over the past several years recovering from three fare increases (July 1, 2001, July 1, 2003, October 1, 2003) and a month-long strike (FY 2004).

As identified in the Final EIS (Chapter 3, Section 3.2), transit ridership forecasts, for rail and bus service, are based on a travel demand forecasting model used by the Oahu Metropolitan Transportation Organization (OahuMPO) for the Oahu Regional Transportation Plan. This model is based on guidelines established by the Federal Transit Administration and is required to qualify for federal grant funding under the New Starts program. FTA forecasting guidelines have been revised periodically to take advantage of experiences on other projects to ensure projections are realistic and reproducible. The ridership figures presented in the Final EIS have been developed using the latest and best practices put forth by the FTA.

In addition, the Project is one of the first in the country to design and undertake an uncertainty analysis of this type of travel forecast. The uncertainty analysis evaluates the variability of the forecast by establishing probabilistic upper and lower limits of ridership

projections. FTA has worked closely with the City during this work effort. A variety of factors were considered in the uncertainty analysis, including the following:

- Variations in assumptions regarding the magnitude and distribution patterns of future growth in the Ewa end of the corridor.*
- The impact of various levels of investment in highway infrastructure.*
- The expected frequency of service provided by the rapid transit system.*
- Park-and-ride behavior with the new system in place.*
- The implications on ridership of vehicle and passenger amenities provided by the new guideway vehicles.*

Given all the factors considered, the anticipated limits for guideway ridership in 2030 is expected to be between 105,000 to 130,000 trips per day, bracketing the official forecast of 116,000 riders a day used for all calculations.

2. Projected energy savings have not been carefully examined

According to the U.S. Dept. of Energy, Transportation Energy Data Book, for the year 2006, passenger cars require 3,512 BTUs per passenger mile while transit trains require 2,784 BTUs per passenger mile and transit buses require 4,235 BTUs per passenger mile. As the Department of Energy advises, great care should be taken when comparing modal energy intensity data among modes. Because of the inherent differences among the transportation modes in the nature of services, routes available, and many additional factors, it is not possible to obtain truly comparable national energy intensities among modes. These values are averages, and there is a great deal of variability even within a mode, as the commenter has demonstrated.

The same Department of Energy report referenced by the commenter shows that between 1970 and 2006, highway transportation energy consumption has been growing at a rate of 1.8% per year. The commenter's assertion that highway transportation energy consumption will stop growing on an annual basis is not supported by data collected over the past 36 years.

With regard to construction energy usage, a construction project will obviously require the use of energy. If no construction is done, less energy will be used. Under any alternative evaluated to this point, with the exception of the ineffective TSM Alternative in the Alternatives Analysis, avoiding construction is not possible and affords no possible way to meet the Project's Purpose and Need to improve mobility and reliability, access to planned growth areas, and improvement in the equity of the transportation system. Recognizing the demand for energy during construction, measures are being taken to reduce energy use during construction as noted in Chapter 4.18.6 of the Final EIS.

3. The Draft EIS financial plan is unduly optimistic

The financial plan for the Project is discussed in detail in Chapter 6 of the Final EIS. The commenter's statement that "the additional operating subsidy for rail is not accounted for in the cash flow" is incorrect. The referenced cash flow table anticipates a City subsidy of \$4.726 billion will be spent to support all public transit operations and maintenance during the 2009-2030 period. This is approximately 14 percent of anticipated revenues from the City's General Fund and Highway Fund during this period of which the Project will represent less than 25 percent. Approximately 60 percent of General Fund and Highway Fund revenues come from property taxes with the remainder coming from a variety of other taxes and fees.

The commenter is correct in noting that over \$500 million (\$571 million) in General Obligation Bond proceeds are anticipated to be used for ongoing capital expenditures during the 2009-2030 period. This is a continuation of the City's long-standing practice of using General Obligation Bond proceeds to pay for ongoing capital expenditures for the transit system. As shown in the cash flow table for the Project, about 9 percent of ongoing capital expenditures during the 2009-2030 period are anticipated to be related to the rail line, with the remainder going to the purchase of vehicles and other capital projects for TheBus and TheHandi-Van. It is likely that many of these expenditures, utilizing General Obligation Bond proceeds, would occur even if the rail project were not implemented. In reference to General Excise and Use Tax (GET) collections, the Final EIS financial analysis recognizes the reduction in GET surcharge collections, forecasting total revenues of \$3,524 million from the GET surcharge, almost the same as presented in the commenter's letter.

The financial plan is a dynamic document that will be regularly updated to reflect changing conditions. The City will continue to refine revenue forecast and cost estimates as the Project proceeds through FTA's New Starts process. The financial analysis presented in Chapter 6 shows the overall Project financial plan to be balanced using federal and GET surcharge revenues. The primary change has been the amount of federal funding to be requested from New Starts has been increased. This revision has been presented to the FTA.

4. Risk assessment understated

Chapter 6, Section 6.6 of the Final EIS provides a detailed discussion of the risks associated with Project funding ranging from project construction risks to market uncertainty to

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inflation. It also presents other possible revenue options should conditions warrant their consideration.

The operating cost model was developed using information from Washington Metro, Los Angeles and Miami as noted in Chapter 6 of the Final EIS. The procedure used was in accordance with the guidance of the FTA and has been reviewed by the FTA. All transit projects have a variety of different characteristics and thus do not provide an “apples to apples” comparison. While cost comparisons may be somewhat helpful in evaluating projects, they cannot form the primary basis for such an evaluation because of the unique physical conditions, engineering and other characteristics of each geographic area and system.

The “Pickrell Report” is widely accepted as being out of date as it reviewed a small sampling of systems that were built over 20 years ago and which were not exposed to the current more rigorous requirements of the FTA’s New Starts process. The 2007 FTA report shows cost estimates to be much closer to estimates, in general. Sixty percent of the

percentage discrepancy presented by the commenter is recognized in the report by the FTA to be attributable to one project, the Tren Urbano. Comparing the final estimate before construction of the same projects shows the comparison of actual cost and estimate to be within a reasonable range. The New Starts process is designed to refine estimates as the engineering and design elements are advanced. In the end, the analyses in these reports serve to aid FTA in improving the way estimates are done.

Cost estimates and ridership projections for the Project have been developed in accordance with the latest guidance issued by FTA. FTA and the Project have the benefit of experience from other systems built in the U.S. FTA continuously adjusts the requirements to improve practices where necessary. As mentioned above, there are many checkpoints within the development of the Project subject to FTA scrutiny, review and, ultimately, approval. The Financial Plan and ridership analysis prepared for the Project and documented in the Final EIS contains the best available data, and their development adheres to FTA requirements. The Final EIS also discloses the potential risks and uncertainty associated with funding for the Project (Section 6.6).

The fixed guideway alternative was shown in the Alternatives Analysis Report to provide the best improvement in travel conditions over the No Build Alternative compared to the Managed Lane and the TSM alternatives. This analysis is discussed in Chapter 2 of the Final EIS. The fixed guideway will reduce VHD on the highways by 18 percent compared to the No Build Alternative. Other alternatives studied offer negligible improvement compared to the No Build Alternative.

The fixed guideway component of public transit operating costs is 25 percent of the systemwide total. Increasing operating costs are a consideration for the entire transit program. Operating costs for the transit system as a whole (i.e., TheBus and The HandiVan and, eventually, the Project) are funded from the City’s General and Highway Fund which is made up of a variety of sources, including property taxes, vehicle license fees and other items. The operating budget is set each year by the City Council during the budget process. The additional

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costs of the transit system will not by themselves cause a need to increase property taxes (and the contribution from the Project is even less likely to do so), but the City Council will review all competing needs and the available resources and make that decision each year as they do now with all City operating programs.

5. Operating subsidies are understated

Chapter 6.4 of the Final EIS describes the basis for the operating costs used in the financial calculations. The primary public transit properties used for comparison were Washington D.C., Los Angeles, and Miami. The approach used was reviewed by the FTA.

The operating cost model for the Project was developed using information from Washington Metro, Los Angeles and Miami systems. The procedure used is in accordance with applicable FTA guidance and was reviewed by FTA.

The methodology to develop operating and maintenance cost estimates for the fixed guideway project was reviewed by the FTA. All properties used for comparison were steel-on-steel grade separated systems. Regarding the long term cumulative operations cost, the fixed guideway portion of the systemwide cost is less than 25 percent. Chapter 6.6 of the Final EIS discloses the risks and uncertainties associated with the financial analysis of the Project.

The cost of security is included in the operating costs estimated for the Project as part of the development of the overall operating costs for the system. Security costs are reflected in "professional services" element of the operating costs for all the systems used in developing Project. The security cost for the Los Angeles system cited in the comment is for all transit services not just fixed guideway service, which is significantly more extensive than Honolulu's proposed Project.

6. Replacement and Refurbishing

Information regarding replacement and refurbishing information has been included in the Final EIS and is shown graphically in Figure 6-1. Similar replacement and refurbishing practices will apply to the fixed guideway as they do to TheBus. Although railcar equipment is more costly it has a much longer lifespan than buses and associated equipment and facilities. The funding for refurbishing and replacement will come primarily from discretionary and formula federal funding such as FTA Urbanized Area Program and the Fixed Guideway Modernization Program. The City will receive a higher share of formula funding because of the Project.

Replacement and refurbishment costs are minimal for the Project as a new system. Costs are expected to be very small with no full replacement needed until 16 years after the opening of the first segment (2028 at the earliest) and only minor repair costs about five or six years after opening. This places the demands for replacement and refurbishing outside the planning horizon for the Project. However, recognizing the need to provide for this cost over time, the Peskin approach has been used effectively for estimating these needs.

The need for refurbishing and replacement of capital assets is addressed in the Financial Plan and discussed in Chapter 6 of the Final EIS, including funds available for that purpose. There will be ongoing costs to maintain the fixed guideway system as there are with any capital investment over time. A possible method of calculation of such costs is mentioned above.

The impacts of forecasting errors

At a \$16.24/hour cost-effectiveness index (CEI) as indicated in Chapter 7 of the Final EIS, the project is well under the \$23.99/hour level the FTA requires to find a project to be cost-effective. Ridership and costs are based on the best information available and have been developed consistent with FTA guidance and under FTA scrutiny. Even at lower levels of ridership or higher costs, the Project would still qualify under the FTA's CEI criterion.

The Project will receive a rating prior to the next New Starts Report in the Fall of 2009. The Final EIS contains information based on Preliminary Engineering consistent with FTA

requirements for New Starts projects so as to calculate the rating for the Project. The information related to the New Starts information is discussed in Chapter 7, Section 7.6.

Part VI – “Strategic misrepresentation” in the Draft EIS

Numerous transportation reports were prepared for the Draft and Final EISs, including the Transportation Technical Report; Addendum 01 and Addendum 02 to the Transportation Technical Report; Model Development, Calibration, and Validation Report; Travel Forecasting Results and Uncertainties Report; Travel Demand Forecasting Results Report; and Addendum 01 to the Travel Demand Forecasting Results Report. These reports are available on the Project website and listed in the References section of the Final EIS.

1. Omissions of relevant material

a) OMPO surveys:

The statements quoted from the 2004 Oahu MPO Survey indicate that there is broad public support for an improved transit system and a willingness to fund the improvements with local tax revenue.

The 2006 survey provided little new information about the public's opinion about the fixed-guideway project. The indication that one-third of Oahu residents plan to use the Project on a regular basis would indicate a substantial desire of current drivers to change mode to reliable transit.

b) Future traffic conditions versus today's traffic omitted

The Draft EIS provided existing traffic conditions in Table 3-7 and 2030 conditions with and without the Project in Table 3-20. The information is provided for the public to compare current conditions to those projected for the future both with and without the

Project. Tables 3-9 and 3-10 in the Final EIS present traffic volume information for existing conditions and for 2030, with and without the Project during the a.m. and p.m. peak hours (Tables 3-9 and 3-10). These tables have been revised in the Final EIS to show the component roadway facilities of each screenline, level-of-service, and maximum volume thresholds. As shown in these tables, traffic decreases with the introduction of the Project. The Final EIS includes a statement in the Summary of Findings (now appearing as Table 3-1) stating that roadway conditions in 2030 will be better with the Project than the No Build Alternative. Table 3-14 compares the No Build Alternative with the Project and clearly shows the benefits of building rail to vehicle miles traveled (VMT), vehicle hours traveled (VHT) and VHD. All measures decrease significantly with the implementation of the fixed guideway compared to the No Build Alternative.

c) Highway capacity data omitted

In response to comments and additional analysis, the travel forecasting model has been refined since the Draft EIS to account for non home based direct demand trips during off peak periods. In addition, the air passenger model was updated to reflect current conditions. The Final EIS reflects updated ridership numbers resulting from

model refinement. Screenline information for existing conditions, 2030 No Build, and the Project are shown in Tables 3-9 and 3-10. Updated VMT, VHT, and VHD for all time frames are shown in Table 3-14.

Under the No Build and Build alternatives, travel forecasting has assumed several transportation projects, including congestion relief projects in the Oahu Regional Transportation Plan 2030 (as shown in Table 2-4 in the Final EIS). As identified in Chapter 3 of the Final EIS (Table 3-14), the fixed guideway alternatives would result in reduced islandwide vehicle delay of 18 percent as compared to the No Build Alternative.

The screenline volumes in the Alternatives Analysis report were incorrect and have since been corrected. Numbers have been updated for the Final EIS based on the Airport Alternative and refinements to the travel demand forecasting model. The updated results continue to show that traffic will decrease with the addition of the Project. Tables 3-9 and 3-10 in the Final EIS contain updated screenline information including level-of-service, maximum capacity thresholds, and the component roadway facilities of each screenline.

2. *Misleading purpose and need statement:*

Section 1.7 of the Final EIS specifically states the Project's purpose: The purpose of the Honolulu High-Capacity Transit Corridor Project is to provide high-capacity rapid transit in the highly congested east-west transportation corridor between Kapolei and UH Manoa, as specified in the Oahu Regional Transportation Plan 2030 (OahuMPO 2007). The project is intended to provide faster, more reliable public transportation service in the study corridor than can be achieved with buses operating in congested mixed-flow traffic, to provide reliable mobility in areas of the study corridor where people of limited income and an aging population live, and to

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serve rapidly developing areas of the study corridor. The project also would provide additional transit capacity, an alternative to private automobile travel, and improve transit links within the study corridor. Implementation of the project, in conjunction with other improvements included in the ORTP, would moderate anticipated traffic congestion in the study corridor. The Project also supports the goals of the Honolulu General Plan and the ORTP by serving areas designated for urban growth.

The need for transit improvements are discussed in Section 1.8 of the Final EIS, and are addressed by the Project goals as discussed in Section 1.9 of the Final EIS. They include: improve corridor mobility, improve corridor travel reliability, improve access to planned development to support City policy to develop a second urban center, and to improve transportation equity.

The purpose and need statement complies with the requirements of NEPA and applicable FTA guidance.

Part VII – Misrepresentation outside of the Draft EIS

The Draft and Final EISs includes a clear and un-biased evaluation of project alternatives and impacts.

Project funds have been expended to inform the public and solicit public input about the status and details of the project.

The comment related to political contributions is not related to the environmental analysis of the Project.

The purpose of the Project, as stated in Section 1.7 of the Final EIS, includes moderation of anticipated traffic congestion (“Implementation of the project, in conjunction with other improvements included in the ORTP, would moderate anticipated traffic congestion in the study corridor.”). As shown in Table 3-14 in the Final EIS, in comparison to the No Build Alternative, in 2030 the Project would result in an 18 percent reduction in islandwide congestion, as measured by daily vehicle hours of delay. Thus, the Project meets the purpose of moderating anticipated traffic congestion.

Projections indicate that traffic conditions will be worse in 2030 under any circumstances. The Alternative Analysis supports this statement as does the analysis of transportation impacts in the Final EIS. The comparison that is key to the Project is that rail will improve conditions compared to what they would be if the Project is not built. With the fixed guideway system, total islandwide congestion (as measured by VHD) would decrease by 18 percent (as shown in Table 3-14 in the Final EIS), compared to the No Build Alternative. In addition, traffic volumes were studied at various screenlines in the study corridor. The travel demand forecasting model was

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used to forecast traffic volumes at these screenlines in 2030, both with and without the Project (as shown in Tables 3-9 and 3-10 in the Final EIS). Analysis revealed that traffic volumes at these screenlines would decrease up to 11 percent with the Project. Accordingly, traffic conditions will be significantly better with the fixed guideway compared to the No Build Alternative.

The comment regarding inaccuracy in statements made by politicians is not related to the NEPA environmental analysis of the Project. FTA is the federal lead agency and will continue to ensure compliance with NEPA as part of their responsibilities under NEPA and federal law.

The NEPA process is unrelated to any electoral processes. Further, this comment regarding the electoral process is not related to the environmental analysis of the Project.

The FTA and DTS appreciate your interest in the Project. The Final EIS, a copy of which is included in the enclosed DVD, has been issued in conjunction with the distribution of this letter. Issuance of the Record of Decision under NEPA and acceptance of the Final EIS by the Governor of the State of Hawaii are the next anticipated actions and will conclude the environmental review process for this Project.

Very truly yours,

WAYNE Y. YOSHIOKA
Director

Enclosure
cc: Mr. Ted Matley
Federal Transit Administration