

## MEMORANDUM

**TO:** Peter Rogoff, Administrator  
**FROM:** Leslie T. Rogers, Region IX Administrator  
Susan Borinsky, Associate Administrator for Planning and Environment  
**DATE:** October 12, 2010  
**RE:** Meeting with Mayor Peter Carlisle and Honolulu Transit Division Staff to discuss Honolulu High Capacity Transit Corridor Project

### MEETING OVERVIEW

- **Date of Meeting:** Friday October 15, 2010, 1:30 PM to 2:00 PM
- **Meeting Attendees:** Mayor Peter Carlisle, City of Honolulu  
Council Chair Todd K. Apo  
Council Vice Chair Nestor Garcia  
Councilmember Ikaika Anderson  
City and County of Honolulu Department of Transportation Services, Rapid Transit Division (RTD) Staff

### TOPIC OF MEETING

- Newly elected Mayor Carlisle will introduce himself and provide assurances that the City will continue to pursue the High Capacity Transit Corridor project as currently planned.

### KEY ISSUES AND CONCERNS

#### **1. Environmental Issues**

##### **a. Status/Timing of Record of Decision (ROD)**

- The comment period for the Final Environmental Impact Statement (FEIS) closed in August. FTA staff is reviewing the summary of comments and responses sent by the City and County.
- As you know, Governor Lingle has said that she will not sign the FEIS until she completes a financial review of the project. As a result, the project sponsor is assuming that FTA will not issue a ROD until the new Governor is in office in January 2011.
- The following actions must be completed before FTA could issue a ROD: complete the review of FEIS comments and responses, obtain concurrence letter from U.S. Fish and Wildlife Service regarding the Endangered Species Act, complete Programmatic Agreement, address the issue with the pre-cast yard (if applicable – see description below).
- Given these remaining items, a ROD date of January 2011 is feasible.

##### **b. Status of Programmatic Agreement**

- The programmatic agreement stipulations have all been resolved except for one remaining issue; the State Historic Preservation Office's interest in a mitigation fund for potential indirect and cumulative effects on historic districts along the alignment. The City, once opposed to the mitigation fund, is now considering it.

**c. Pre-Cast Yard Issue**

- Several months ago, Kiewit, the design-build contractor for the West Oahu Farrington segment, initiated a review under the State environmental process for a 30-acre pre-cast yard. The proposed site had not been included as part of the project scope in the FEIS.
- FTA asked for additional information about pre-cast yard sites for the project (up to four may be needed for the project), but the City and County resisted on the grounds that the pre-cast yard site selection is the responsibility of the contractors.
- Ideally, the FEIS should include a review of the entire project scope, including pre-cast yards. The New Starts team would like to discuss this issue with you at the next New Starts meeting.

**d. Status of Governor's review of financial information and requests to FTA for information**

- Governor Lingle has hired consultants to review the financial plan for the project. Some time ago, FTA told the Governor that FTA would share the project financial plan with the Governor, but not FTA's analysis of the plan. The Governor's consultants have recently requested information from FTA to complete their review. Since FTA has not received updated information since they last obtained information through a FOIA request, FTA can tell the consultants that they already have the most recent financial data. TPE has sent you a draft email response to send to the consultants, who recently contacted you directly.

**2. Project Development Issues**

**a. Status/Timing of Final Design Approval**

- The project sponsor is currently projecting a final design approval date of June 2011.

**b. Letters of No Prejudice (LONPs) and "Local Match" Appropriations Language**

- The project sponsor has awarded a design-build contract for the West Oahu Farrington segment with a construction notice to proceed date of March 2011. FTA has advised the project sponsor that March is not a reasonable timeframe for starting construction, mainly because FTA believes that the sponsor will not be ready to start construction until October 2011. FTA has advised the sponsor to immediately address the construction schedule with the design-build contractor in order to minimize potential claims.
- The project sponsor is meanwhile pursuing language in the FY 2011 Appropriations Act that would allow them to count the West Oahu Farrington segment as local match toward the rest of the project. The sponsor is under the

impression that this language would allow them to proceed with construction of that segment as a “local project” and use it as match for the FTA-funded project. FTA has reviewed the language and told Kate Hallahan that this language would not achieve the project sponsor’s objective.

c. Procurement Issues

- This summer, a Procurement Systems Review was completed for the City and County of Honolulu. The review concluded that required Federal clauses were not included in a \$49 million contract for project management support to InfraConsult LLC. There were several other findings related to lack of supporting documentation. TCC is reviewing the issue to decide how to proceed. In the meantime, the City/County is submitting additional information that they believe would address some of FTA’s concerns.