
From: Ossi, Joseph (TPE)
To: Borinsky, Susan (TPE); Libberton, Sean (TPE); Sahaj, Lynn (TPE)
Sent: 4/7/2004 6:00:15 AM
Subject: FW: Honolulu's Front Office Issues
Attachments: WRR-4-2-04.DOC

You and the front office should be aware:

Ray says that Leslie plans to recommend denial of any grant for the Honolulu IOS. Honolulu has violated FTA procedures by proceeding with construction of the project without it being in the Hawaii STIP and without an FTA final design approval. Honolulu says that they intend to segment the IOS into a federal project and a nonfederal project and only the nonfederal project is underway, but this plan will invalidate the ROD that FTA signed which covers the entire IOS as the federal project. They have both 5309 New Starts and Bus earmarks, which will lapse beginning this 9/30/04.

Furthermore, our motion for summary judgment in the ongoing NEPA litigation of this project is expected to be denied. It is highly unusual for FTA to lose NEPA cases like this one. I haven't studied the case data, but my impression is that FHWA is getting better and we are getting worse - we may soon rival the Forest Service as the agency that loses the largest percentage of its NEPA cases.

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-----Original Message-----

From: Sukys, Ray (TRO-09)
Sent: Thursday, April 01, 2004 7:47 PM
To: Libberton, Sean (TPE); Ossi, Joseph (TPE)
Subject: Honolulu issues
Importance: High

Hi, I think it may be a good idea to have a call on Friday. I will be in 11am est and through the day. Essentially, we let DTS know that we thought it would be very unlikely that we would approve the award of funds to the IOS project. Also, we told OMPO and its policy council that we would not consider a future RTP to be financially constrained without a funding source. Leslie said he wanted to change the paradigm and without hesitation we set forth to do that. I would like to talk to you about it so we are all riding in the same direction. Thanks, Ray

Meetings in Hawaii With Federal, State & Local Representatives

On March 22-25, the Regional Administrator joined Ray Sukys and Donna Turchie of the Office of Planning and Program Development at a series of meetings in Hawaii with Federal, State and local officials to review and discuss transportation related issues. Along with colleagues from FHWA's Hawaii Division Office, FTA staff conducted the annual Intermodal Planning Group meeting with staff of the Oahu Metropolitan Planning Organization (OMPO) to review OMPO's Overall Work Program and status of OMPO's efforts to address the five recommendations included in the Planning Certification Review conducted in March 2003. The recommendations were in the areas of: financial constraint; the project prioritization process; congestion management systems; public involvement; and OMPO's participation in the Transportation Planning Capacity Building Program. Unquestionably, the issue of fiscal constraint generated the most attention and controversy. At the IPG meeting and later in the day before OMPO's Policy Committee (PC), comprised of local elected officials, the FTA/FHWA team outlined our position that OMPO's inclusion of a major capital investment project in its upcoming Regional Transportation Plan would have to identify "reasonably available" funding

sources beyond those identified in previous Plans. FTA cited Honolulu's two past failed experiences to advance a New Starts project for lack of required local share as the basis for this position. This position was not warmly embraced by the PC members, although they did not challenge FTA's position. The Honolulu Advertiser endorsed the FTA position in a March 27th editorial urging local officials to muster the courage to enact a dedicated funding source to support the local share requirements for a New Starts project.

The FTA team also held a meeting with staff of the Honolulu Department of Transportation Services (DTS) that focused largely on the Initial Operating Segment (IOS) of DTS' "In-Town" Bus Rapid Transit Project, which is also the subject of litigation brought against the City and FTA by Sensible Traffic Alternatives and Resources (STAR). As defined in the Record of Decision (ROD) issued in October 2003, the IOS was a \$54 million project that included Bus Discretionary funding along with about \$14 million in New Starts earmarks. Under a Honolulu City Council 2003 appropriation, DTS' was required to have the \$31 million allocated for the project under contract by December 31, 2003, to avoid lapsing. Although the IOS project is an exempt project for New Starts purposes and includes significant local overmatch, Region IX had expressly cautioned DTS that New Starts funding would be approved only after DTS received authorization to enter Final Design and the project was included in a new Transportation Improvement Plan (TIP), since the TIP in force at the time of the ROD had expired. With these issues still outstanding, DTS decided to proceed with the IOS, electing to "chop up" the project at will and advancing pieces of the project that would not be a part of a Section 5309 grant award using an 80/20 ratio. Region IX expressed our dismay to DTS and indicated that, absent some new facts, we believe DTS actions were impermissible and likely rendered FTA unable to approve the available New Starts earmarks.

During our time in the State, by a 5-4 vote, the Honolulu City Council passed a non-binding resolution requesting that DTS suspend construction on controversial improvements under way along Kuhio Avenue in Waikiki, particularly while the STAR litigation continues. In a press statement, Mayor Jeremy Harris said DTS would ignore the resolution and DTS Director Cheryl Soon later said that the administration plans to submit to the Council shortly the application for \$14 million in federal funds that will be used to widen Ala Moana and Kalia Road, although these funds likely cannot be approved by FTA for the reasons cited above. The City Council's vote came on the same day that Hawaii Teamsters and Allied Workers, the union that represents drivers and other employees of TheBus, protested the BRT-related construction on Kuhio Avenue contending the project will result in narrower lanes, a condition the union considers dangerous.

The FTA team also met with representatives of the Office of Naval Research (ONR), the Hawaii Department of Transportation (HDOT) and the National Park Service, who are collaborating on a ferry project at the USS Arizona Memorial at Pearl Harbor to utilize funding made available annually under TEA-21 for ferry projects in Hawaii and Alaska. Section 319 of the 2003 Transportation Appropriations Act included a provision directing the use of said ferry funding "... to acquire passenger ferry boats and to provide passenger ferry transportation services within areas of the State of Hawaii under control or use by the National Park Service." The schedule also included a very moving tour of the USS Arizona Memorial and concluded with a courtesy meeting with Admiral Barry McCullough, Director of the Naval Services Group, Mid-Pacific, where the ferry project was discussed. On the following day, FTA staff joined HDOT staff and representatives of the Department of Land and Natural Resources on a site visit to the ferry docking facility on the Island of Lanai to review the proposed facility improvements and potential environmental impacts.

-----Original Message-----

From: Alesna, Ellen (TRO-09)

Sent: Thursday, April 01, 2004 4:27 PM

To: Newsham, Faye (TAD); FTANet Webmaster

Cc: Alesna, Ellen (TRO-09); Rogers, Leslie (TRO-09); Everyone in TRO9

Subject: REGION IX WEEKLY REGIONAL REPORT 4-2-04

Importance: High

AR00151836

Attached is Region IX's weekly regional report for the week ending April 2, 2004, for posting to the Intranet Website.

Thank you for helping us out.